

UTS Procurement Policy

Abstract

UTS applies the principles of value for money, open and effective competition, probity and ethical behaviour, risk management, responsible financial management and corporate social responsibility across all procurement activities so as to achieve best value for money for capital projects and the acquisition of goods and services required to support the business of the University.

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Approved by	Council Meeting 14/1 (19/02/2014) Resolution COU/14-1/11.2	
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Implementation Officer	Chief Financial Officer	
Relevant to	All UTS staff and affiliates	
Related documents	Code of Conduct Enterprise Agreement Fraud and Corruption Prevention and Public Interest Disclosures Policy and Guidelines Procurement exemption forms (requires staff login) Records Management Vice-Chancellor's Directive Standing Delegations of Authority UTS Code of Practice for Procurement (PDF) UTS Corporate Credit Card and Staff Reimbursement Vice-Chancellor's Directive UTS Finance Procedures Manual (PDF) UTS Gifts and Benefits Directive UTS Risk Management Policy	

Legislation	Autonomous Sanctions Act 2011 (Cwlth) Corporations Act 2001 (Cwlth) Customs Act 1901 (Cwlth) Government Information (Public Access) Act 2009 (NSW) Public Finance and Audit Act 1983 (NSW) State Records Act 1998 (NSW)
File number	UR05/365
Superseded documents	UTS Procurement Policy Clauses 4.1 to 4.4 of the Finance Procedures Manual – Procurement and Payments Procedures
Review notes	The Finance Procedures Manual to be updated following any review and approval of this Policy.

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1. Purpose

The purpose of this Procurement Policy and its associated Procedures is to provide an approved practice for UTS staff to acquire goods and services while also ensuring compliance with applicable legislative requirements.

This Policy applies to the whole process of procurement, including the invitation and evaluation of quotations or tenders leading to the awarding of contracts (or deeds) for capital works and the supply of goods and/or services, where available funds exist within an approved budget or source of funds.

It establishes:

- principles to govern University procurement activity that meet the accountability requirements appropriate for entities that receive public funding and are accountable to public regulatory bodies, and
- a framework to manage the procurement of all goods and services including capital works, so as to ensure that all University procurement activity is conducted

in accordance with this Policy's principles and with the requirements of relevant legislation, particularly the Public Finance and Audit Act 1983 (NSW).

2. Scope

2.1 Inclusions

This Policy applies to:

- all goods and services procured for or on behalf of the University, or using UTS funds
- all UTS staff and affiliates
- any external person(s) engaged by UTS who are involved in purchasing and/or procurement activity
- all funding types.

Where practical, internal UTS functions (eg ITD, MCU, Printing Services) should be used in preference to external suppliers.

2.2 Exclusions

2.2.1 Controlled Entities

Controlled Entities of the University, being separate legal entities with separate governance structures, are exempt from the statements outlined in this Policy. Controlled Entities are expected to adopt the procurement principles (outlined in section 4 of this Policy) in a procurement policy of their own.

3. Definitions

The following definitions apply for this Policy:

Affiliate includes honorary appointees, emeritus professors, contractors, volunteers, agency staff, members of University/faculty committees (excluding UTS Council and committees of Council), and any other person appointed or engaged by UTS to perform work at UTS.

Conflict of Interest means a situation in which a member or affiliate has a duty (perceived or actual) to more than one person or organisation which may affect decision-making. UTS staff and affiliates have a responsibility to act in the best interests of the University and the public in performing their duties.

A **consultant** means a person or organisation engaged under contract, on a temporary basis, to provide recommendations and/or high-level specialist or professional advice to assist decision-making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

A **contract** is a binding agreement used to engage a successful tenderer for the supply of goods or to perform a service.

Controlled Entity is one that satisfies the test of control in [section 50AA](#) of the [Corporations Act 2001 \(Cwlth\)](#) and includes:

- a. an entity which the University wholly owns ("wholly owned subsidiary"), or
- b. an entity in which the University holds an interest of any kind (including a shareholding interest or membership interest) and the University has control of the entity.

External Funder means a third party such as ARC, NHMRC, MRCF or other funding body that provides funding to UTS in order to undertake a particular activity.

Flow-on work refers to a new piece of work that is directly related to an initial engagement, but which was not reasonably anticipated at the time of seeking initial quotes/tenders and therefore not included in the initial scope of work.

In-scope refers to the specific list/scope of goods and services covered by a UTS Preferred Supplier agreement.

Negotiation panel means a group of authorised UTS staff responsible for undertaking negotiations with a supplier.

Non-staff member means any person who is not paid a salary via the UTS Payroll.

