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1 PURPOSE

- 1.1 This policy and procedure provides a framework for the procurement of goods and/or services (including construction) on behalf of CQUniversity and aims to achieve beneficial outcomes by:
- promoting value for money
 - ensuring integrity, probity and accountability

- advancing the University's economic, social and environmental policies
- providing reasonable opportunity for local businesses to supply to the University
- promoting compliance with relevant legislation, and
- promoting continuous improvement and best practice in procurement activities.

1.2 As a statutory body in Queensland, the University is required to comply with the [Queensland Procurement Policy](#).

2 SCOPE

2.1 This policy and procedure applies to CQUniversity employees (buyers) who procure goods and/or services on behalf of the University, including capital and operational spend irrespective of the source of funding.

2.2 This policy and procedure does not apply to:

- CQUniversity controlled entities, including wholly owned companies, unless undertaking procurement activities on behalf of the University, or
- the acquisition and/or disposal of real property (e.g. land, buildings etc.).

2.3 All values listed in this policy and procedure are in Australia Dollars and inclusive of GST.

3 POLICY STATEMENT

3.1 Procurement is the overarching function that describes the activities and processes to acquire goods and services. It includes activities involved in establishing fundamental requirements, sourcing activities such as market research and vendor evaluation and negotiation of contracts. It also includes the purchasing activities required to order and receive goods and services.

3.2 The University operates under a decentralised procurement approach, which means a coordinated, consistent and competent application of efficient techniques and best practice between the Procurement Advice Team (PAT) and the responsibility centres enabling responsibility centres to actively control their own costs, drive service excellence and mitigate risks.

3.3 The [Queensland Procurement Policy](#) will be applied to all procurement instances with a focus on the following principles:

- drive value for money in procurement
- reduce waste, reduce cost and manage risk
- work together across boundaries to achieve savings and benefits
- be leaders in procurement practice, understanding the University's needs, the market, the University's suppliers and have the capability to deliver better outcomes
- utilise procurement to advance corporate, economic, community, local industry, environmental and social objectives and support the long-term wellbeing of the community
- implement effective governance structures to have the confidence of stakeholders and the community in the University's management of procurement, and
- undertake procurement with integrity, ensuring accountability for outcomes.

3.4 The University will make their best endeavours to do business with ethical and socially responsible suppliers.

3.5 The University will promote supplier diversity opportunities to increase the number of Australian Aboriginal and Torres Strait Islander businesses within the supply chain.

3.6 All procurement activities will be undertaken in accordance with established probity and governance standards as provided in the [Queensland Procurement Policy](#).

- 3.7 Procurement initiatives will substantially align with the University's strategic objectives supported by appropriate planning and commitment from stakeholders.
- 3.8 A University Corporate Procurement Plan (CPP) will be maintained, reviewed, updated and approved prior to the commencement of each financial year and demonstrate flexibility and responsiveness to the ever-changing needs of the University.
- 3.9 Procurement measures will be developed, introduced and reviewed as necessary for the purpose of assessing and reporting the University's procurement performance and achieving positive fiscal outcomes.
- 3.10 Business cases for significant procurement activities (stating the function and performance requirements of the goods/services to be procured), will be prepared, by the Buyers, for purchases of higher value or high business risk.

4 PROCEDURE

Procurement processes

- 4.1 Procurement processes include, but are not limited to:
 - seeking and evaluating alternative forms of procurement other than purchasing including leasing or borrowing equipment or resources, that could remove the need to acquire goods and/or services
 - obtaining prior budgetary approval for the purchase and, where necessary, funding for ongoing associated costs
 - developing a specification, brief or scope that will best fit the need, lifecycle and budgetary constraints
 - preparing a procurement strategy or plan, where applicable
 - understanding the market trends and identifying suppliers
 - researching social and sustainable procurement options that may be required (eg. environmentally friendly suppliers and products)
 - identifying whether there is an existing contract under which the University can purchase the required goods and/or services
 - preparing 'whole of life' costings for the acquisition (e.g. total cost of ownership)
 - identifying potential risks associated throughout the procurement process including work health and safety, social, environmental or economic impacts that may cause delays in delivery
 - determining the best procurement method according to the category and threshold of spend
 - preparing procurement documentation to invite offers, including specifications, terms and conditions, and response documents
 - obtaining relevant financial delegation
 - identify and negotiate the final contract and contract award
 - delivery and payment for goods and/or services provided
 - ongoing contract management and evaluation of supplier services, ensuring value for money is achieved through the contract, and
 - other matters relating to negotiations, award and management of a contract.
- 4.2 The [Appendices \(Flow Charts\)](#) provides a graphic representation of the procurement process using the Financial Management Information System (FMS).

Queensland procurement policy

- 4.3 The University, as a Statutory Body of the Queensland Government, must comply with the applicable requirements of the [Queensland Procurement Policy](#), which delivers benefits for the Queensland Government, suppliers and the community at large. The Queensland Procurement Policy seeks to maximise

the benefits that can be delivered through effective, efficient and ethical procurement.

- 4.4 Where significant procurement activities arise in jurisdictions other than Queensland, the University will have due regard for procurement policies of the relevant State or Territory.

Delegations for procurement

- 4.5 In procurement, two separate delegations, must be exercised prior to any commitment being made on behalf of the University:
- financial delegation and authority to sign for both receipt of income and expenditure agreements, and contracts, as defined in the [Delegation of Authority Policy](#), and
 - procurement review, as undertaken by PAT, is the delegated authority to approve the procurement process in terms of this policy and procedure.

Risk management

- 4.6 All procurement activities carry some level of risk. Risk identification, assessment and management are required to mitigate or minimise potential risks whilst achieving maximum benefit from the procurement. Risk management must be undertaken during all procurement activities as detailed in the [Risk Management Policy and Procedure \(FMPM\)](#).

Sustainable, social and Indigenous focused procurement

- 4.7 The University is committed to protecting the environment and doing business with ethical and sustainably responsible suppliers during all stages of the procurement process. Buyers are required to plan, identify and integrate the practice of sustainability into the procurement of goods and/or services.
- 4.8 Preference should be given to environmentally preferable goods and services that have a lower impact on the environment over the life cycle of the good or service, when compared with competing goods or services serving the same purpose. Key environmental issues which might be considered include:
- energy use, and type of energy utilised
 - water use and water quality impacts
 - resource use, including the use of non-renewable resources
 - volume and type of waste
 - end-of-life options (e.g. recyclability, resource recovery)
 - impact on natural habitat
 - level of toxic and hazardous substances/waste, and
 - noise, pollutants and emissions.
- 4.9 The University is committed to social and Indigenous focused procurement during all stages of the procurement process as part of its social innovation obligations. Where practicable, and provided all other key procurement obligations are met, employees are required to plan, identify, seek out and integrate suppliers who demonstrate strong social and/or Indigenous enterprise practices. [Supply Nation](#) maintains a national directory of verified Aboriginal and Torres Strait Islander businesses.
- 4.10 As part of a commitment to continuous improvement and better practice, the University will seek to progressively increase the proportion of procurement expenditure on goods and/or services that demonstrate improved sustainability, social and Indigenous focused procurement outcomes from year to year.
- 4.11 In line with [Queensland Procurement Policy](#), employees are required to consider local content when making purchasing decisions and, where possible a weighting based on overall value for money of up to 30% may be applied in considering local suppliers over non-local providers, provided the weighting level is identified prior to the purchase decision being made.

