Procurement Procedure

**Associated Policy**

The CIT Procurement Procedure has been developed in conjunction with the CIT Procurement Policy.

**Purpose**

The [*Government Procurement Act 2001*](https://www.legislation.act.gov.au/a/2001-28) defines ‘procurement’ as the process of;

1. Acquiring goods, services, works or property by purchase, lease, rental or exchange; and
2. Disposing of goods, works or property including by sale.

An intergovernmental agreement, a contract for employment or a contract to settle a legal liability to an individual are **NOT** procurements.

This procedure is designed to provide CIT employees with guidance to ensure that the expenditure of public money is undertaken in accordance with the principles and requirements of the *CIT Procurement Policy*. These procedures concern all CIT staff engaging in the procurement of goods and services, delegates authorising expenditure, and those responsible for checking documents and monitoring procedural compliance.

There are additional requirements for Infrastructure, Corporate Credit Cards, Incidental Reimbursements, Travel, Professional Development, Asset or Hospitality related purchases. Refer to the appropriate policies and/or procedures for further detail regarding purchases under these categories.

**Information and Guidance**

Information about Purchasing and Buying can be found on the [Purchasing and Buying](https://staff.cit.edu.au/support/corporate_services/purchasing_and_buying) page on the Staff Information Site (SIS). All documents referred to in this procedure can be found on SIS.

Additional information can be found on the Procurement ACT [intranet website](https://actgovernment.sharepoint.com/sites/intranet-CMTEDD/whog/procurement/Pages/default.aspx).

CIT staff can seek further information from the CIT Senior Manager, Procurement, Contracts and Records Management.

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## Thresholds

There are three thresholds prescribed in the *Government Procurement Regulation 2007* however, CIT Procurement is split into four different methods, and the procedures vary according to these methods. The methods are based on the procurements ‘estimated value’.

Purchase methods:

1. Procurements less than $5,000 (including GST);
2. Procurements between $5,000 and $25,000 (including GST);
3. Procurements between $25,000 and $200,000 (including GST); or
4. Procurements greater than $200,000 (including GST).

The following control and risk management principles are to be adhered to:

* There must be a distinct segregation of duties in the ordering, approval and payment stages of the purchasing process.
* CIT’s purchasing processes must never be used for transactions of a private nature.
* Risk assessments and process audits of the purchasing process are to be conducted regularly.

## Estimated Value

The Estimated Value or Whole-of-Life cost of a purchase is the sum of all the costs that will be associated with a purchase during its effective life. You should try to consider all possible additional costs that may be associated with your purchase when calculating the Whole-of-Life cost.

For example, a crane that has a 10 year life span is purchased for an initial cost of $50,000. It is also known that the crane will need yearly maintenance for an estimated $2,000 per year. Over the 10 year lifespan the crane’s Whole-of-Life costs are $70,000.

In instances where an Estimated Value, including GST if applicable, is under one of the stated methods by 10% or less, the basis for selecting the procurement method from the Estimated Value should be documented and placed on file for audit purposes before undertaking the procurement process.

## Value for Money

As detailed in the CIT Procurement Policy the primary principle to be applied in CIT procurement is value for money. Value for Money (VFM) is the pursuit of the best available procurement outcome, NOT necessarily the lowest price. VFM takes into account:

1. Probity and ethical behaviour;
2. Management of risk;
3. Open and effective competition;
4. Optimisation of Whole of Life Costs; and
5. Anything else prescribed by legislation.

## Whole of Government Contracts

Before beginning any procurement process you should check the list [of Whole of Government](http://intranet-cmtedd/whog/procurement/Pages/List-of-contracts-and-panels.aspx) [contracts](http://sharedservices/actgovt/Procurement/Buying/Existing-Contracts/index.htm) on the [Procurement ACT intranet](https://actgovernment.sharepoint.com/sites/Intranet-CMTEDD/whog/procurement/Pages/List-of-contracts-and-panels.aspx) to see if your requirement can be met using one of the Whole of Government arrangements. Where there is an appropriate Whole of ACT Government Contractit must be used.

The Whole of Government arrangements cover a variety of areas including:

* Advertising, Marketing and PR;
* Auditing;
* Finance;
* Human Recourses Services;
* Training;
* Information and Communication Technologies;
* Medical and Health Services;
* Stationary and Office Products;
* Travel;
* Utilities (e.g. electricity or gas); and
* Vehicles, Fuel and other Fleet Services.