Open Tender means a competitive bidding process made available to the general public for the purposes of selecting a supplier(s) to provide goods and/or services to the University. Such selection is based upon an assessment of 'value for money'.

A **preferred supplier agreement** means an agreement that has been executed with a supplier, following a selection process, which offers the University best value for money in a particular category of goods or services, in a number of individual purchase transactions, over a period of time. These agreements are not a commitment for expenditure.

Probity advisor means the individual responsible for actively providing advice on probity issues that may arise, together with advice on strategies to overcome potential issues.

Procurement method means the method of acquiring a good or service as described in 5.3.1 of this Policy.

Project Control Group (PCG) means a committee set up to monitor and guide a major University project, for example, relating to construction or other significant change to University infrastructure. The committee is responsible for the successful delivery of the project within cost and time limitation.

A **project team or working group** has at least three members; established to release tenders, evaluate responses and recommend supplier(s) leading to the award of a contract.

A **quotation** is an offer, either written or verbal, made in response to a selective invitation to supply specified goods or to perform a service.

Standard Operating Procedure (SOP) means the step-by-step instructions that staff must follow when undertaking a Procurement Method, and as referred in 5.3.2, in order to comply with this Policy.

Standing Offer Agreement is an offer from a supplier to supply goods and/or services at pre-arranged prices and under the terms and conditions stated in the Standing Offer Agreement.

Supplier Panel means a group of suppliers who are contracted to supply goods and/or services to UTS as a result of a tender process.

A **tender** means an offer made in writing in response to an invitation to supply specified goods or to perform a service as set out in the relevant tender documentation.

UTS preferred supplier means a provider with which the Strategic Procurement Office has established a contract, generally following a rigorous public tendering process, that is compliant with this Policy and its associated Standard Operating Procedures.

Value of procurement activity means the value of a supply arrangement over its entire term (including all contract extension options and any potential flow-on work). Where a supply agreement will not provide a commitment to expend funds (for example, a Standing Offer Agreement), the expected expenditure level under the agreement should be used. For lower value goods/services, where an agreement is not required, it means the value of a one-off purchase order or the cumulative value of purchases through a supplier over a 12-month period. Where the exact value is not known prior to undertaking the procurement activity, staff must use their best estimate of needs for the anticipated term of the procurement.

4. Policy principles

The key principles stated below govern all procurement activities.

Principle 1 — Value for money

‘Value for money’ is determined by evaluating all proposals for a particular procurement activity against the applicable evaluation criteria and assessing all relevant risks, costs and benefits on a whole of life basis. A decision on price alone may not represent best value for money.

Principle 2 — Open and effective competition

The principle of open and effective competition will be used to achieve efficiency, innovation and choice and to provide transparency and probity to the University procurement process. Staff members involved in procurement should ensure their knowledge of the market is sound and up-to-date and that potential suppliers have fair opportunity to bid for UTS business.

Principle 3 — Corporate social and environmental responsibility

The consumption of goods, procurement of services and the companies that provide these goods and services can have a significant impact on the University’s economic feasibility, environmental footprint, social responsibility, reputation and progress towards sustainable development. When applied to procurement, the principle of Corporate Social and Environmental Responsibility involves the ethical consideration of economic, social and environmental impacts in the acquisition of goods and services.

The procurement evaluation process should consider, where relevant:

- climate change impacts
- energy and resource usage
- associated greenhouse gas emissions (including transport)
- water usage
- waste generation and recyclability
- emissions of toxic materials and substances
- biodiversity
- land use
- social responsibility

- economic viability
- innovation
- health and safety

Principle 4 — Probity and ethical behaviour

The principle of probity and ethical behaviour governs the conduct of all procurement activities. All University officers who have the authority to procure goods and services and all staff and affiliates involved in a procurement activity must comply with the following standards of integrity, probity, professional conduct, and ethical behaviour:

- Deal fairly, impartially and consistently with all suppliers and avoid engaging in behaviour and/or activity that could be perceived by a third party as unjust, biased or inequitable, which may or may not result in an unfair advantage.
- Keep confidential all sensitive information obtained during the procurement process.
- Declare any potential conflict of interest prior to the commencement of a procurement activity, or as soon as possible should a conflict of interest arise during a procurement activity. Abstain from any procurement activity where it has been deemed that an actual, perceived or potential conflict of interest exists (section 4.4 of the [UTS Code of Conduct](#)).
- Ensure that the entire procurement process is documented in such a way as to demonstrate that decisions were made in accordance with these procurement principles.

Principle 5 — Risk management

The risks associated with procurement activity are to be managed in accordance with the University's risk standards. A risk assessment should be undertaken and appropriate risk mitigation strategies developed and implemented. Refer to the [Risk Management Policy](#).