Procurement and payment strategies and methods

- 4.12 The University has developed a range of procurement strategies and practices to support the acquisition of the diverse range of goods and/or services required by the University.
- 4.13 Strategies are determined according to the value and risk associated with the procurement, as defined within the [Queensland Procurement Policy](#). Some strategies are detailed within this procedure, whilst others may require a more detailed assessment of the procurement in conjunction with PAT.
- 4.14 Payment on behalf of the University may be undertaken using the following methods:
- University corporate credit card or direct invoice – are the preferred methods for payment up to \$3,000. However, where regular payments are made to a supplier, a purchase requisition should be raised, even if the individual payments are less than \$3,000. Refer to the [Corporate Credit Card Procedure \(FMPPM\)](#) for details. Corporate credit card is a form of payment, which does not supersede the process detailed in [Appendix A, B or C](#)
 - purchase order (PO) via the FMS – for all individual purchases over \$3,000, and other purchases, including PO Amendments, as detailed in the [Appendices](#).

Roles and responsibilities

4.15 Vice-President (Student and Corporate Services)

- approve procurement planning submitted by responsibility centres, ensuring compliance to University policies, relevant legislation or regulations, strategic and operational goals, with clear management, monitoring and reporting requirements
- endorse contractual financial transactions, ensuring compliance to University policy and procedures, relevant legislation and strategic and operational goals, with clear management, monitoring and reporting requirements
- provide advice and assistance in relation to this policy and procedure
- assist with cash flow monitoring in relation to capital projects
- approve and process purchase requisitions and payments, ensuring compliance to budgets and proper delegation of authority, and
- assist with ensuring procedures are in place to pay suppliers on time and in accordance with contractual agreements.

4.16 Vice-Presidents

- support PAT on the enforcement of policies and procedures, and
- provide ongoing advice to buyers, technical employees and PAT, including other financial expertise (as budget owner) as required.

4.17 Responsibility centre executives and management:

- understand University policy, relevant legislation and strategic and operational goals regarding their area of responsibility
- undertake procurement planning against a framework of policies, priorities and budget constraints
- identify appropriate procurement objectives, formulate procurement strategies and determine critical success factors and key performance indicators, in conjunction with PAT
- evaluate the need and develop specifications (from a performance and functional perspective) for goods and/or services
- assist in the development of management and measurement strategies
- provide ongoing advice to the Vice-President's and PAT, as well as other relevant technical expertise as required
- execute the procurement processes, plan realistically and allow sufficient time for the appropriate procurement processes to occur

- obtain contractual terms and conditions assistance from PAT
- manage performance of the contractual relationship on behalf of the University and ensure that the University is meeting its contract performance obligations
- develop Contract Management Plans (where appropriate) and manage the contract in accordance with the Contract Management Plan from a performance management perspective (e.g. ensure the University meet their contractual obligations with regard to scope, deliverables, payment etc.)
- ensure the goods and/or services provided meet the required standard and are fit for purpose
- manage internal communications and feedback
- assist in the continuous improvement of procurement processes
- comply with University requirements regarding the storage of documentation (including, but not limited to, contracts), and
- manage administration of the contract on behalf of the University and ensure that the University is meeting its administration obligations and contractual obligations with regard to contract term (renewal, termination, requirement to conduct future market approach) etc.

4.18 Procurement advice team:

- review, approve and process procurement transactions (purchase requisitions (PR)) from a commercial and strategic perspective; ensuring compliance to University policy and procedures and relevant legislation
- assist with formulating and executing the procurement processes; as well as assisting in establishing criteria, key success, key performance indicators and reporting activities
- continually evolve procurement policies and procedures and provide advice and assistance in relation to best practice
- assist and provide advice in the preparation of various procurement plans and strategies, both [Corporate](#) and [Significant](#)
- assist in compiling procurement related documents and provide advice regarding appropriate procurement methodology, process and documentation
- advise on the contractual framework, contract templates and procurement documents
- support responsibility centres on contract negotiations or disputes;
- complete Procurement Due Diligence Checklist and return to buyer, as requested or as required;
- ensure that buyers have proper access to procurement training and development activities;
- via ongoing review of processes and procedures, ensure effectiveness of decisions and performance along with continuous improvement, as demonstrated for example by innovative practices and the regular measurement and review of procurement;
- review the effectiveness of decisions and performance and encourage continuous improvement of procurement processes;
- implement and manage a central Contract Depository, and;
- provide ongoing support to ensure the compliance with policies and procedures.

4.19 Buyer

- buyers are responsible for identifying, planning and following correct procurement processes. The procurement planning process, and detailed buyer responsibilities, are outlined in section 4.27.

Procurement thresholds

- 4.20 Procurement thresholds as indicated in the [Appendices](#), have been determined according to the value and risk associated with the procurement.

- 4.21 The required number of quotations or offers specified in the [Appendices](#) are minimums and, at any time, a broader market test could be undertaken.
- 4.22 The resources committed to all procurement activities should reflect the value and risk of the procurement. Additionally, where it is anticipated or becomes known that the required minimum number of quotations may not be received from the market, additional activity may be required to source an adequate number of quotations.
- 4.23 Where there are repeated purchases for the same or similar goods and/or services, the cumulative value over a period of time must be considered, including, but not limited to, whether better value for money could be achieved by consolidation of purchases or the forming of a procurement arrangement. Procurement of goods and/or services must not be split into parts or separate transactions to achieve a lower procurement threshold.
- 4.24 Where the procurement activity includes consideration of a lease or other financing arrangement; this must be referred to the Vice-President (Student and Corporate Services) for advice, prior to approaching the market.

Supporting local suppliers and regional development

- 4.25 The University will ensure that competitive and capable local suppliers that comply with relevant legislation are given a full, fair and reasonable opportunity to supply. The University will devolve to the lowest practicable geographical level, the procurement of goods and/or services that are assessed as low expenditure and for which there is a low degree of business risk.
- 4.26 For significant procurements, it is a requirement of the [Queensland Procurement Policy](#) for the University to demonstrate thorough and detailed procurement plans, and that it has considered opportunities for participation by competitive local suppliers. This may include using distribution networks, supplier development programs, local support and maintenance arrangements, or through including evaluation criteria that are related to priorities of the Queensland Government in accordance with the [Queensland Procurement Policy](#).