If there is an existing Whole of Government Contract, follow the instructions in the user reference guide provided, if you have further questions or require assistance contact the Contract Manager for information on how to progress your procurement.

## Policy

Before starting a new purchase, the Purchasing Officer must check if a social enterprise or Indigenous Supplier is able to offer the required services/goods.

### Social Enterprise

Social enterprises deliver targeted social or community benefits, may be for-profit or not-for-profit, and seek both a financial and social return on investment. ACT Government has a social enterprises panel which can be used. For more information on social procurement, the panel or the Services/goods offered have a look on the Procurement ACT [Social Enterprise](http://intranet-cmtedd/whog/procurement/Pages/Social-procurement.aspx) web page.

### Aboriginal and Torres Strait Islander Procurement Policy

The Aboriginal and Torres Strait Islander Procurement Policy (ATSIPP) encourages Officers to seek quotes from relevant Aboriginal and Torres Strait Islander Enterprises wherever possible, driving growth in economic participation for Aboriginal and Torres Strait Islander enterprises through an increase to the Government’s spend with Aboriginal and Torres Strait Islander enterprises. A list of Indigenous suppliers and the goods/services they provide is available on the Procurement ACT [ATSIPP](https://www.procurement.act.gov.au/policy-and-resources/procurement-from-aboriginal-and-torres-strait-islander-organisations) web page.

### Secure Local Jobs

Secure Local Jobs (SLJ) was developed to strengthen procurement practices so Government contracts are only awarded to businesses that meet high ethical and labour standards. Businesses responding to construction, cleaning, security or traffic management work must meet workplace standards and have a SLJ Code Certificate. They will also need to complete a Labour Relations, Training and Workplace Equity (LRTWE) Plan if the value of work is more than $25,000. Businesses that provide Services with a high labour component worth more than $200,000 will also need a SLJ Code Certificate and LRTWE.

For more information on the code, SLJ Code Certificates or a list of Code Certified Suppliers have a look at the Procurement [Secure Local Jobs](https://www.procurement.act.gov.au/supplying-to-act-government/securelocaljobs) web page.

## Learning Resources

Learning Resources purchases include the purchase by CIT of physical textbooks, ebooks, online subscriptions, digital learning objects, videos or software with any vendor (including CITSA) where money is being spent by CIT, regardless of any cost recovery in place. This does not include learning resources for students, purchased by students such as physical textbooks.

CIT Library & Learning Services looks at existing contracts, combining multiple contracts with the same Supplier into one contract to drive CITs buying power, previous spend, proposed licence agreements, any conditions of use and will conduct the procurement. Colleges will need to determine what Learning Resources are required and provide staff to assist in the evaluation of bids and content.

There is a highly competitive marketplace for Learning Resources that often results in cold calling or other aggressive marketing techniques. If encountered CIT staff are advised to avoid and respectfully decline the approaches or if necessary, divert sales/marketing enquiries from Suppliers to CIT Library & Learning Services. Where however, there is a potential benefit in entertaining approaches from Suppliers, this should be done in conjunction with CIT Library & Learning Services, with discretion and ensuring that CIT does not commit to any purchase whether unintended or otherwise.

To complete the purchase of a Learning Resource please contact CIT Library & Learning Services.

## ICT Purchases

Purchases for Information and Communications Technology (ICT) include, ICT hardware, new ICT systems or software or any purchase that involves an ICT component. These purchases must be completed in line with CITs Digitisation Strategy and are often classified as high risk.

To complete a purchase that includes ICT please contact CITs Digitisation Officer.

## Method 1 - Procurements less than $5,000

This method should only be used for simple one-off purchases that will not exceed $5,000.

It is best practice to obtain at least one written quote and retain it for audit/record keeping purposes.

To complete the purchase please follow CITs Corporate Credit Card Policy and Procedure.

## Method 2 - Procurements between $5,000 and $25,000

Procurement ACT refers to method 2 procurements as Basic Procurement.

Just because it’s referred to as basic, does not mean that you should take any less care or effort than you would with a more complex purchase. Remember, you are spending public money and as such should always strive to ensure the best possible outcome and value for money.

