

Procurement Policy

1. Purpose

- 1.1 The Procurement Policy (the policy) and its [associated procedures](#) (PDF, staff only) outline the process for staff to acquire goods and services. It establishes:
- university procurement requirements and governance principles appropriate for entities in receipt of public funding, and
 - a framework to manage the procurement of all goods and services in line with legislative requirements, particularly the [Public Finance and Audit Act 1983 \(NSW\)](#).

2. Scope

- 2.1 This policy applies to all:
- goods and services (including capital works) procured for or on behalf of UTS, or using UTS funds
 - staff, affiliates and any other person involved in purchasing and/or procurement activity for or on behalf of UTS
 - funding types.
- 2.2 This policy does not apply to UTS controlled entities.

3. Principles

- 3.1 Where practical, internal UTS functions (eg Information Technology Division, Marketing and Communication Unit, Printing Services) should be used in preference to external suppliers.
- 3.2 Procurement processes should be transparent, ensuring open and effective competition.
- 3.3 Value for money for a procurement activity is determined by evaluating all relevant risks, costs and benefits on a whole of life basis. Price alone may not represent best value for money. Whole of life costs should consider the contract, service and support, and any ongoing maintenance.
- 3.4 UTS will act ethically and responsibly in the acquisition of goods and services, taking into consideration economic, social and environmental impacts in line with the [Equity, Inclusion and Respect Policy](#) and the [Sustainability Policy](#).

4. Policy statements

- 4.1 UTS must manage its finances responsibly. The procurement process can only begin once:
- funding sources have been identified and confirmed as available in line with finance planning priorities, and
 - the necessary approvals in line with the [UTS Delegations](#) (which will usually involve a business case) have been obtained, prior to commitment of funds.

UTS preferred suppliers

- 4.2 UTS preferred suppliers are selected following a public tendering process. They represent the best value, quality, range, delivery and customer service for the relevant goods and services.
- 4.3 The Financial Services Unit (FSU) publishes a list of [UTS preferred suppliers](#) (staff only) that must be used where possible.
- 4.4 Where preferred suppliers are unable to meet a procurement need, alternative suppliers may be sourced via the appropriate approval process outlined in the [Procurement Procedures](#) (PDF, staff only) (the procedures) approved by the Deputy Vice-Chancellor (Resources) and published by FSU.
- 4.5 A quotation or tender process applies to purchases from a non-preferred supplier as outlined in the procedures.
- 4.6 Where more than one preferred supplier exists for a particular good or service, staff must refer to the 'supplier panel' standard operating procedure (SOP) as outlined in the procedures.

Procurement values and minimum methods and requirements

- 4.7 The value of the procurement activity dictates the required minimum procurement method as outlined in the procedures and in line with the [Delegations](#).
- 4.8 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
 - a formal quote or tender is required
 - a financial delegation limit applies.
- 4.9 There may be commercial reasons for splitting the value of procurement activity between two or more suppliers or placing more than one order with the same supplier. In such circumstances, the whole requirement must be approved in line with the [Delegations](#) for the total value involved.
- 4.10 There may be circumstances where an exemption to the procurement methods outlined in this policy is required. Exemptions may be requested via the appropriate [procurement policy exemption form](#) (staff only).

Risk assessment and social responsibility

- 4.11 A risk assessment must be undertaken for relevant procurement activities including the implementation of risk mitigation strategies in line with the [Risk Management Policy](#) and the [Procurement Procedures](#) (PDF, staff only) approved and published by the FSU.
- 4.12 Procurement evaluation and approval processes should consider:
- climate change impacts and emissions considerations
 - water, energy and resource use
 - waste generation and recyclability
 - social responsibility
 - compliance requirements in relation to modern slavery
 - innovation and long-term environmental and economic viability.

Records management

- 4.13 Strategic procurement is responsible for developing and communicating appropriate university guidelines to ensure that procurement processes and decisions are documented in line with the [Records Management Policy](#).
- 4.14 Any information that is sensitive or confidential must be managed in line with the [Privacy Policy](#).