Principle 6 — Responsible financial management

The principle of responsible financial management must be applied to all procurement activities by all staff and affiliates. To give effect to this principle:

- the availability of existing funds within an approved budget, or source of funds, must be established prior to the commencement of any procurement action
- approval from the appropriate delegated authority must be obtained prior to commitment of funds (see the [Standing Delegations of Authority](#)). Such approval is to be obtained via an official UTS Purchase Order using the Oracle Finance system, except where a credit card is used in accordance with the [Corporate Credit Card and Staff Reimbursement Directive](#).
- staff and the University must not authorise the expenditure of funds in excess of their delegations, and
- appropriate forward planning must be carried out to ensure University funds are used efficiently and effectively to procure goods and services.

Principle 7 — Recordkeeping

Comprehensive records must be maintained for all procurement activities and approvals, in accordance with the [State Records Act 1998 \(NSW\)](#) and the UTS [Records Management Vice Chancellor Directive](#). Procurement-related documents may be examined by internal and external audit staff, the Independent

Commission Against Corruption (ICAC), police and any member of the public under the [Government Information \(Public Access\) Act 2009 \(NSW\)](#).

5. Policy statements

5.1 Procurement forecasting

In order to achieve value for money, procurement activity is to be well-planned and conducted in accordance with this Policy and comply with any legal and regulatory requirements.

The Strategic Procurement team of the Financial Services Unit (FSU) will work with each business unit/faculty to develop an annual Procurement Activity Forecast of substantial value or perceived high-risk procurements once budgets are finalised. The annual Procurement Activity Forecast should take into consideration when the contract/supply will commence to ensure sufficient lead time to implement the steps described in the relevant Standard Operating Procedure (section 5.3.2), including approvals. The [annual forecast template](#) (.xlsx) is available on the [Strategic Procurement website](#).

The Strategic Procurement team must be consulted at the planning stage for procurement over \$1 million, high-risk procurement or any procurement that will result in a University-wide preferred supplier agreement.

5.2 UTS preferred suppliers

UTS preferred suppliers are providers with whom the Strategic Procurement team has established contracts subsequent to a rigorous public tendering process, compliant with this Policy and its associated Standard Operating Procedures. The tender proposals that represent the best quality and range of products/services, level of customer service and delivery, and potential cost savings are selected to become UTS preferred suppliers.

UTS preferred suppliers must be used where they exist. Staff should refer to the UTS Buying Guide's [List of UTS Preferred Suppliers](#) (requires staff login) in the first instance when sourcing products or services.

In situations where the University's preferred suppliers are unable to meet the needs of staff, alternative suppliers may be used if prior exemption approval has been obtained (see section 5.3.6). Strategic Procurement should be consulted prior to buying in-scope goods or services from a non-preferred supplier. Only suppliers listed on the UTS Buying Guide's List of UTS Preferred Suppliers are considered UTS preferred suppliers.

The normal requirement to obtain quotations or to undertake a tender (section 5.3) will not apply to purchases from a UTS preferred supplier agreement, except in accordance with the contract where more than one UTS preferred supplier exists for a particular category (for example, a panel arrangement).

Where several UTS Preferred Suppliers exist for a single category of goods/services, these may be listed on the UTS Buying Guide as a 'Supplier Panel'. In such cases, staff must ensure to engage one of the suppliers from the Panel in accordance with the accompanying Panel procedure ('Panel SOP').

5.3 Quotation and tender requirements

Where no existing UTS preferred supplier exists (and no exemption under section 5.3.6 applies), staff must apply the following procurement methods using the applicable Standard Operating Procedures (see section 5.3.2).

5.3.1 Procurement values and minimum methods

The value of the procurement activity dictates the minimum procurement method required. These procurement methods are managed by the Strategic Procurement Office in FSU. This section is in line with the provisions outlined in the [Standing Delegations of Authority](#).