Using the [Basic Procurement](http://intranet-cmtedd/whog/procurement/Documents/Under%20%2425k/GS-Procurement-under%2425k-Checklist.doc) Checklistwill help Purchasing Officers both understand the process and record the progress of the purchase; assisting in situations where Officers have to hand the purchase on to a colleague. The checklist can be completed either electronically or printed and filled in by hand.

When undertaking a Basic Purchase best practice is to obtain at least three written quotes from Suppliers. The Basic Request for Quotation Form (once signed) becomes the contract, saving you time and effort in having to complete another form when you reach the point of purchase.

### *Step 1 – Describe the Purchase*

Purchasing Officers will need to develop a sound understanding of what the purchase will involve, what time frame will be required, what funding is available, and what is required of themselves and their colleagues.

There are several [Statement of Requirement](http://intranet-cmtedd/whog/procurement/Pages/Templates-and-resources.aspx)templates available on SIS that can help to clearly describe the good and/or service that is required. Be as detailed and specific as possible to ensure that Suppliers have a clear understanding of the goods and/or service that CIT require, this will ensure a higher quality response.

At this point the Purchasing Officer should also consider when the good and/or services are required and from this develop a rough timeline that identifies key milestones to assist in planning the purchase.

### *Step 2 – Identify the Risk*

Risk is measured in terms of the likelihood of the something happening, and the consequences if it does happen.

A risk assessment must be completed for each purchase. Complete a [Risk Assessment Questionnaire](http://sharedservices/ACTGovt/ProcForms/Risk-Questionnaire.doc) to determine your risk level.

If the purchase has been identified as high risk please contact the CIT Senior Manager, Procurement, Contract & Records Management or Procurement ACT for further advice.

### *Step 3 - Identify Suppliers*

You must approach at least one Supplier, if possible select more than one Supplier as additional Suppliers will help ensure value for money for CIT.

This is most easily accomplished by reviewing any previous Suppliers that may have been engaged, or by reviewing contracts for similar services and/or goods on the [ACT Government Contracts Register.](https://tenders.act.gov.au/ets/contract/list.do?action=contract-search&amp;sel=contractssearch)

If a suitable Supplier cannot be found using the above methods, a Supplier may be identified through an internet search using search engines such as [Google](http://www.google.com.au/) or through an online directory such as [Yellow Pages Online](https://www.yellowpages.com.au/). How Suppliers are found will vary depending on the nature of the purchase and as such Purchasing Officers should use their best judgement on how to approach this task.

### *Step 4 – Funding approval*

Identify available funding and determine if it is sufficient for the purchase.

Seek funding approval from your Business Support Manager or CITs Senior Director Finance.

### *Step 5 – Quotation Documents*

Complete a [Request for Quotation Form](http://intranet-cmtedd/whog/procurement/Documents/Under%20%2425k/Request-for-Quote-GS-under%2425k.docx). This is the key document that will be sent out to Suppliers and is the template Suppliers will use to provide CIT with quotes. Complete the form as directed by the embedded prompts.

You must also detail how the responses will be evaluated and who the Request for Quotation Form will be sent too. This can be done by completing the first section of the [Quotation Recommendation Form](http://intranet-cmtedd/whog/procurement/Documents/Under%20%2425k/Quotation-Recommendation.docx) the:

* + Background and General Information sections. Much of this information will be transferable from your Request for Quotation Form;
	+ Suppliers section, just the name of the company is sufficient at this point; and
	+ Evaluation Criteria, there are three pre-entered criteria that will be suitable for most basic purchases; however, the form has space for up to five. All that must be entered at this point is the criteria itself, not the scores.

### *Step 6 - Obtain approval from your Financial Delegate*

Once the forms have been completed and are ready to be issued, they must be approved by the Financial Delegate.

The Delegate must review and approve the Request for Quote and the Quotation Recommendation form before the Request for Quote form is sent to Suppliers.

### *Step 7 – Issue and close the RFQ*

Send the identified Suppliers the Request for Quotation Form. This is best done by email as the document is designed to be filled in electronically.

The body of the email should include a quick introduction and outline of the requirements of the purchase, as well as the contact details of the Purchasing Officer.

