

Procurement Policy

Section 1 - Policy Statement

(1) The University has a responsibility to ensure that all expenditure, regardless of funding source, must be publicly defensible.

(2) All procurement activity must be conducted with integrity and in an ethical, competitive, transparent, and consistent manner that generates best value for money and be able to withstand audit and scrutiny. All staff must comply with this policy and adhere to the processes in the [Procurement Procedure](#). All expenditures must be approved in accordance with the University [Delegations Policy](#).

Policy Principles

Best Value for Money

(3) Procurement of goods and services must deliver the best value for the University. In practice, the lowest cost may not always be the best value for money. When procuring goods or services, staff must consider that the goods and services being purchased are fit-for-purpose, and that any risks associated with health and safety, sustainability, and Modern Slavery laws have been considered and mitigated.

(4) Procurers of goods and services should also consider factors including quality, value-added benefits, after sales service and maintenance, timeliness of delivery, reliability of supply, installation and commissioning and whole of life cost and budget.

Ethical behaviour and Fair Dealing

(5) All procurement activities must be conducted in an honest, fair and transparent manner and in accordance with the University's Code of Conduct.

(6) Any actual, potential or perceived conflict of interest must be managed in accordance with the [Conflicts of Interest Policy](#).

Open and Effective Competition

(7) Procurement activities should encourage competition and foster innovative business solutions that drive best value for the University.

Indigenous Participation and Enhancing Local Businesses

(8) Procurement activities should be planned to stimulate the participation of Indigenous enterprises and support the growth and development of Territory businesses that provide benefits to the University, Northern Territory and local communities.

Legislative Compliance

(9) All procurement activities must give regard to various laws and their application to the University sector such as [Australia's Foreign Relations \(State and Territory Arrangements\) Act 2020](#). Risks associated with procurement of

goods, technology or information which could have military end use or are included in the Defence Export Controls Act 2012 must be considered and mitigated as per the [Defence Export Controls Policy](#).

Procurement Methods

(10) There are 3 options available when procuring goods or services:

Category Procurement

(11) Category Procurement is a strategic approach which effectively bundles the wide range of products and services purchased into groups of similar or related products e.g. travel and accommodation, computers and mobile phones. This enables the University to leverage best value outcomes through market competition and negotiate on larger volumes which can be significantly superior to traditional transactional based purchasing methods. Category Procurement requires the establishment of an Approved Supplier or Panel.

(12) Where an Approved Supplier or Panel exists for each category of goods or services, it must be utilised for procurement. This is the simplest and most efficient way to procure categories of goods and services and ensures that Policy Principles are adhered to. The category register is contained in the Procurement Procedure and is regularly updated.

Thresholds Procurement

(13) Where goods and services cannot be sourced from an Approved Supplier or Panel, then the following requirements apply:

Value in AUD (excluding GST)	Procurement Requirements
\$25,000 or below	1 written quote
\$25,001 – \$200,000	3 written quotes
Over \$200,000*	Undertake Procurement Lifecycle Approach; i.e. Planning, Sourcing and Contract Management.

*Typically would require a public tender however a Lifecycle Approach should help determine best procurement method.

Alternative Procurement Method

(14) Where goods and services cannot be sourced by one of the above methods, an Alternative Procurement Method (formerly known as Certificate of Exemption) must be prepared providing justification and evidence in respect to:

- Reasons why the goods or services cannot be supplied by an Approved Supplier or Panel;
- The unique and specialised nature of the requirement able to be provided by a single supplier;
- Risks to the University in time and costs in adhering to policy and procedures;
- The requirement is for an emergency or urgent need concerning health, security or safety.

(15) The Alternative Procurement Method must be approved by the Procurement Steering Group.

Standing Exemptions

(16) A number of exemptions may be used by CDU staff to provide flexibility for sourcing of goods or services where it may not be practical or possible to seek quotations or test the market. The following items are exempt:

- a. The purchase is from Government or a Statutory body.
- b. The supplier has been specified under a Funding Agreement e.g. NHMRC.
- c. The purchase or lease of real property.
- d. Library Subscriptions, Conferences, Membership to Professional Organizations or Associations and National Peak Bodies.
- e. Works of Art, exhibitions, performances acquired or commissioned by CDU or the CDU Art Gallery.
- f. Placement Fees.
- g. Emergency events.
- h. Sponsorships and donations managed by Marketing, Media and Communications.
- i. Renewal of ongoing software maintenance and licensing agreements – up to 5 years.

Section 2 - Non-compliance

(17) Non-compliance with Governance Documents is considered a breach of the [Code of Conduct - Staff](#) and is treated seriously by the University. Reports of concerns about non-compliance will be managed in accordance with the applicable disciplinary procedures.

(18) All staff members have an individual responsibility to raise any suspicion, allegation or report of bribery or improper conduct in accordance with the [Fraud and Corruption Control Policy](#) and [Whistleblower Reporting \(Improper Conduct\) Procedure](#).

Section 3 - Definitions

Indigenous enterprises and prescribed body corporate	An Indigenous enterprise is an organisation that is 50% or more Aboriginal-owned or controlled, and that is operating as a business (including a company, incorporated association, trust, social enterprise, or registered charity operating a business).
Approved Supplier or Panel	A supplier or panel of suppliers that has been chosen by the University through the Procurement Lifecycle process as the Approved supplier or panel of suppliers for a category of goods or services.
Category Register	Bundles of goods and services that are of similar nature or related products. A Category Register can be found in the Procurement Procedure.
Procurement Steering Group	A management steering group established for the purposes of ensuring that the University's procurement activities adheres to policy.
Procurement Lifecycle Approach	The end-to-end procurement activities that incorporate Planning, Sourcing and Managing of Contracts.

Status and Details

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Responsible Executive	Anne Coulter Vice-President Corporate and CFO
Implementation Officer	Anne Coulter Vice-President Corporate and CFO
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