Value of procurement activity ¹ (ex GST)	Minimum procurement method	
	Quote or tender process	Method
When using a UTS Preferred Supplier that is listed on the UTS Buying Guide	No quotes or tenders are required, except where a Supplier Panel exists and the Supplier Panel SOP stipulates otherwise.	
\$0–\$2,000	No quote required	N/A
\$2,001–\$10,000	Minimum of one written quote	Quotes sought informally by phone or email
\$10,001–\$50,000	Minimum of two written quotes	Quotes sought informally by phone or email
\$50,001–\$100,000	Minimum of three written quotes	Quotes sought formally via a Formal Quote Process (see section 5.3.2)
\$100,001–\$250,000	Simple Tender Process	Minimum of five suppliers invited Evaluation team required Dean and Chief Financial Officer endorse the Procurement Plan and Recommendation (see section 5.3.2)
\$250,001+	Full Tender Process	Publicly advertised tender Project team required from planning to award Procurement Steering Committee or relevant Program Control Group endorses the Procurement Plan and Recommendation (see section 5.3.2)
For Supplier Panel arrangements of three or more suppliers	Full Tender Process	Publicly advertised tender Project team required from planning to award Procurement Steering Committee or relevant Program Control Group endorses the Procurement Plan and Recommendation (see section 5.3.2)

¹ As per the definition (section 3), the value of procurement activity means the value of a supply arrangement over its entire term, including all contract extension options and any potential flow-on work.

Where a supply agreement will not provide a commitment to expend funds (for example, in a Standing Offer Agreement), the expected expenditure level under the agreement should be used. For lower value goods/services, where an agreement is not required, it means the value of a one-off purchase order or the cumulative value of purchases through a supplier over a 12-month period. Where the exact value is not known prior to undertaking the procurement activity, staff must use their best estimate of needs for the anticipated term of the procurement.

5.3.2 Standard Operating Procedures (SOP) for procurement processes

As UTS is accountable for the expenditure of public funds, it is particularly important that the selection and appointment of suppliers has been conducted in a professional and transparent manner. Through the introduction of Standard Operating Procedures (SOPs), UTS aims to ensure consistency and transparency in the selection of suppliers to a standard verifiable by external third party audit, if required. In undertaking tenders and formal quotes, staff must adhere to the following SOPs to comply with this Policy.

Procurement category	Value	Standard Operating Procedure (all links require staff login)
Formal Quote Process	\$50,001– \$100,000	Undertaking a Formal Request for Quotation (RFQ) Process outlines the steps for undertaking a formal RFQ.
Simple Tender Process	\$100,001– \$250,000	Undertaking a Simple Request for Tender (RFT) outlines the steps for undertaking a simple RFT.
Full Tender Process	\$250,001+	Undertaking a Full Request for Tender (RFT) outlines the steps for undertaking a full RFT.
When setting up a Supplier Panel	All values	Undertaking a Full Request for Tender (RFT) outlines the steps for undertaking a full RFT.
Major equipment purchases	all values	UTS Guides and Templates for Major Equipment Purchases outlines the steps for purchasing major equipment.
Extending, renewing or terminating a supplier contract	N/A	Adhere to part 6 of the Full RFT Guide (PDF) when planning to extend, renew or terminate a supplier contract.
Purchasing from an existing UTS Preferred Supplier 'Panel' arrangement	N/A	Staff are required to adhere to the relevant 'Panel SOP' which provides guidance on the particular panel's operation and utilisation (see UTS Buying Guide).

Additional SOPs may be introduced from time to time to accommodate the requirements of specific procurement categories. The [UTS Procurement website](#) (requires staff login) will be maintained with an up-to-date list of all procurement-related SOPs, procedural guides, templates and forms relevant to this Policy.

5.3.3 Appointing a probity advisor for a tender

In order to minimise any undue risk for the University (including reputational) for high risk procurement activities (that is, particularly sensitive or over \$5 million in value), the appointment of an external probity advisor is recommended.

Contact details for approved probity advisors can be obtained from the Strategic Procurement Office.

The probity advisor's role involves monitoring and/or managing any conflicts of interest, ensuring compliance with processes and procedures, checking completeness of documentation and records of minutes and providing a final probity clearance report.

5.3.4 Splitting the value of procurement activity

Staff must not divide the value of procurement activity into separate transactions for the purpose of bringing it below:

- the threshold value at which additional quotes are required
- the threshold value at which a formal quote or tender is required
- the threshold at which a financial delegation limit applies

Commercial reasons may exist for splitting the value of procurement activity between two or more suppliers or by placing more than one order with the same supplier. In such circumstances, the whole requirement must be approved by the appropriate UTS delegated authority (see [Standing Delegations of Authority](#)) for the total value involved.

5.3.5 Use of non-staff members in a tender process

On occasion it may be necessary to engage the services of a consultant or other external person to provide subject matter advice or other specialist advice/expertise for a category of goods/service that UTS plans to take to tender. Such services are generally sourced only where the specific expertise is not available within the University. Subject matter or other expertise provided by external persons can include general advice and recommendations for specification development and assistance during tender evaluation.

