

Procurement Review Board Operation Policy

Section 1 - Purpose

(1) The Procurement Review Board is responsible for supporting the realisation of the University Strategy through ensuring best practice procurement, fostering strategic partnerships, stimulating markets and generating benefit in the regions in which it operates.

(2) The Board oversees the governance requirements associated with procurement of all goods and services and directly validates the procurement process concerning proposals referred to the Board.

(3) The Board reports to the Chief Financial Officer.

(4) The benefits of the Board in relation procurement include:

- a. better Charles Sturt University (the University) buying performance, reflected in increasing savings, avoidance of unnecessary cost and improved service delivery;
- b. ensuring competition between suppliers and recognising the need for local businesses to be given every opportunity to compete;
- c. making supply opportunities more transparent, and easier for business to access; and
- d. fostering a sustainable future.

Section 2 - Glossary

(5) In this Policy:

- a. Board - means the Procurement Review Board of Charles Sturt University.
- b. Council - means the Council of Charles Sturt University.
- c. Goods and services - includes all property except for real property and all types services including building and construction services.
- d. Presiding Officer - means the Presiding Officer of the Procurement Review Board of Charles Sturt University.
- e. Procurement - means the entire process by which all classes of resources (human, material, facilities and services) are obtained. This can include the functions of planning, design specification writing, selection of suppliers, financing, contract administration, disposals and other related functions.
- f. Purchasing - means the acquisition process for goods, services and capital projects through purchasing, leasing and licensing and this expression extends to standing offer or similar arrangements by which terms and conditions are determined.
- g. RFx - can mean either a Request for Proposal (RFP), Request for Quotation (RFQ) or Request for Tender (RFT).
- h. Vice-Chancellor - means the Vice-Chancellor of Charles Sturt University.

Section 3 - Policy

Part A - Authority

(6) Subject to the By-Laws and Rules of the Council of Charles Sturt University, the Procurement Review Board shall be established under the general control of the Chief Financial Officer.

Part B - Objectives

Strategic Alignment

(7) The Board will support the strategic alignment of the University to:

- a. ensure that procurement policy and processes support the University Strategic Plan;
- b. ensure that procurement practices are consistent with the principles and policies set out in the sustainability plan and actively support the sustainability objectives set out in the Institutional Development Plan;
- c. foster partnerships and collaborative procurement among internal organisations and with external organisations;
- d. assist the development of a strong procurement capability and culture through educating the University community on the role and practise of procurement; and
- e. provide high level strategic advice on procurement to the executive and to the organisation units of the University.

Governance

(8) The Board will provide governance of the procurement function and will:

- a. monitor and report on adherence in procurement activity to relevant policies and government legislation including, inter alia, the University delegations and authorisations, risk management, environmental, internal control and procurement planning policies; and
- b. ensure compliance with the University's Code of Conduct for all procurement covering internal and external stakeholders including University procurement centres and individuals and suppliers to the University.

Process and Performance

(9) The Board will monitor the process and performance of procurement and will:

- a. contribute to and make recommendations regarding the development of policy and rules for all procurement of goods and services at the University;
- b. be proactive in pursuing the attainment of best practice procurement, across University Faculties, Divisions, Offices and Procurement Centres;
- c. oversee the management of procurement processes including ensuring that processes are continuously reviewed and improved. The Board will actively seek the removal of redundant processes in procurement. It will encourage the use of enabling technologies to streamline processes; and
- d. engage with the procurement centres of the University to monitor procurement performance in terms of its effectiveness and efficiency.

Probity and Accountability

(10) The Board will be proactive in fostering the need for all procurement activities to be conducted with the utmost

probity and accountability and is in accordance with such obligations as may be placed upon it by the:

- a. Public Finance and Audit Act 1983; and
- b. other legislative or Government policy obligations as may from time to time apply to the procurement activities of the University.

(11) The Board will actively reinforce the principles of probity and accountability to ensure:

- a. transparency of processes;
- b. fairness and impartiality when dealing with suppliers;
- c. confidentiality and security of information and materials; and
- d. effective management of conflicts of interest.

Sustainable Procurement

(12) The Board supports the principles of sustainable procurement by encouraging the procurement of goods or services with businesses that provide evidence that they are an ethical and socially responsible supplier.

(13) Sustainable procurement will mean that when buying of goods and services the University will consider such issues as;

- a. strategies to avoid unnecessary consumption and manage demand;
- b. minimising the environmental impacts of goods and services over the whole of life of the good and service;
- c. suppliers display socially responsible practices; and
- d. value for money over the whole of life of the goods and services, rather than just the initial cost.