Once the **Closing Date** included in the Request for Quotation Form has been reachedit is important to note that no further quotes should be accepted, this is to ensure a level playing field for all Suppliers.

If a Supplier does not return a quote the Purchasing Officer does not have to follow up with them after the closing date. However, should the Purchasing Officer want feedback the Supplier can be contacted asking why they chose not to participate in the process.

### *Step 8 – Evaluate the Quote(s)*

Once you have collected all of the returned quotes, it is time to evaluate using the [Quotation Recommendation Form](http://intranet-cmtedd/whog/procurement/Documents/Under%20%2425k/Quotation-Recommendation.docx).

The Purchasing Officer may choose to evaluate by themselves or with an evaluation team. If a team is chosen the Purchasing Officer should review the [Quotation Evaluation Team Responsibilities](http://intranet-cmtedd/whog/procurement/_layouts/15/WopiFrame.aspx?sourcedoc=/whog/procurement/Documents/Simple/Quotation-Evaluation-Team-Responsibilities.doc&action=default&DefaultItemOpen=1) to confirm what the team responsibilities are.

Check that the completed Request for Quotation Form contains all the required information, clearly identifies the Supplier, including their ABN, ARBN or ACN.

During the evaluation, the team should assess each quote against the evaluation criteria set out in the approved Quotation Recommendation Form, filling in the Evaluation Results section as the team assess each submission.

### *Step 9 – Delegate Approval of the Evaluation Recommendation*

Once the Quotation Recommendation Form has been completed, send it to the Financial Delegate to review and approve the decision made by the evaluation team.

If the Delegate is happy with the decision made by the evaluation team, the Delegate must approve the Quotation Recommendation Form and execute the Request for Quotation Form as this will form become the contract with the Supplier.

### *Step 10 - Inform the selected Supplier/s*

Send the successful Supplier an email informing them that they have been selected and that CIT would like to utilise their services, along with a copy of the executed Request for Quotation Form which is now your contract.

### *Step 11 - Inform unsuccessful Supplier/s*

If more than one response was received, the Purchasing Officer must inform the unsuccessful Supplier/s that they were unsuccessful. The Purchasing Officer can send an email or a [Letter of Decline](http://intranet-cmtedd/whog/procurement/Documents/Simple/Letter-of-Decline.docx).

Unsuccessful Supplier/s may wish to receive a debrief. A debrief is a meeting, either over the phone or face to face to explain the results of the evaluation to the Supplier/s. The Purchasing Officer must not give any information on the other quotes; instead focus on the areas within the unsuccessful Supplier/s quote could be improved.

### *Step 12 – Monitor Performance*

The Contract Manager must actively monitor the delivery of the purchase to encourage continuous improvement, future design of specifications and demonstrate a commitment to service delivery.

The goods/services must be delivered in accordance with the specifications detailed in the contract. The Contract Manager must ensure that goods are received in good condition and services are completed.

Invoices must be reviewed prior to payment to ensure that the goods/services have been accepted, are for the correct amount and are in accordance with the contract.

Goods/services that do not meet the requirements are to be rejected and the Supplier advised. It is the responsibility of the Contract Manager to follow up where there is any issue with incomplete/inaccurate orders. Any instances of poor performance should be documented for future reference.

## Method 3 - Procurements between $25,000 and $200,000

Procurement ACT refers to method 3 procurements as Simple Procurement.

The purchase is referred to as simple, however the Purchasing Officer must still undertake the purchase efficiently and effectively in accordance with good commercial practice. Remember, public funds are being spent and as such CIT should always strive to ensure the best possible outcome and ensure value for money.

Using the [Simple Procurement](http://intranet-cmtedd/whog/procurement/Documents/Under%20%2425k/GS-Procurement-under%2425k-Checklist.doc) Checklistwill help keep track of the progress of the purchase; assisting in situations where the Purchase Officer has to hand the purchase on to a colleague. The checklist can be completed either electronically or printed and filled in by hand.

When undertaking a Simple Purchase Purchasing Officers must request at least three written quotes from Suppliers, they are able to request quotes from more than three Suppliers. If less than three quotes are received, the procurement can still proceed.

Purchase Officers must ensure that they give Suppliers enough time to respond to quotes (two weeks for a purchase less than $200K is usually sufficient), and must ensure that all suppliers have equal information, equal opportunity and equal time. Purchase Officers should encourage written correspondence from Suppliers and ensure all clarifications are communicated in writing.