Procurement planning (buyer responsibilities)

- 4.27 Regardless of value, all buyers are responsible for identifying and planning their procurement processes and allowing sufficient time for those required processes to be undertaken in an appropriate manner. Planning for individual procurement activities involves, as a minimum, taking into account the following considerations:
- identifying and justifying the reasons behind the need to purchase (e.g. that there are no other more advantageous methods to meet the need)
 - determining the whole of life costing of the procurement and ensuring adequate budget allocation is available
 - undertaking risk assessment and developing risk management strategies
 - identifying the most appropriate method of purchase, in accordance with this policy and procedure
 - identifying appropriate stakeholders, including the appropriate financial delegate for the relevant budget;), and undertaking early engagement and consultation with such stakeholders
 - engaging and consulting with PAT in regards to the procurement strategies, appropriate Terms and Conditions and outcomes
 - assessing when the procurement activity needs to occur, both in terms of appropriate timing for the purchase and the length of time required to complete the procurement process. Timeframes should be realistic, have built-in contingencies for delays that may occur and allow for internal and external processes that will need to occur
 - preparing a specification and determining specific conditions that may be required
 - preparing for the Tender Evaluation, including where relevant, the formation of a Tender Evaluation Panel, evaluation plan, evaluation criteria and mandatory requirements
 - undertaking all negotiations. PAT can assist if required/as necessary should negotiations around commercial, legislative and organisational contractual risks and terms (PAT Terms) be required.

- seeking legal advice from the University solicitor or an external legal practitioner, if required.
- complying with the Sustainability and Social/Indigenous Focused Procurement requirements of this policy and procedure
- complying with the Work Health and Safety or Hazardous Substances requirements of the University, and
- ensuring all relevant approvals have been obtained.

Corporate procurement planning

- 4.28 The [Queensland Procurement Policy](#) requires that the University prepare a Corporate Procurement Plan. The Corporate Procurement Plan should be linked to the University's [Strategic Plan](#) and other relevant University Plans. The Corporate Procurement Plan will be developed by individual business areas, in consultation with PAT.

Significant procurement planning

- 4.29 Significant Procurement Plans must be prepared when procuring all goods and/or services that have been identified as high expenditure and/or for which there is a high degree of business risk. Purchases that are estimated to be greater than \$150,000 (\$500,000 for Facilities Management Directorate) are considered high expenditure. Significant procurements can be both significant single, one-off procurements, a number of smaller projects or purchases which when combined, are significant.
- 4.30 Significant procurement planning will include the formation of a working group when required, including PAT and a cross section of both internal and external relevant stakeholders (where appropriate).

Recommendation reports

- 4.31 Where required, Recommendation Reports are to be produced by buyers and submitted for approval by the Tender Evaluation Panel. The final review and sign-off (Execution) will be undertaken by the University delegate with the appropriate financial delegation over the relevant budget per the [Delegation of Authority Policy \(FMPPM\)](#). For the avoidance of doubt, neither PAT nor the Vice-President (Student and Corporate Services) will Execute Recommendation Reports.
- 4.32 Fully Executed Recommendation Reports will be submitted to PAT prior to the review and Execution of Contract/s as per this policy and procedure.
- 4.33 Once received, PAT will review and advise regarding contract execution and, pending approval and in due course, provide a Procurement Due Diligence Checklist confirming Execution may take place. A copy of Procurement Due Diligence Checklist must be included in the FMS documentation.

Procurement contracts

- 4.34 A contract is as defined in the [Definitions](#) section of this policy and procedure.
- 4.35 Contracts do not need to be written to be legally enforceable. For example, if there has been an offer made and an acceptance communicated back to the supplier by a buyer, even if it was intended to be a conditional acceptance, there may be an argument that a binding contract has been formed.
- 4.36 Buyers should never enter into verbal Contracts on behalf of the University. Suppliers should always be advised that the University's acceptance will need to be communicated in writing before the University is bound to any agreement. This would typically be done via a PO (refer to [Terms and Conditions](#)).
- 4.37 For the avoidance of doubt, PAT is unable to provide advice on Memorandum of Understanding documents (MOU). Should buyers wish to utilise an MOU or require advice, they are to refer to the [Partnerships Policy and Procedure](#).
- 4.38 Where 'mandatory criteria' has been specified when inviting quotes or offers; a contract cannot and must not be awarded to a supplier who does not meet any specified 'mandatory criteria'. This would expose the

University to potential legal action. In the event no supplier meets the mandatory criteria, the buyer may review and adjust the mandatory criteria.

- 4.39 Contract Execution is the responsibility of the appropriate financial delegate as per the [Delegation of Authority Policy](#).

Terms and conditions

- 4.40 When requesting a quotation, the University should specify the terms and conditions that will govern any resultant contract. It is always preferable to enter into a contract using the University's standard terms and conditions provided by PAT. If this is not possible, the terms and conditions proposed by the supplier should be provided to PAT for review and advice. Acceptance of any terms and conditions outside the University's standard terms and conditions including any risks unable to be mitigated, will be at the discretion and risk of the Delegate Executing the Contract as per section 4.31 and in accordance with the [Risk Management Policy and Procedure \(FMPM\)](#).
- 4.41 PAT will conduct reviews based on PAT terms and conditions, however buyers must ensure their contracts are reviewed and understood from a technical and operational perspective as well as what the University is committing to.

Intellectual property in procurement

- 4.42 Intellectual property (IP) is not tangible property. When IP is acquired, the purchaser will not necessarily receive a physical object as a result of the purchase. Similarly, when an item of property is purchased, the purchaser will not necessarily acquire the IP in that item. This is because IP is the intangible product of a person's intellectual or creative efforts and is quite separate from a physical (or tangible) item in which the IP might be embodied.
- 4.43 For contracts that may include an element of IP, refer to the [Queensland Public Sector - Intellectual Property Principles](#) or consult PAT to assist in determining the appropriate contractual requirements

Payment terms

- 4.44 The University has standard payment terms for general creditors of 30 days from the date of invoice, which are detailed within the University's standard terms and conditions of PO. It is the responsibility of the buyer to ensure that these payment terms are negotiated with the supplier, according to the University's requirements. Where the supplier offers payment terms greater than the University's standard terms, this will be accepted by the buyer.
- 4.45 Where consultancy, building and construction services or other terms and conditions are being used (as described above), the payment terms may vary and are specifically detailed within the relevant contractual documentation.
- 4.46 Statutory payments (e.g. statutory holdbacks) should be made in accordance with the relevant governing legislation and/or requirements.
- 4.47 Any requests for payment terms of less than 30 days from the date of invoice will be forwarded by the buyer to the Vice-President (Student and Corporate Services), for approval. Reasons for alternative payment terms and confirmation that you have attempted to negotiate the University's payment terms should be provided with the request.
- 4.48 Payment of invoices must be made within the agreed payment terms, in accordance with the legally obligated terms and conditions applicable to the contract. The buyer and business area procuring the goods and/or services are responsible for ensuring timely payment of invoices, in accordance with the University's payment processes and any relevant legislation.