Part C - Operation of Board

Board Membership

(14) The Board will consist of staff from the key procurement centres within the University as follows:

Presiding Officer	Nominee of the Chief Financial Officer
Deputy Presiding Officer	A member of academic staff, nominee of the Chief Financial Officer
Secretary	Nominee of the Chief Financial Officer
Member	Assets Manager, Division of Finance
Member	Nominee of the Executive Director, Division of Information Technology
Member	Nominee of the Executive Director, Division of Facilities Management
Member	Nominee of the Executive Director, Division of Library Services

(15) The Division of Finance will ensure that adequate administrative support is provided to the Board.

(16) A member shall have no vested interest as of or on behalf of a supplier or contractor in proceedings under consideration by the Board and must declare a conflict of interest and must not participate in any discussion or decision made. The Secretary must record this declaration in the minutes of the meeting.

(17) In the event that both the Presiding Officer and Deputy Presiding Officer are absence for a meeting, then the members present may elect a temporary Presiding Officer, subject to a quorum, so that the business of the Board can

proceed as normal.

(18) A member who is absent for three consecutive meetings of the Board, without a reasonable excuse, shall automatically forfeit membership of the Board.

(19) Membership of the Board shall be reviewed every two years.

Meeting Schedule

(20) The Board will meet fortnightly via video conference or face to face to consider procurement proposals. Any member may request the Secretary to convene a meeting. Moreover, frequency of Board deliberations will be a key consideration in the reform of procurement processes and the development of an overall procurement workflow solution.

(21) For a matter deemed (by the Secretary of the Board) so urgent that it cannot wait for consideration at a convened meeting, a vote by phone/email/interact of a quorum of members may be undertaken, subject to formal confirmation and minuting at the next meeting.

Meeting Procedures

(22) Each member shall have one vote and any question arising at any meeting shall be decided by a majority of votes. In the case of equality of votes, the Presiding Officer shall have a second or casting vote.

(23) A quorum shall consist of four members in attendance, one of whom must be a nominee of the Chief Financial Officer.

(24) The Board shall keep records of its proceedings and all correspondence arising there from which shall be signed by the Presiding Officer or Secretary.

Operating Principles

(25) The Procurement Review Board is committed to:

- a. the realisation of best practice in procurement across the Divisions, Faculties and Offices of the University;
- b. achieving best value outcomes for the University;
- c. open and regular communication of procurement performance across the University;
- d. recognition of Conflict of Interest. Members of the Board shall notify other members of any "personal interest" in a matter that relates to the affairs of the Board;
- e. transparency of its operations;
- f. maintaining a composition that reflects all stakeholders in procurement; and
- g. being a truly University-wide Board with opportunities for participation from all campuses.

Powers and Duties of the Board

(26) The Board shall be the authority for:

- a. determining conditions under which RFX's are invited;
- b. approving Request For Proposal, Quotation or Tender;
- c. evaluation of the process undertaken and recommendation for acceptance of RFX's as hereinafter provided; and
- d. conditions applying to the completion of contracts.

Delegations to Officers

(27) The Board may delegate to an officer/s of the University the power to act on its behalf under prescribed conditions including regular reporting to the Board of actions under delegation by the officer/s concerned.

(28) Delegations by the Board shall be reviewed annually.

General

(29) The Board may arrange for specialist advice on any matter under consideration. Other than in the receipt of specialist advice, meetings shall be attended only by Board members.

Part D - Procurement of Goods and Services

Expenditure Thresholds for Goods and Services

(30) The following minimum threshold limits and procurement method will apply:

Threshold value (Exc. of GST)	Procurement Method	Responsibility
Up to \$2,000	Quote optional	Faculties, Divisions, Centres, Enterprises
\$2,000 - < \$10,000	1 written quote	Faculties, Divisions, Centres, Enterprises
\$10,000 - < \$30,000	2 written quotes	Faculties, Divisions, Centres, Enterprises
\$30,000 - < \$50,000	3 written quotes	Faculties, Divisions, Centres, Enterprises
\$50,000+	RFx process	Board and Faculties, Divisions, Centres, Enterprises

(31) Note: Additional quotes can be sort in circumstances where the goods and services are either competitively priced or readily available.

(32) RFx's shall be invited for any single good or service for which the estimated cost is expected to exceed \$50,000. In exceptional circumstances the Board may increase this threshold with a full explanation included in the minutes.