### *Step 1 – Describe the Purchase*

The Purchasing Officer will need to develop a sound understanding of what the purchase will involve, what time frame will be required, what funding is available, and what is required of themselves and their colleagues.

There are several [Statement of Requirement*s*](http://intranet-cmtedd/whog/procurement/Pages/Templates-and-resources.aspx)templates available on SIS that can help to clearly describe the good and/or service that CIT requires. Be as detailed and specific as possible to ensure that Suppliers have a clear understanding of the goods and/or service that CIT require, this will ensure a higher quality response.

At this point the Purchasing Officer should also consider when the good and/or service are required and from this develop a rough timeline that identifies key milestones to assist in planning the purchase.

### *Step 2 – Identify the Risk*

Risk is measured in terms of the likelihood of the something happening, and the consequences if it does happen.

The Purchasing Officer must complete a [Risk Assessment Questionnaire](http://sharedservices/ACTGovt/ProcForms/Risk-Questionnaire.doc) to determine the risk level of the purchase.

If the risk level has been identified as high risk please contact the CIT Senior Manager Procurement, Contract & Records Management or Goods and Services Procurement for further advice.

### *Step 3 - Identify Suppliers*

Identify at least three Suppliers, where possible one quote must be sought from a Supplier located in the Canberra Region and one quote must be sought from a Small to Medium Enterprise (SME). An SME is defined as a business that has fewer than 200 full time employees or equivalent.

This is most easily accomplished by reviewing any previous Suppliers that may have been engaged, or by reviewing contracts for similar services and/or goods on the [ACT Government Contracts Register.](https://tenders.act.gov.au/ets/contract/list.do?action=contract-search&amp;sel=contractssearch)

If a suitable Supplier cannot be found using the above methods, a Supplier may be identified through an internet search using search engines such as [Google](http://www.google.com.au/) or through an online directory such as [Yellow Pages Online](https://www.yellowpages.com.au/). How Suppliers are found will vary depending on the nature of the purchase and as such Purchasing Officers should use their best judgement on how to approach this task.

### *Step 4 – Funding approval*

Identify available funding and determine if it is sufficient for the purchase.

Seek funding approval from your Business Support Manager or CITs Senior Director Finance.

### *Step 5 – Quotation Documents*

Complete the [Request for Quotation Form](https://staff.cit.edu.au/support/corporate_services/purchasing_and_buying/simple) that best suits your purchase. This is the document that will be sent out to Suppliers and is the template Suppliers will use to provide CIT with quotes. Complete the form as directed by the embedded prompts.

You must also detail how the responses will be evaluated and who the Request for Quotation Form will be sent too. This can be done by completing the first section of the [Evaluation Form](http://intranet-cmtedd/whog/procurement/Documents/Simple/Evaluation-Form.docx) the:

* + General Information sections. Much of this information will be transferable from your Request for Quotation Form;
	+ Suppliers section, just the name of the company is sufficient at this point; and
	+ Evaluation Criteria, there are three pre-entered criteria that will be suitable for most basic purchases; however, the form has space for up to ten. All that must be entered at this point is the criteria itself, not the scores.

### *Step 6 - Obtain approval from your Financial Delegate*

Once the forms have been completed and are ready to be issued, they must be approved by the Financial Delegate.

The Delegate must review and approve the Request for Quote and the Quotation Recommendation form before the Request for Quote form is sent to the Suppliers.

### *Step 7 – Issue and close the RFQ*

Send the selected Suppliers the Request for Quotation Form. This is best done by email as the document is designed to be filled in electronically.

The body of the email should include a quick introduction and outline of the requirements of the purchase, as well as the contact details of the Purchasing Officer.

Once the **Closing Date** included in the Request for Quotation Form has been reachedit is important to note that no further quotes should be accepted, this is to ensure a level playing field for all Suppliers.

If a Supplier does not return a quote the Purchasing Officer does not have to follow up with them after the closing date. However, should the Purchasing Officer want feedback the Supplier can be contacted asking why they chose not to participate in the process.

### *Step 8 – Evaluate the Quote(s)*

Once you have collected all of the returned quotes, it is time to evaluate.