Compliance with the procurement policy and procedure

4.49 The procurement thresholds and processes apply to all purchases; however, there are occasionally valid and justifiable or evident reasons why a departure from the specified process is required. Where this is the case, the following must be followed:

- It is not permitted under any circumstances to split purchases or requirements in order to avoid any requirement of this policy and procedure. This is considered non-compliant and will be reported to the Vice-President (Student and Corporate Services).
- There are three main concepts in relation to compliance:
 - [compliance](#) – where this policy and procedure has been complied with to the fullest possible extent. The compliance should be verified and approved by PAT prior to any decision or commitment being made on behalf of the University.
 - [request for exemption](#) – where there is a valid and justifiable reason for not complying with this policy and procedure, including where it is not possible to comply (usually for operational reasons). A Request for Exemption must be generated and attached to the purchase requisition in the FMS by the buyer and reviewed and approved by PAT prior to any decision or commitment being made on behalf of the University.
 - [non-compliance](#) – where a purchase or commitment has been made on behalf of the University (including Execution of a Contract), outside of the requirements of this policy and procedure, for which no formal Request for Exemption has been approved in advance. A Statement of Non-Compliance shall be submitted to the relevant Senior Executive (as well as the Vice-President (Student and Corporate Services) when value exceeds \$50,000) for completion.

Compliance

4.50 Evidence of compliance should be submitted to show where this policy and procedure has been complied with to the fullest possible extent. Some examples are:

- sole supplier situation - where only one supplier can provide the goods and/or services required. This does not include where insufficient time was allowed to obtain more quotations or where there is a preference or requirement to use a certain supplier. An appropriate level of market research must be conducted to demonstrate the sole supplier situation. The buyer and PAT must be satisfied that there are no other suppliers able to provide the required goods and/or services.
- inability to obtain the required number of quotations - after appropriate market research, there are insufficient suppliers able to provide quotations or an insufficient number of suppliers have responded to a request for quotation, despite best efforts to obtain the required number of quotations. Evidence of best efforts to obtain quotations must be attached to the relevant documentation.
- standing arrangements – the use of an arrangement through a Government body or representative body, approved by PAT and outlined on the [PAT StaffNet page](#) from time to time. Reference to the approved standing arrangement or contract number must be included in any resultant purchase requisition.
- other compliance (no evidence of compliance required) - the following payments do not require quotations to be sought under this policy and procedure. All other requirements of this policy and procedure apply:
 - utilities (examples may include: electricity, telephone, lease of premises, etc.)
 - statutory/legislated payments for which there is no discretion (examples may include: accreditations, compliance or certification fees to relevant authorities, local government rates, etc.)
 - other payments for which there is no discretion or no procurement decision to be made (examples may include: subscriptions, memberships, royalties, etc.)
 - payments to CQUniversity entities (inter-company and inter-group payments), or
 - travel related expenses (in accordance with the [Travel Policy and Procedure \(FMPM\)](#)).

Request for exemption

- 4.51 An exemption from compliance may be submitted by a business area, where there is a valid and justifiable reason for not complying with this policy and procedure, including where it is not possible to comply (usually for operational or strategic reasons). Some examples are:
- standardisation (including specification of a particular 'brand') - although other suppliers are available to supply different brands or similar equipment, there is an operational requirement to ensure standardisation and uniformity with existing equipment – for example, where different types of machinery may cause operational issues. This does not include where the buyer simply has a preference for a particular type of equipment (such as phones, palms, desktops or laptops), brand or supplier.
 - genuine urgency - where a genuine urgency exists for the goods and/or services, without which there would be major operational issues. It also includes where normal procurement processes for obtaining the goods and/or services would take too long, causing significant delays to operations. This does not include where insufficient time was allowed for the normal process to occur where the requirement was known, or where there was a lack of planning for the purchase.
- 4.52 Generally speaking, where a supplier is already engaged for provision of goods and/or services, this will not suffice as a valid reason to engage that supplier for further works without undertaking an appropriate procurement process. If it is considered that an appropriate procurement process cannot be undertaken, a request for exemption may be requested.
- 4.53 A request for exemption must be included in the purchase requisition and should include:
- eligibility under this policy and procedure to apply for an exemption
 - the proposed alternative
 - how value for money will be achieved and overall cost limited, and
 - any relevant circumstances and supporting documentation.

Non-compliance

- 4.54 Compliance with all relevant University policies and procedures is required under the [Code of Conduct](#). Non-Compliance could be or may be considered a misappropriation of funds and a breach of official policy.
- 4.55 When identified by PAT, audit or any other mechanism, the Non-Compliance Form must be completed explaining the reasons for the non-compliance.
- 4.56 Documentation requirements:
- the completed Non-Compliance Form, with any and all relevant supporting documentation, will be submitted to PAT within two business days of the identification/notification, for review and determination of appropriate action/s.
 - a Procurement Non-Compliance Register will be maintained by the Finance Directorate and, will be provided to the University's Audit, Risk and Finance Committee for review every three months.
 - any non-compliant purchase requisition will be not be released by PAT until the complete Non-Compliance Form is provided.

Complaints

- 4.57 Preventing complaints from occurring saves both the University and supplier in terms of time and resources. Many complaints originate from poor communication or a lack of understanding from the buyer and/or supplier. Buyers should take steps to effectively communicate with suppliers, provide clarity of requirements and build professional relationships to prevent issues or concerns becoming complaints.
- 4.58 Should they occur, the process for handling complaints will be in accordance with the guidelines set out by the [Queensland Government](#).

Complaints concerning suppliers

- 4.59 As part of ongoing contract management, it is important that feedback, both positive and negative, is provided to suppliers to provide clarity around requirements and expectations and allow an opportunity for improvement.
- 4.60 Complaints regarding supplier performance, service, conduct, quality and timeliness of goods and/or services provided should be addressed by the buyer directly with the supplier. Repeated instances should be recorded in writing by the buyer. If the issue is not satisfactorily addressed by the supplier, the buyer may elect to make the complaint in writing to the supplier and request a formal response.
- 4.61 Where the matter is significant, remedy should be sought through available contractual terms and conditions. Contact PAT for advice regarding any contractual remedy. Where required the matter will be referred to the University's Special Adviser - Law.