(33) RFx's referred to in clause 32 shall be sought on an openly advertised basis (using Tenderlink) unless the Board shall deem it appropriate to invite RFx's in a particular circumstance, provided that reasonable competition between vendors is observed.

(34) The Board is not bound to accept any proposal, quotation or tender and may call for a fresh proposal, quotation or tender.

(35) The Board may approve the acceptance of an RFx which in its opinion is advantageous to the University, even though such RFx may not be the lowest received, provided the reasons are therefore recorded in the minutes.

(36) No further quotations will be required where a preferred supplier has been selected through the RFx process and has been approved by the Board to provide goods and services to the University for a period of time.

(37) The requirements for Expenditure Thresholds for Goods and Services shall be waived in respect to purchases and contracts for individual items under Commonwealth and/or State contracts or statutory bodies charges subject to the Secretary being satisfied that to do so will be advantageous to the University. In situations where the prices quoted by a Government Contract supplier are lower than under contract, then the purchase can proceed without Board approval.

(38) The Board may request approval from the Chief Financial Officer and the Internal Auditor for exemptions where

the goods and services acquired are either Government Fees/Charges/Applications/Accreditation, a sole supplier where there is no discretion available, approved by a high level governance authority within the University, endorsed operational matters or sale of assets (Schedule 1).

Procurement of Services

(39) The University recognises the need from time to time for the purchase of two distinct types of services:

- a. those services of a short term or standing nature relating principally to trade services rather than consultative or professional services; and
- b. professional and/or consultative services.

(40) Services listed under clause 39a:

- a. shall, unless the Board approves otherwise, be subject to conditions of quotation/tender outlined in the Expenditure Thresholds for Goods and Services, clauses 30 to 38.
- b. The Board may approve of the waiving of conditions of quotation/tender subject to receipt of a submission setting out the reasons as to why such conditions should not be invoked, for consideration of the Board prior to the University being legally and/or financially committed.
- c. Where the Board approves of the waiver of quotation conditions under this sub-section, it shall do so in accordance with the requirements of clause 41.

(41) Normally professional and/or consultative services are the subject of quotation/tender as outlined in the Expenditure Thresholds for Goods and Services, clauses 30 to 38, but the Board may approve waiver of those conditions if:

- a. it is satisfied that their application is inappropriate; and/or
- b. the nature of the service to be provided is such that the provider is chosen for valid reasons other than price alone; and
- c. Letters of Appointment issued prior to the Board's approval are provisional until such approval is given; and
- d. subject to clause 41c the requisition requesting the service is supported by a proposed or approved letter to the provider setting out the conditions of appointment; and
- e. provided the reasons for waiver of conditions under clause 41 are recorded in the minutes; and
- f. provision of services under clause 41 are reviewed at intervals of no longer than three years.

General

(42) Quotations/tenders/expression of interest shall be by invitation and/or by advertisement in such correspondence, newspapers, trade journals and web based systems (e.g. Tenderlink) so as to induce a reasonable level of competition.

(43) Quotations for period contracts shall not be invited to cover a term in excess of three years.

(44) In relation to a single item, or collective purchase of like items, and subject to any delegations the Board may give to an officer/s of the University, the Board may recommend approval of the award of a quotation/tender up to the value of the Vice-Chancellor's financial delegation from the Council at any given time, and the appropriate requisition may be executed by an officer delegated to incur expenditure.

(45) The Board shall recommend to the Chief Financial Officer acceptance or otherwise of quotations in excess of the Vice-Chancellor's financial delegation from the Council.

(46) Quotations/tenders shall be called to close at a time that meets the requirement of the University.

(47) No quotation/tender shall be entertained if received after the closing time, unless there are special circumstances which in the opinion of the Board render it desirable to do so. Where a late quotation/tender is accepted or recommended for acceptance, the full circumstances shall be recorded in the minutes.

(48) The Secretary or appropriate University representative shall arrange to notify the successful supplier in writing of the acceptance of the quotation/tender submitted and shall advise the supplier of the time and place for contract signing and the amount of security deposit required under the terms of the contract.

(49) The Secretary or appropriate University representative may after the expiration of 24 hours from the issue of a notification of acceptance to the successful supplier advise unsuccessful supplier of the price accepted, should an inquiry be made by an unsuccessful supplier/s.

Section 4 - Procedures

(50) Nil.

Section 5 - Guidelines

(51) Nil.

Status and Details

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