Where there is a special need to involve a non-employee in a UTS tender process the following requirements must be met:

- i. Under no circumstances may the individual act in the capacity of project leader (officially or unofficially) for the tender process, as outlined in the SOPs. They must not be charged with developing any tender documentation other than to provide advice and/or input into specifications for a tender managed by a UTS staff member. Non-employees must not communicate with potential respondents (suppliers) on behalf of the University, except where they are invited by the Project Leader to participate as a member on a negotiation panel.
- ii. Before any involvement in a UTS tender process, the non-employee must sign a UTS Agreement specifically adapted by UTS Legal to clearly outline their obligations in relation to their involvement in a UTS tender process, including the need to:
 - abide by all UTS policies and procedures including the processes and requirements listed in the relevant [Standard Operating Procedures](#) (requires staff login).
 - ensure strict probity in all matters and comply with the [UTS Code of Conduct](#) and the [Code of Practice For Procurement](#) (PDF)
 - sign a [UTS Conflict of Interest and Confidentiality Declaration](#) (.docx) prior to any involvement in a tender process.
- iii. Although the external person may perform specific analysis on behalf of the project team during the evaluation stage, it is essential that each team member

score proposals based on their own judgment and not be unduly influenced by the opinion of the external person and/or other members of the project team. Project team members should critically review any work performed by the consultant, especially during the evaluation phase.

- iv. Non-staff members involved in assisting UTS during a tender process must not be given voting rights unless there are at least five UTS employees on the evaluation panel for each non-staff member.
- v. Non-staff members must not be provided with any decision powers/rights to award or appoint suppliers on behalf of UTS.

The UTS employee responsible for engaging the services of a non-staff member for assistance during a tender process is also responsible for ensuring the above obligations are met and applicable records are kept on the official University records.

The Chief Financial Officer may approve exemptions to this clause (5.3.6) on a case-by-case basis. Such approval will be provided in writing.

5.3.6 Exemptions

There may be circumstances where an exemption to the procurement methods described in section 5.3.1 is required. Such exemptions can be obtained via approval of the relevant exemption form listed in Appendix 1. These are in line with the [Standing Delegations of Authority](#).

Procurement policy exemption forms can be found on the [UTS Procurement website](#) (requires staff login).

When applying for an exemption, the UTS staff member responsible for the procurement activity must ensure that there is adequate documentary evidence and credible advice to support the basis for the exemption application request.

5.3.7 External Funder Instructed Procurement

An External Funder may require UTS to procure particular goods/services of an external funder's own choosing. Where UTS has entered into an agreement with an External Funder which specifies the procurement of particular goods and/or services, the procurement methods described in section 5.3.1 of this Policy only apply for the purpose of selecting a suitable supplier of those goods and/or services.

5.4 Managing flow-on work

A supplier's engagement may result in the need for further related flow-on work.

Flow-on work refers to a new piece of work that is directly related to an initial engagement, but which was not reasonably anticipated at the time of seeking initial quotes/tenders and therefore not included in the initial scope of work.

Staff must use best endeavours to anticipate the potential for flow-on work prior to seeking initial quotes/tenders.

Where genuine flow-on work is required after an initial engagement, the total value of further engagements is not to exceed the lesser of:

- 50 per cent of the total cost of the initial engagement
- \$50,000 excluding GST.

In situations where this limit is exceeded and sufficient justification exists to retain the initial supplier for further flow-on work, authorisation for direct negotiation should be sought via a [Procurement exemption form](#) (requires staff login).

Where there is insufficient justification to retain the initial supplier for flow-on work, normal procurement methods outlined in this Policy apply (see section 5.3.1).

5.5 Procurement governance

5.5.1 Complaints handling

All complaints regarding procurement practices across UTS should be submitted in writing to the Chief Financial Officer.

All complaints will be investigated and the complainant will be provided with a response.

5.5.2 Breaches of this Policy

The Chief Financial Officer (CFO) or nominee will be informed of all suspected breaches of this Policy. The CFO or nominee is responsible for initiating action to investigate suspected breaches and will liaise with appropriate officers of the University to ensure that breaches are dealt with and appropriate corrective action taken.

All suspected breaches of this Policy should, in the first instance, be reported to the relevant supervisor, Dean or Director, who will forward the information to the CFO. The CFO will report suspected breaches that may involve corrupt conduct, maladministration or serious or substantial waste to the Deputy Vice-Chancellor (Corporate Services).

All reports received will be treated in accordance with UTS [Fraud and Corruption Prevention and Public Interest Disclosures Policy and Guidelines](#), relevant laws, including those relevant to confidentiality and privacy.

Breaches of this Policy will be dealt with in accordance with the relevant [Enterprise Agreement](#), the [Code of Conduct](#), and relevant laws.