Complaints concerning the University

- 4.62 The University will maintain a fair, equitable and non-discriminatory procedure for addressing complaints and concerns raised by employees, suppliers or other members of the community about the conduct of the University's procurement activities.
- 4.63 In the first instance, complainants should seek resolution with the relevant area of the University undertaking the procurement. Where a complaint is made verbally, the buyer (or nominee) will attempt to resolve the complaint by providing more information regarding the University's procurement process and practices.
- 4.64 Where resolution cannot be achieved, the complainant should formally address the issue/s in writing to the Deputy Director Financial Accounting and Operations for escalation to the Vice-President (Student and Corporate Services). The complaint should include:
- sufficient details of the complaint to clearly identify the subject, such as the process, offer, contract and/or related documentation
 - sufficient details regarding the nature of the complaint, for example, the conduct of the procurement activities
 - whether the complaint has previously been raised verbally or in writing with the University, and
 - date and signature of complainant.
- 4.65 Complainants should be made aware that unless there has been a breach of the contract between the University and the successfully contracted party, the contract cannot be overturned, as it is a legally binding contract.
- 4.66 The complainant will be provided with an acknowledgement within three business days. The complaint will then be investigated and the complainant provided with a response. An official record of the complaint will also be maintained.
- 4.67 Where the Vice-President (Student and Corporate Services) is of the opinion that the matter may involve misconduct or serious misconduct, the matter will be referred to Internal Audit for further investigation and appropriate action.

Procurement advice

- 4.68 Advice regarding procurement can be obtained in a number of different ways:
- [policy website](#): provides details of relevant University policies and procedures.
 - PAT: provides advice and assistance regarding policies, procedures and processes for day-to-day and transactional procurement matters. PAT can also provide advice and assistance regarding tenders, contracts, correspondence, probity and accountability, contract disputes (initial advice) and availability of procurement training.
 - [StaffNet](#): provides general information about PAT, the team, their skills and is a starting point to find relevant information around the operations of PAT.

5 RESPONSIBILITIES

Compliance, monitoring and review

- 5.1 The Vice-President (Student and Corporate Services) is responsible for monitoring, reviewing and ensuring compliance with this policy and procedure.
- 5.2 The Procurement Advice Team is the central point for provision of all procurement-related advice, support and guidance.
- 5.3 Where the buyer believes that advice provided by PAT will adversely impact operational and/or strategic objectives, the buyer will seek advice from the Deputy Director Financial Accounting and Operations. If the matter is still unable to be resolved to the satisfaction of the parties, the matter will be escalated to the Vice-President (Student and Corporate Services). Where appropriate, the Vice-President (Student and Corporate Services) will escalate to the Vice-Chancellor and President for resolution.
- 5.4 Planning, which includes early consultation with PAT, is the University buyer's responsibility and is essential to achieving successful outcomes in terms of value for money and meeting required timelines.
- 5.5 Senior Executives are responsible for ensuring this policy and procedure is implemented in their respective responsibility centers.

Reporting

- 5.6 A Procurement Non-Compliance Register will be provided to the University's Audit, Risk and Finance Committee for review every three months.

Records Management

- 5.7 Employees must manage records in accordance with the [Records Management Policy and Procedure](#). This includes retaining these records in a recognised University recordkeeping information system.
- 5.8 University records must be retained for the minimum periods specified in the University Sector Retention and Disposal Schedule on the [Queensland State Archives website](#).

6 DEFINITIONS

- 6.1 Terms not defined in this document may be in the University [glossary](#).

Terms and Definitions

Buyer: University employees who procure goods and/or services on behalf of the University.

Contract: includes, but is not limited to, an agreement, exchange of letters, heads of agreement, response to tender, grant application, trust deed and any other document which creates or which may create legally binding obligations on the University.

Contract management: the efficient, effective and professional management of Contract creation, Execution and delivery to ensure operational and financial performance whilst ensuring the reduction of risk to the University.

Contractor: is the party with which the University is entering the contract and includes, but is not limited to, the supplier, vendor or contractor and its subsidiaries, affiliates, personnel and direct and indirect parents.

Executive: Deputy Vice-President, Associate Vice-President, Director, Dean.

Indigenous focused procurement: organisations choosing to purchase goods and/or services from Aboriginal and Torres Strait Islander suppliers to achieve positive social change.

Memorandum of Understanding (MOU): a non-binding agreement between parties outlining terms and details of an understanding including requirements and responsibilities and is often the first stage in the formation of a formal contract. For the avoidance of doubt, an MOU does not contain information regarding commercial terms, financial conditions or a financial transaction.

Purchase order: a FMS generated document that authorises a purchase transaction. When accepted by the seller, it becomes a contract binding on both parties.

Purchase requisition: a buyer generated document (via the FMS) to notify PAT of items and their quantity that the buyer is wishing to purchase by way of a purchase order.

Senior Executive: Vice-Chancellor and President and Vice-President.

Social and sustainable procurement: organisations choosing to purchase a social or environmental outcome when they buy goods and/or services to achieve positive social change.

Tender evaluation: the examination and review of contractor responses to determine the credibility, responsiveness and other factors associated with selection of the successful Contractor.

Term: the duration of the contract, from commencement through to completion and closing of the contract.

7 RELATED LEGISLATION AND DOCUMENTS

[Corporate Credit Card Procedure \(FMPM\)](#)

[Delegation of Authority Policy \(FMPM\)](#)

[Financial and Performance Management Standard 2019](#) (Qld)

[Local Industry Policy 2010](#)

[Modern Slavery Act 2018](#) (Cwlth)

[Queensland Charter for Local Content](#)

[Queensland Government State Procurement Policy](#)

[Risk Management Policy and Procedure \(FMPM\)](#)