The Purchasing Officer must choose an evaluation team. The evaluation team should comprise of experts and specialists in fields relevant to the purchase. The Purchasing Officer should review the [Quotation Evaluation Team Responsibilities](http://intranet-cmtedd/whog/procurement/_layouts/15/WopiFrame.aspx?sourcedoc=/whog/procurement/Documents/Simple/Quotation-Evaluation-Team-Responsibilities.doc&action=default&DefaultItemOpen=1) to confirm the team’s responsibilities.

During the evaluation, the team should assess each quote against the evaluation criteria set out in the approved [Evaluation Form and value for money principles,](http://intranet-cmtedd/whog/procurement/Documents/Under%20%2425k/Quotation-Recommendation.docx)filling in the Score and Notes section as the team assess each submission.

### *Step 9 – Seek Delegate Approval of the Evaluation Recommendation*

Once the Evaluation Form has been completed send it to the Financial Delegate to review and approve the decision made by the evaluation team and confirm that the purchase can proceed.

### *Step 10 – Inform the Successful Supplier*

Let the successful Supplier know that they are the preferred Supplier. You can do this via an email or there is a template for a [Letter of Acceptance](http://intranet-cmtedd/whog/procurement/Documents/Simple/Letter-of-Acceptance.docx).

### *Step 11 - Draft a Contract*

Draft a Contract between CIT and the preferred Respondent, you can use the [Short Form Contract](https://staff.cit.edu.au/__data/assets/word_doc/0003/55146/CIT_Short_Form_Contract_June_19.docx). Most of the required information should be available from the SOR, Request for Quote or Suppliers Quote. Complete the form as directed by the embedded prompts.

Purchasing Officers must check that CIT is entering into a Contract with a legal entity. This can be done using an ABN search such on the Australian Governments [ABN Lookup](https://abr.business.gov.au/).

If there is a request for confidential text, then refer to the *Government Procurement Act 2001* to determine whether it is eligible for protection, and the reason to give e.g. Hourly rates, individual item pricing that would have a commercial value; personal details of Staff Specified in the contract are some common reasons. The CEO is the only Officer able to approve a request for Confidential Text and it should be approved prior to contract signature. To request Confidential Text there is a template available [Confidential Text Minute](https://staff.cit.edu.au/__data/assets/word_doc/0003/56901/Confidential_Text_Minute.docx). Please keep in mind that unless confidential text is explicitly mentioned in the contract, the contract must be uploaded to the [ACT Government Contracts Register](https://tenders.act.gov.au/ets/contract/list.do?action=contract-search&sel=contractssearch) in its entirety.

### *Step 12 – Execute the Agreement*

Once completed send the Short Form Contract to the Supplier for signature. This step can be completed electronically.

Once the Short Form Contract has been signed by the preferred Supplier and returned to the Purchasing Officer forward it to the Financial Delegate for execution.

Upon execution send a copy of the fully executed Contract to the Supplier for their records.

### *Step 13 – Notification*

All contracts over $25,000 are considered notifiable contracts under the *Government Procurement Act 2001* and must be uploaded to the ACT Government Contracts Register within **21 days of execution**.

This is done by completing the [Notification Form](http://intranet-cmtedd/whog/procurement/Documents/Other/Contracts-Register-Notification.docx) and emailing it to BuyGnS@act.gov.au along with the following documents:

1. An unsigned (public text) copy of the contract;
2. Any attachments that form part of the contract (If you reference the Suppliers quote or a document as an attachment in the Contract, it forms part of the contract and must be provided to Procurement ACT so they can be uploaded to the register); and
3. If the Contract contains confidential text, or was completed via a Single Select Purchase, you must include a copy of the approval signed by CITs CEO.

If there are issues or further clarification is needed before uploading the contract, Procurement ACT will contact you to resolve the issue.

Procurement ACT will upload the contract to the ACT Government Contracts Register which is publicly viewable. They will email you to confirm that the contract has been uploaded.

### *Step 13 - Inform unsuccessful Supplier/s*

If more than one response was received, the Purchasing Officer must inform the unsuccessful Supplier/s that they have not won the contract. The Purchasing Officer can send an email or a [Letter of Decline](http://intranet-cmtedd/whog/procurement/Documents/Simple/Letter-of-Decline.docx).