5.5.3 Chief Financial Officer (CFO) review

Any procurement that is likely to result in the award of a supply contract or purchasing arrangement with a value of procurement activity that exceeds \$100,000 (ex GST) must first be reviewed by the CFO.

As a minimum, the CFO must approve the relevant [Procurement Plan document](#) (refer SOP template) prior to release of any tender, and the [Recommendation document](#) (refer SOP template) prior to awarding any contract. Approval by the CFO precedes any approvals required by the responsible member of the Senior Executive, Finance Committee or UTS Council.

6. Roles and responsibilities

The roles and responsibilities outlined below are consistent with the [Standing Delegations of Authority](#).

Accountable Officer: Deputy Vice-Chancellor (Resources) is responsible for enforcing policy compliance and initiating the review process.

Implementation Officer: Chief Financial Officer (CFO) has overall responsibility for the implementation and management of this Policy, accountability for the procurement

of goods and services required to support the business of the University, for establishing and maintaining the official file, and therefore is responsible for enforcing the Procurement Policy.

The CFO will develop an annual report of procurement at UTS over the previous 12 months, which will also assess the appropriateness of exemptions to the normally prescribed processes. It may contain any recommendations the CFO deems fit concerning amendments to this Policy, for approval via the normal governance processes. The Audit and Risk Committee will consider this report and make recommendations, as appropriate, to the Council or Vice-Chancellor.

Other positions and committees

Deputy Vice-Chancellor (Corporate Services) is responsible for managing suspected breaches involving corrupt conduct, maladministration or serious or substantial waste, as referred by the Chief Financial Officer under section 5.5.2 of this Policy.

Deputy Vice-Chancellor (Resources) is responsible for the approval of all Standard Operating Procedures under section 5.3.2 of this Policy. Standard Operating Procedures which are primarily executed within specific areas of the University also require prior approval by the relevant Deans or Directors.

Staff and affiliates are required to comply with this Policy and any other documents or procedures to which this Policy refers.

Supervisors, Deans, Directors, the University Secretary, University Librarian and members of the Senior Executive have a responsibility to, where possible:

- ensure staff within their areas of responsibility are aware of appropriate procurement practices
- act in the best interests of UTS in relation to any procurement that they recommend or authorise
- model in their own conduct the principles of this Policy
- allocate resources to support the requirements of this Policy
- receive and act upon reports of actual or potential conflicts of interest
- critically review procurement processes and documentation and provide considered opinion and approval when appropriate
- ensure official records of procurement activity leading up to the awarding of a contract or purchase, including any SOP tender documentation and approvals, is placed on an official TRIM file. This includes the generation of records to support decisions, documentation of the evidence and advice relied upon to support all stages of the procurement process.

Project teams are responsible for completing all phases of a tender project, including research, stakeholder engagement, strategy development, approaching the market, evaluations, negotiations, contract development and implementation.

Procurement Steering Committee (PSC) is responsible for approving all Procurement Plan documents (as outlined in the Standard Operating Procedures) and Recommendation documents (see section 5.3.2) for any UTS tender with a value of procurement activity exceeding \$250,000. This Committee also ensures sourcing activity is consistent with this Policy and its associated Standard Operating Procedures. See Appendix 3 for composition of PSC membership.

Project Control Group (PCG) may act in the capacity of the Procurement Steering Committee (PSC) on occasions where they are given written permission by the PSC to do so. Such permission will be noted on the PSC minutes and formally advised by the CFO. When acting in the place of the PSC, the PCG will ensure they undertake the responsibilities described in the PSC terms of reference.

Strategic Procurement Office, Financial Services Unit is the office responsible for providing advice, guidance and support on planning, initiation and implementation of sourcing activities covered under the procurement methods in section 5.3.1 and the development, management and enforcement of the Standard Operating Procedures.

7. Version control and change history

Effective Date	Version	Approved by, resolution no. (approval date)	Amendment
23/11/2011	1	Council COU/11-7/112 (23/11/2011)	Rescission of existing UTS Procurement Policy and Directives and creation of a new Procurement Policy.
19/02/2014	2	Council COU/14-1/11.2 (19/02/2014)	Review of policy statements and roles following the establishment of the Strategic Procurement unit within FSU and the development of a new sourcing framework to better support procurement practices, as well as more detailed guidance to delivery of value for money outcomes with active risk management and robust probity measures.
14/12/2015	2.1	Council, COU/15-6/124 (25/11/15)	Policy amended in light of feedback from the Internal Audit Report on procurement which took place in August 2014. G4 changes and Registrar changes also applied.