8 FEEDBACK

8.1 Feedback about this document can be emailed to policy@cqu.edu.au.

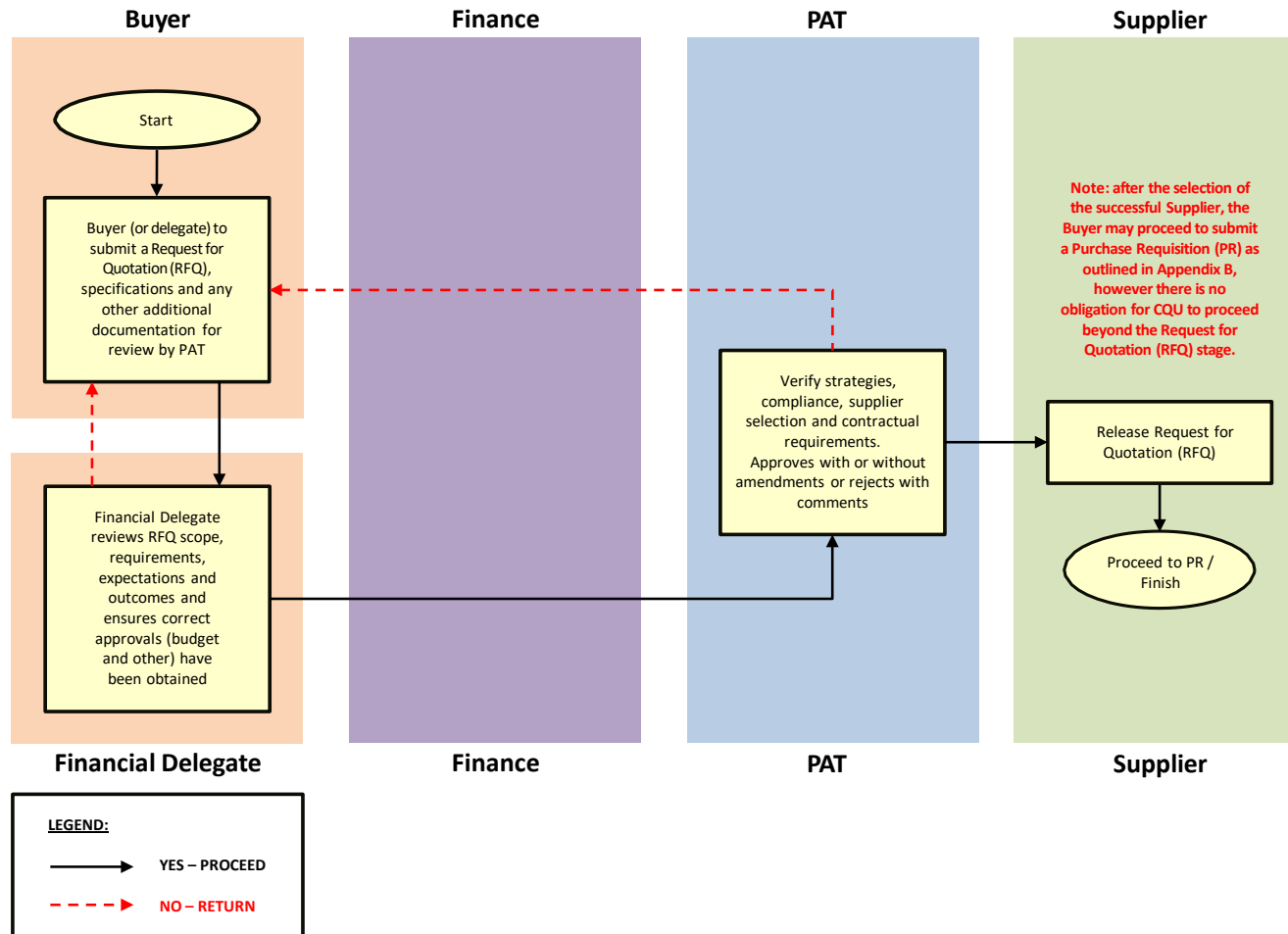
9 APPROVAL AND REVIEW DETAILS

Approval and Review	Details
Approval Authority	Audit, Risk and Finance Committee
Advisory Committee	N/A
Administrator	Vice-President (Student and Corporate Services)
Next Review Date	1/05/2022

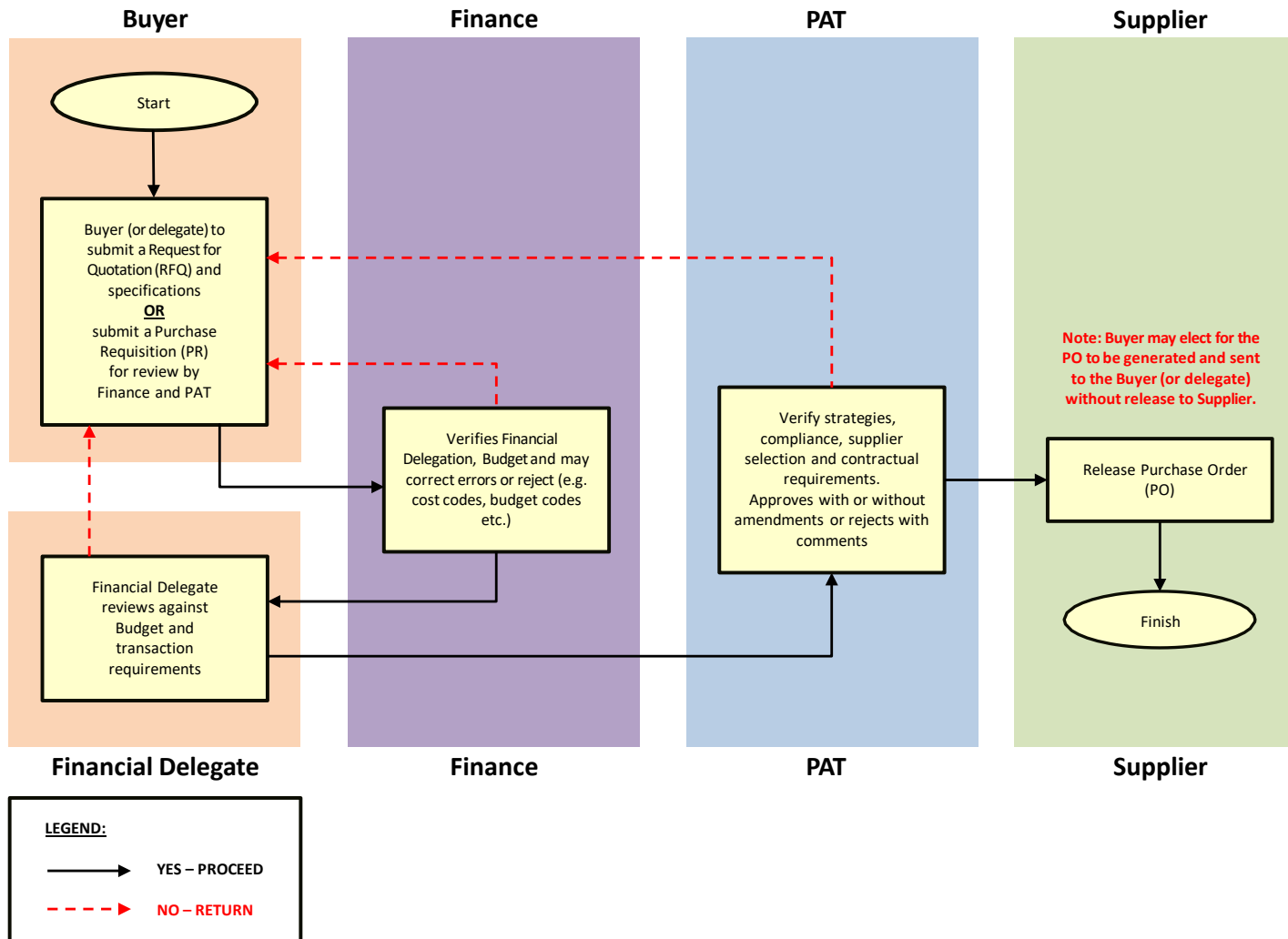
Approval and Amendment History	Details
Original Approval Authority and Date	Council 18/04/2018
Amendment Authority and Date	Council 1/05/2019; Editorial amendment 03/09/2020
Notes	This document consolidated and replaced the Purchasing Policy (6/05/2013), Procurement Policy, Procurement Principles and Procurement Procedure (18/04/2018).