Breaches, complaints and conflicts of interest

- 4.15 Any real or perceived conflict of interest that arises during any stage in the procurement process, or during any procurement activity, must be declared as soon as possible in line with the [Code of Conduct](#).
- 4.16 All suspected breaches of this policy must be reported to the relevant supervisor, dean or director for action by the Chief Financial Officer (CFO). The CFO or nominee is responsible for investigating suspected breaches in accordance with the relevant [Enterprise Agreement](#), the [Code of Conduct](#) and relevant laws.
- 4.17 The CFO (or any staff member) must report suspected breaches that may involve corrupt conduct, maladministration or serious or substantial waste to the Deputy Vice-Chancellor (Corporate Services) in line with the [Fraud and Corruption Prevention and Public Interest Disclosures Policy](#).
- 4.18 All complaints regarding procurement practices across UTS should be submitted in writing to the CFO. The CFO will provide a response in line with [the procedures](#) (PDF, staff only).
- 4.19 A procurement steering committee will provide oversight of procurement reporting, performance and policy. The committee will also maintain and approve (or otherwise) applications for exemptions in the procurement exemption register.

5. Policy ownership and support

- 5.1 **Policy owner:** The **Deputy Vice-Chancellor (Resources)** is responsible for enforcement and compliance of this policy, ensuring that its principles and statements are observed. The Deputy Vice-Chancellor (Resources) is also responsible for the

approval of any associated university level procedures, forms and the terms of reference for the procurement steering committee.

- 5.2 **Policy contact:** The **Chief Financial Officer (CFO)** has overall responsibility for the implementation and management of this policy, accountability for the procurement of goods and services, and responsibility for the appropriate procurement infrastructure needed to support the business of the university.

The CFO will develop an annual UTS procurement report for the Audit and Risk Committee of Council, which will also assess exemptions or other relevant reporting as deemed appropriate or agreed. The Audit and Risk Committee will consider this report and make recommendations, as appropriate, to the Council or Vice-Chancellor. The CFO may also recommend amendments to this policy and associated procedures and processes.

- 5.3 **Others:**

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
- act in accordance with this policy and any associated procedures
- allocate resources to support the requirements of this policy
- receive and act on 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 on to support all stages of the procurement process.

Strategic procurement team in FSU is responsible for providing advice, guidance and support on planning, initiation and implementation of sourcing activities covered under the procurement methods in this policy and for the development, management and publication of the procurement procedures.

Affiliates and any non-staff members may only engage in procurement activities with legal and FSU approval in line with the procedures. The UTS staff member responsible for engaging the services of the non-staff member is also responsible for ensuring these obligations are met, approved and kept on university records.

6. Definitions

The following definitions apply for this policy and the procedures. These are in addition to the definitions outlined in [Schedule 1, Student Rules](#).

Affiliate is defined in the [Code of Conduct](#).

Conflict of interest is defined in the [Code of Conduct](#).

Controlled entity is defined in the [Commercial Activities Policy](#).

Preferred suppliers means those providers of goods and services that have been approved by the university, and published by FSU, following a selection process that offers best value for money in a particular category of goods or services, in a number of individual purchase transactions, over a period of time.

Procurement means the overarching function that describes the activities and processes to acquire goods and services. Importantly, and distinct from 'purchasing', procurement involves the activities involved in establishing fundamental requirements, such as market research, vendor evaluation and negotiation of contracts. It can also include the purchasing activities required to order and receive goods and services.

Procurement method means the approved method of acquiring a good or service as outlined in this policy.

A **quotation** is an offer, either written or verbal, made in response to an invitation to supply specified goods or 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 to in section 4.6, in order to comply with this policy.

Supplier panel means a group of preferred 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 open tender process or invitation to supply specified goods or to perform a service as set out in the relevant tender documentation. An open tender process 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.

UTS preferred supplier means a provider that the strategic procurement team in FSU has established a contract with, generally following a rigorous public tendering process that is compliant with this policy and its associated SOPs.

Approval information

Policy contact	Chief Financial Officer
Approval authority	Council
Review date	2022
File number	UR19/2771
Superseded documents	Procurement Policy 2014 (UR05/365)

Version history

Version	Approved by	Approval date	Effective date	Sections modified
1.0	Council (COU/19-6/117)	27/11/2019	27/07/2020	New policy

Web version

[Procurement Policy](#)

References

Legislation

[Modern Slavery Act 2008 \(Cwth\)](#)

[Public Finance and Audit Act 1983 \(NSW\)](#)

University rules and policies

[Code of Conduct](#)

[Enterprise Agreement](#)

[Equity, Inclusion and Respect Policy](#)

[Fraud and Corruption Prevention and Public Interest Disclosures Policy](#)

[Privacy Policy](#)

[Procurement Procedures](#) (PDF, staff only)

[Records Management Policy](#)

[Sustainability Policy](#)

[UTS Delegations](#)

UTS advice for staff and students

[Strategic Procurement](#) (staff only)

[UTS preferred suppliers](#) (staff only)