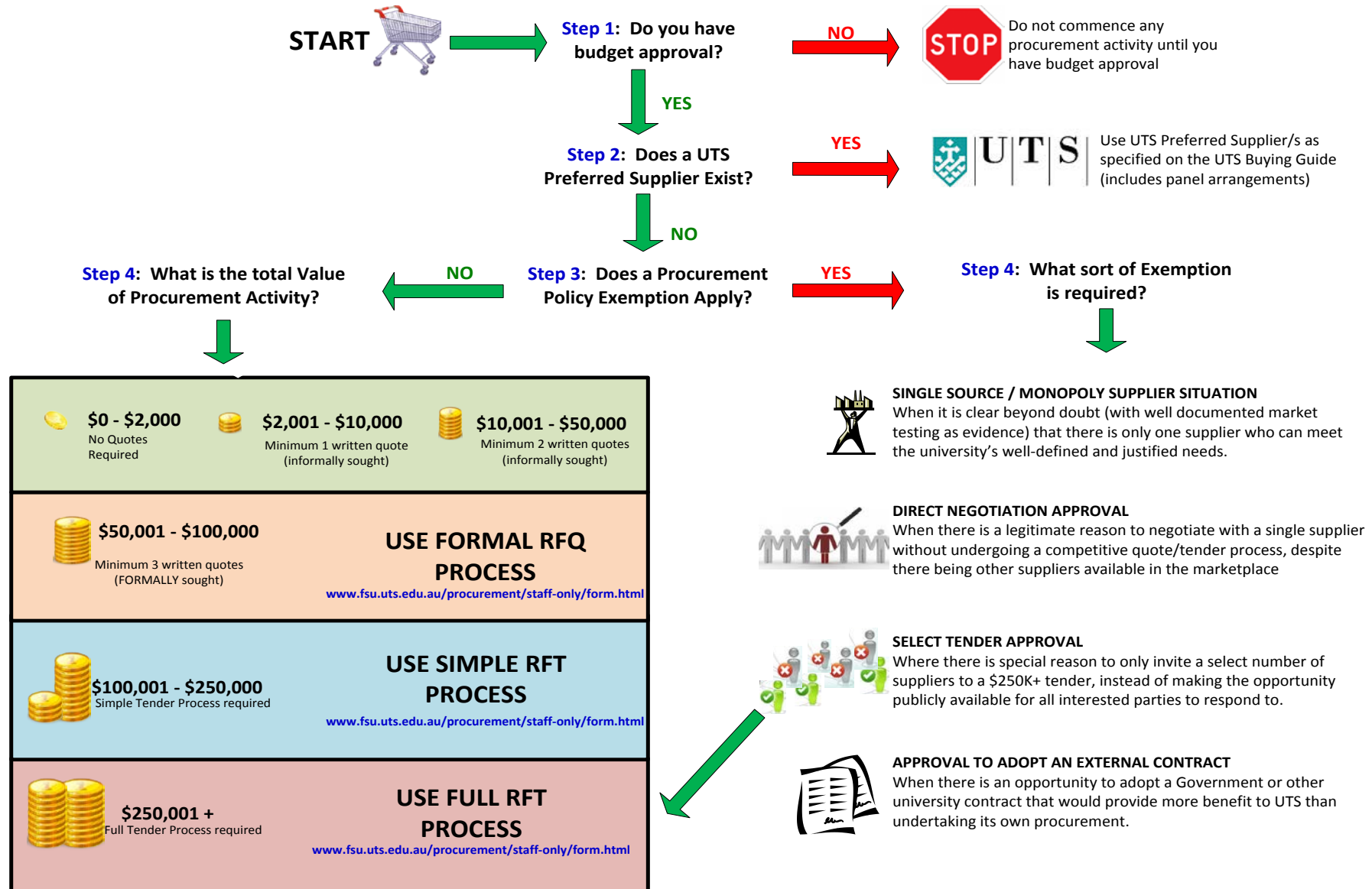
Appendix 1. Exemptions

Exemption form	When to use	Example	Approval required according to value of procurement activity																								
Single Source Supplier Approval (.docx)	Use this form when it is clear beyond doubt (and with well documented recent market testing to back up this conclusion) that there is only one supplier or buyer who can meet the University's well-defined and justified needs.	<ul style="list-style-type: none">An important industry event is being held at the Sydney Entertainment Centre and tickets are only available through Ticketmaster.Unique items such as works of art.	Goods and Services: (All figures are GST exclusive) <table><tr><td>\$0 to \$10,000</td><td>No exemption approval required</td></tr><tr><td>\$10,001 to \$50,000</td><td>Dean/Director</td></tr><tr><td>\$50,001 to \$100,000</td><td>CFO</td></tr><tr><td>\$100,001 to \$300,000</td><td>CFO & DVC (Resources)</td></tr><tr><td>\$300,001 to \$750,000</td><td>CFO & Vice-Chancellor</td></tr><tr><td>\$750,001+</td><td>CFO & Finance Committee</td></tr></table> Capital Works: (All figures are GST exclusive) <table><tr><td>\$0 to \$10,000</td><td>No exemption approval required</td></tr><tr><td>\$10,001 to \$50,000</td><td>Dean/Director</td></tr><tr><td>\$50,001 to \$100,000</td><td>CFO</td></tr><tr><td>\$100,001 to \$1,000,000</td><td>CFO & DVC (Resources)</td></tr><tr><td>\$1,000,001 to \$2,000,000</td><td>CFO & Vice-Chancellor</td></tr><tr><td>\$2,000,001+</td><td>CFO & Finance Committee</td></tr></table>	\$0 to \$10,000	No exemption approval required	\$10,001 to \$50,000	Dean/Director	\$50,001 to \$100,000	CFO	\$100,001 to \$300,000	CFO & DVC (Resources)	\$300,001 to \$750,000	CFO & Vice-Chancellor	\$750,001+	CFO & Finance Committee	\$0 to \$10,000	No exemption approval required	\$10,001 to \$50,000	Dean/Director	\$50,001 to \$100,000	CFO	\$100,001 to \$1,000,000	CFO & DVC (Resources)	\$1,000,001 to \$2,000,000	CFO & Vice-Chancellor	\$2,000,001+	CFO & Finance Committee
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\$1,000,001 to \$2,000,000	CFO & Vice-Chancellor																										
\$2,000,001+	CFO & Finance Committee																										
Direct Negotiation Approval (.docx)	This form should be used when there is a legitimate reason to negotiate with a single supplier without undergoing a competitive quote/tender process, despite there being other interested and capable suppliers available in the marketplace.	<ul style="list-style-type: none">When a quote/tender process has not produced a good enough offer and a better option in the circumstances (rather than carry out another competitive process) is to negotiate with the party who made the best offer or any party who expressed serious interest if no best offer was made.																									