10 APPENDICES
Appendix A, B, C and D – Financial management system workflows

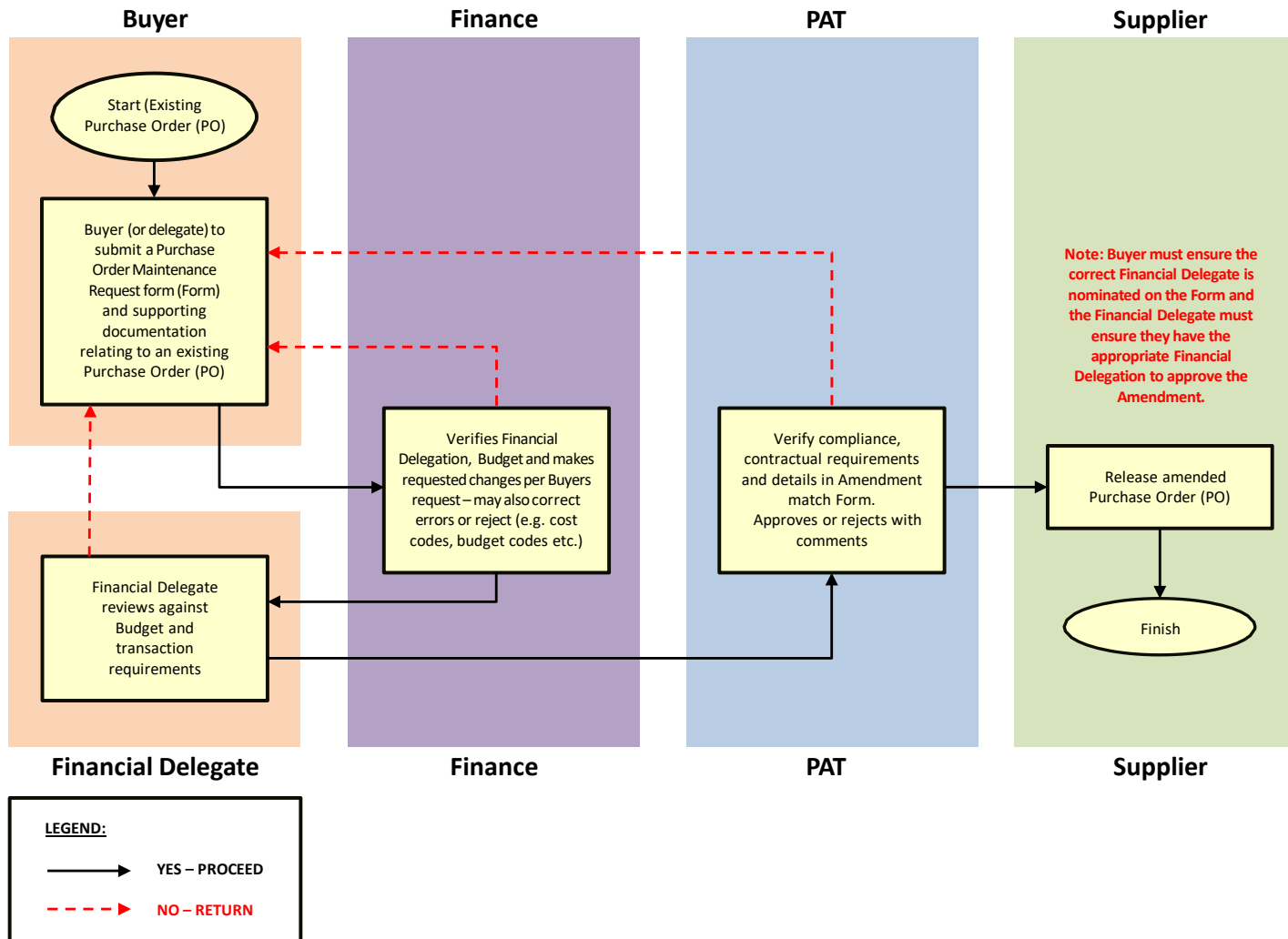
Appendix A - Submit a Request for Quotation (RFQ)



Appendix B - Submit a Purchase Requisition (PR)

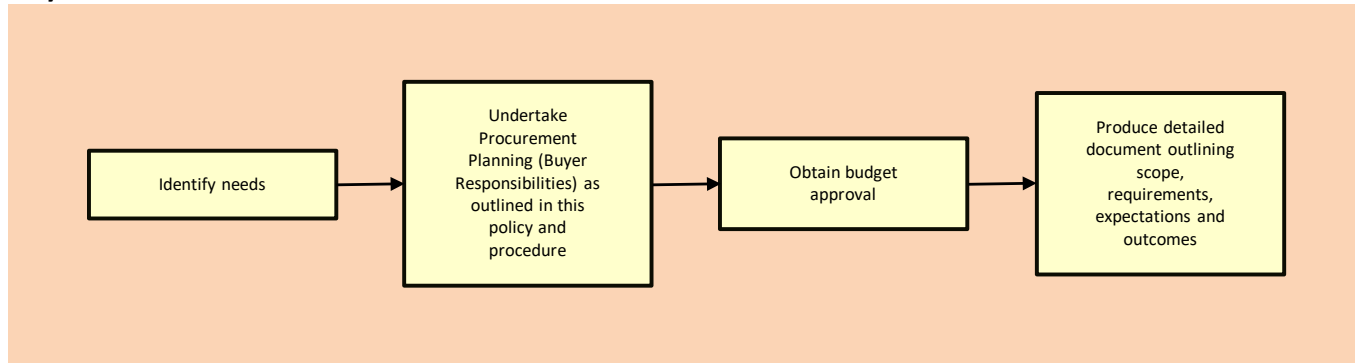


Appendix C – Submit a Purchase Order Amendment (Amendment)