Unsuccessful Supplier/s may wish to receive a debrief meeting. A debrief is a meeting, either over the phone or face to face to explain the results of the evaluation to the Supplier/s. The Purchasing Officer must not give any information on the other quotes; instead focus on the areas within the unsuccessful Supplier/s quote that let them down.

### *Step 14 – Monitor Performance*

The Contract Manager must actively monitor the delivery of the purchase to encourage continuous improvement, future design of specifications and demonstrate a commitment to service delivery.

The goods/services must be delivered in accordance with the specifications detailed in the contract. The Contract Manager must ensure that goods are received in good condition and services are completed.

Invoices must be reviewed prior to payment to ensure that the goods/services have been accepted, are for the correct amount and are in accordance with the contract.

Goods/services that do not meet the requirements are to be rejected and the Supplier advised. It is the responsibility of the Contract Manager to follow up where there is any issue with incomplete/inaccurate orders. Any instances of poor performance should be documented for future reference.

## Method 4 - Procurements greater than $200,000

Procurement ACT refers to method 4 procurements as Complex Procurement.

When undertaking a Complex Purchase you must complete an open tender process in conjunction with the CIT Senior Manager Procurement, Contracts & Records Management and Procurement ACT.

The process for procurements at this threshold will be determined on a case by case basis.

## Procurement Exemptions

As detailed in the CIT Procurement Policy only CIT’s CEO may approve an exemption from method 3 or 4, and only provided that:

* the benefit of the exemption outweighs the benefit of compliance with the requirement; and
* the aspects of value for money have been taken into account.

Section 10 of the *Government Procurement Regulation 2007* provides examples for acceptable response for the CEO to exempt a procurement. This is a non-exhaustive list and the CEO may exempt a procurement from the requirements in other circumstances, as long as they are satisfied that this would deliver the best procurement outcome, that is, the best value for money.

The Purchasing Officer should detail their exemption justification using template [Procurement Exemption Minute](https://staff.cit.edu.au/__data/assets/word_doc/0020/56900/Procurement_Exemption_Minute.docx). Further information can also be found in the Procurement Policy Circular [PC25](https://www.procurement.act.gov.au/__data/assets/pdf_file/0006/1345893/PC25.pdf).

After the Procurement Exemption Minute has been approved by the CEO the Purchasing Officer should still seek a quote from the Supplier and evaluate the response against approved assessment criteria to ensure a Value for Money outcome is achieved.

## Administration

All procurement processes must be properly recorded following the CIT Records Management Procedure.

Written quotes must be retained for audit/record keeping purposes and all quotes/responses must be classified as *Commercial in Confidence*.

Given the nature of the procurement process, and the importance of accountability and probity, written quotes are the better option as they allow Purchasing Officers to:

* Clearly explain to Suppliers the requirements;
* When approaching more than one Supplier, it ensures that all Suppliers receive the same information, thus helping ensure an ethical procurement process;
* It allows you to maintain a written record of exactly what the Supplier is offering; and
* It allows you to keep an accurate record of the process and in turn, ensure accountability in the use of public monies.

## Responsibilities

**Executive**

The Executive Director, Corporate Services is the responsible Executive for CIT’s Procurement.

**CIT Senior Manager Procurement, Contracts & Records Management**

The Senior Manager Procurement, Contracts and Records Management is the procedure (and policy) owner and is responsible for the oversight and application of all applicable guidance including this procedure. Responsibilities include:

* the development, application and periodic review of guiding documentation including the applicable policy and procedure; and
* reporting.

**Financial Delegate**

The Financial Delegate is responsible for:

* Determining if the purchase is necessary, for a legitimate business purpose, efficient, economical, ethical and in the best interests of CIT;
* Ensuring that there are sufficient funds in budgets to fund purchases; and
* Ensuring that Purchasing Officers are purchasing in accordance with the policy and this procedure.

**Purchase Officer**

The Purchasing Officer is responsible for:

* Determining the standard/specification of the Goods and/or Services to be purchased;
* Obtaining quotes to ensure that value for money is obtained;
* Obtaining approval from the relevant Financial Delegate at the relevant steps;
* Ensuring that all Procurement Processes accord with the policy and this procedure; and
* Maintaining appropriate documentation for all Procurement Processes.