Approval to Adopt an External Contract (.docx, requires staff login)	UTS may use government or other university contracts without the need to undertake the procurement methods described in s5.3. Use this form when you wish to adopt one of the following types of contract for use at UTS: <ul style="list-style-type: none">NSW or Commonwealth Government contractother Australian university contract, where the supplier is willing to enter into a similar contract with UTS and the procurement method used to appoint the supplier has been examined by the Strategic Procurement Office to ensure it meets requirements of UTS policies and proceduresUniversity Consortia contract (eg Council of Australian University Libraries (CAUL), the Council of Australian University directors of Information Technology (CAUDIT), the Higher Ed Services (HES), Australia's Academic and Research Network (AARNet)). University Consortia contracts must be examined by the Strategic Procurement Office to ensure they were undertaken in a manner that meets requirements of UTS policies and procedures.																										
Select Tender Approval (.docx)	When undertaking a Full Tender Process, the arrangement should be publicly tendered to ensure that all capable and interested suppliers are given fair opportunity to bid for UTS business. Where there is a special reason to only invite a select number of suppliers, exemption approval is required using this form.	<ul style="list-style-type: none">For niche markets, where there is only a small number of suppliers in the market who supply the required goods/services, and therefore the cost and time to publicly advertise the tender is unwarranted.	All values must be approved by the Vice-Chancellor.																								
Emergencies (no form required)	Where there is an emergency, such as a flood, and speed of the supply of goods or services is of paramount importance.	<ul style="list-style-type: none">A burst water pipe that needs to be fixed immediately to prevent injury, flooding, or water damage.	Verbal agreement with a relevant supervisor.																								

Exemption form	When to use	Example	Approval required according to value of procurement activity
Research Contractors nominated in grant applications (no exemption form required)	Where evidence of a research contractor's expertise is provided in a grant application via a curriculum vitae and brief rationale.		Head of School or Dean must review the grant application and agree to the suitability of the nominated research contractor.

See [Procurement exemption forms](#) (requires staff login) for exemption forms listed above.

Appendix 2. Basic flow-chart



Appendix 3. Procurement Steering Committee

Membership

- Deputy Vice-Chancellor (Resources)
- Chief Financial Officer
- Manager, Strategic Procurement
- Manager, Sustainability (as required)
- 3–4 faculty representatives
- 2 representatives from ITD
- 1 representative from Facilities Management Office
- 1 representative from Project Management Office

For terms of reference, see [Procurement Steering Committee — Terms of Reference](#) (.docx, requires staff login).