Appendix D – Instructions for the use of the Purchasing / Procurement FMIS

Buyer

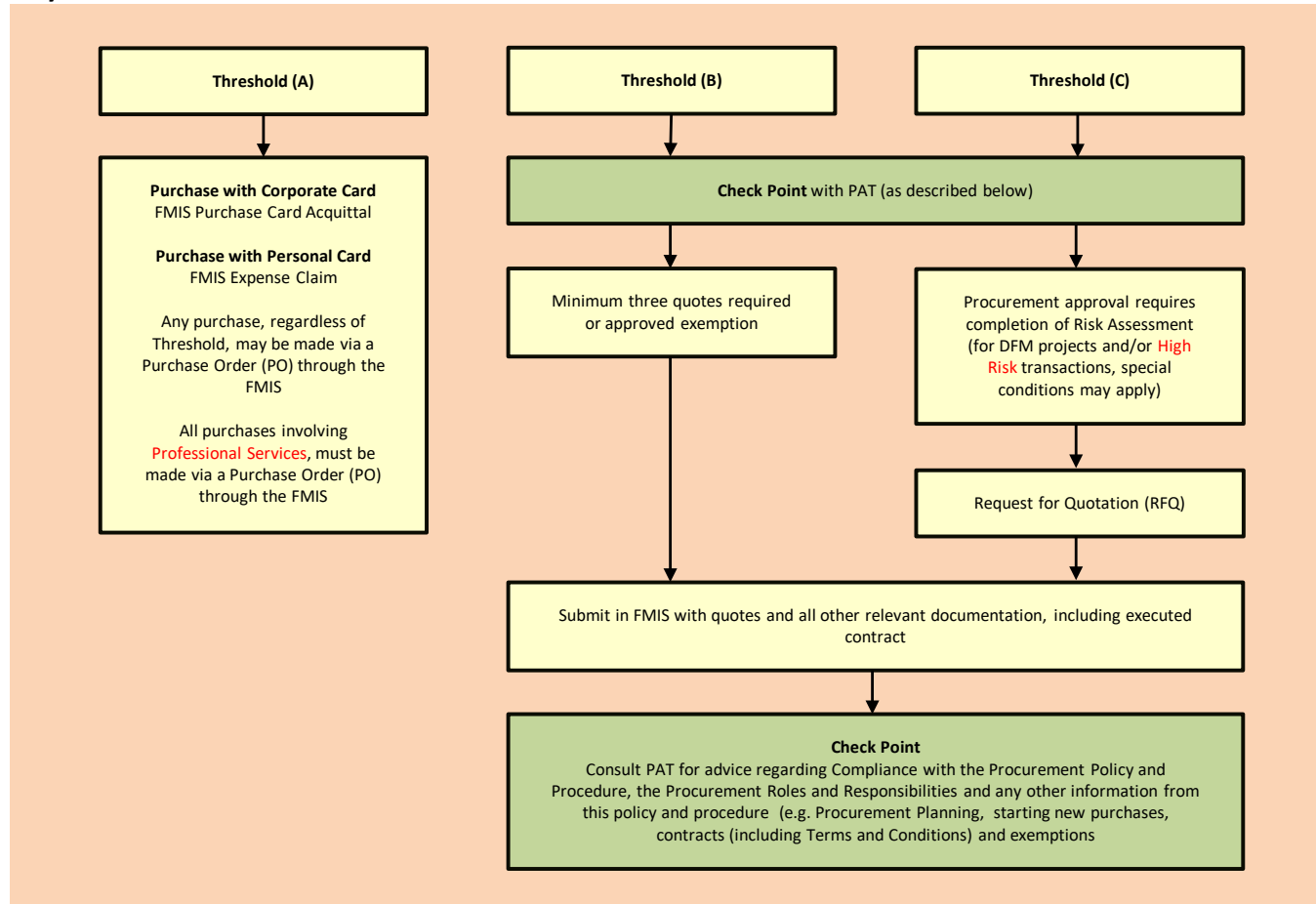


Procurement Thresholds

Threshold (A)	Threshold (B)	Threshold (C)
Less than \$3,000.00 (excluding Professional Services)	From \$3,000.00 to less than \$150,000.00 (to less than \$500,000.00 for DFM projects or Low Risk)	Above \$150,000.00 (or above \$500,000.00 for DFM projects or High Risk)

Appendix D – Continued

Buyer



Appendix D – Continued

Notes:

Contract Requirements

From \$3,000.00 to \$20,000.00 per annum and not involving the purchase of Intellectual Property; the terms and conditions on the rear of the Purchase Order will govern the transaction.

Above \$20,000.00 or **High Risk**; requires a specific contract (please consult PAT).

Portable and Attractive Items

Portable and Attractive Items are assets that have a value of less than \$5,000.00 and are not required to be recorded in the University's Asset Management System as assets. However, they are to be tracked through the Asset Management System because they are prone to accidental or deliberate loss due to portability and attractiveness. Assets that are typically classified as portable and attractive items may include personal computers, laptop computers, video equipment, cameras etc. and are defined in the University's policy and guidelines for Identification, Classification and Recording of Portable and Attractive Items.

CQU Assets Coordinator and/or CQU Assets Accountant must be consulted for the purchase of all Portable and Attractive Items.

Notes

An Independent Probity Auditor or Advisor is required if:

- Goods & Services are to be procured with a value of \$10,000,000.00 or over, and;
- Construction procurement is to occur with a value of \$100,000,000.00 or over.

Where an RFQ process is to be conducted by a Contractor or Consultant on behalf of the University, prior approval must be obtained from PAT and, if approved, must be conducted in accordance with University requirements.

Appendix E - RACI Matrix

PROCUREMENT PROCEDURES RACI MATRIX				
<p>Responsible: Who does or coordinates the execution of the step</p> <p>Accountable: Who takes ultimate or overall responsibility for the execution (only one per step)</p> <p>Consulted: Who owns the information or ensures compliance</p> <p>Informed: Who is going to be affected by the transaction or will be involved in the future</p> <p>Legend:</p> <p>DIV: Buyer (Division/business areas) PAT: Procurement Advice FIN: Finance VP: Vice-President (for relevant Division/business area)</p>				
Key word and process	Responsible	Accountable	Consulted	Informed
A- PLAN: Identify the needs, formulates the Procurement Plan and respective justification for the purchase	DIV	VP	PAT	FIN
B- APPROVAL: Approve the Procurement Plan	VP	VP	FIN/DIV	PAT
C- STRATEGY (Check Point): Define the purchase strategy, including Contract model	DIV	DIV/PAT	PAT	VP/FIN
D- SPECIFICATION: Initiate the purchasing process and define: <ul style="list-style-type: none"> • Specification • Sources or Providers • Selection criteria 	DIV	DIV	PAT	VP/FIN
E- MARKET: Approach market and/or undertake RFQ	DIV	DIV	PAT	VP/FIN
F- SELECTION: Select the source or provider	DIV	DIV	PAT	VP/FIN
G- CONTRACTING (Check Point): Verify Terms and Conditions and negotiate the final Contract version (including <u>exemptions</u> , renewals and disputes)	DIV/PAT	DIV	PAT	VP/FIN
H- SIGN OFF: Final Execution of the Contract	DIV	DIV	DIV/PAT	FIN
I- VERIFICATION: Final verification of the purchase and approval of the PR	PAT	PAT	DIV	DIV/FIN