## Documentation

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| Authority Source | 1. *Government Procurement Act 2001*
2. [*Government Procurement Regulation 2007*](http://www.legislation.act.gov.au/li/current/g.asp)
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| Related Policy | 1. [CIT Procurement Policy](https://staff.cit.edu.au/__data/assets/word_doc/0017/53171/CIT_Procurement_Policy.docx)
2. [CIT Asset Management Policy](https://staff.cit.edu.au/__data/assets/word_doc/0006/53169/CIT_Asset_Management_Policy.docx)
3. [CIT Corporate Credit Card Policy](https://staff.cit.edu.au/__data/assets/word_doc/0011/47684/CIT_Corporate_Credit_Card_Policy_-_October_2019.DOCX)
4. [CIT Staff Incidentals Reimbursement Procedures](https://staff.cit.edu.au/__data/assets/word_doc/0005/47687/CIT_Staff_Incidentals_Reimbursements_Procedure.docx)
 |
| Delegations | 1. Financial Delegations Manual
2. [Financial Delegations Matrix](https://staff.cit.edu.au/__data/assets/excel_doc/0008/57167/Financial_Delegations_July_2019_Print_version_2.xlsx)
 |
| Related templates | 1. [Basic Procurement](http://intranet-cmtedd/whog/procurement/Documents/Under%20%2425k/GS-Procurement-under%2425k-Checklist.doc) Checklist
2. [Basic Request for Quotation Form](http://intranet-cmtedd/whog/procurement/Documents/Under%20%2425k/Request-for-Quote-GS-under%2425k.docx)
3. [Basic Quotation Recommendation Form](http://intranet-cmtedd/whog/procurement/Documents/Under%20%2425k/Quotation-Recommendation.docx)
4. [Simple Procurement](http://intranet-cmtedd/whog/procurement/Documents/Under%20%2425k/GS-Procurement-under%2425k-Checklist.doc) Checklist
5. [Simple Request for Quotation Form](https://staff.cit.edu.au/support/corporate_services/purchasing_and_buying/simple)
6. [Simple Evaluation Form](http://intranet-cmtedd/whog/procurement/Documents/Simple/Evaluation-Form.docx)
7. [Statement of Requirement](http://intranet-cmtedd/whog/procurement/Pages/Templates-and-resources.aspx)
8. [Risk Assessment Questionnaire](http://sharedservices/ACTGovt/ProcForms/Risk-Questionnaire.doc)
9. [Quotation Evaluation Team Responsibilities](http://intranet-cmtedd/whog/procurement/_layouts/15/WopiFrame.aspx?sourcedoc=/whog/procurement/Documents/Simple/Quotation-Evaluation-Team-Responsibilities.doc&action=default&DefaultItemOpen=1)
10. [Letter of Acceptance](http://intranet-cmtedd/whog/procurement/Documents/Simple/Letter-of-Acceptance.docx)
11. [Short Form Contract](https://staff.cit.edu.au/__data/assets/word_doc/0003/55146/CIT_Short_Form_Contract_June_19.docx)
12. [Letter of Decline](http://intranet-cmtedd/whog/procurement/Documents/Simple/Letter-of-Decline.docx)
13. [Confidential Text Minute](https://staff.cit.edu.au/__data/assets/word_doc/0003/56901/Confidential_Text_Minute.docx)
14. [Procurement Exemption Minute](https://staff.cit.edu.au/__data/assets/word_doc/0020/56900/Procurement_Exemption_Minute.docx)
15. [Notification Form](http://intranet-cmtedd/whog/procurement/Documents/Other/Contracts-Register-Notification.docx)
 |
| Related links | 1. [Purchasing and Buying](https://staff.cit.edu.au/support/corporate_services/purchasing_and_buying)
2. [Procurement ACT Intranet](https://actgovernment.sharepoint.com/sites/Intranet-CMTEDD/whog/procurement/Pages/default.aspx)
3. [Procurement Policy Circulars](https://www.procurement.act.gov.au/about/procurement_circulars)
4. [ACT Government Contracts Register](https://tenders.act.gov.au/ets/contract/list.do?action=contract-search&sel=contractssearch)
5. [ABN Lookup](https://abr.business.gov.au/)
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