2014 Procurement Plan

Introduction:

The purpose of this document is to inform you on the process and timing for compilation of the 2013 Procurement Plan for each University division. The Procurement Plan must adhere to the Procurement guidelines (.pdf, 122KB)*

Strategic Procurement Planning entails the coordination of all University procurement activities, organising major supply agreements for common use goods and acting as an advisory body for procurement related maters. The Procurement Office is seeking planning information with which to commence this process for the 2013 Financial Year.

A Procurement Plan is a written plan with designated details to enable appropriate consideration and approval for proposed procurement activity. A Template for the Procurement Plan is provided for this purpose. The Procurement Plan Template, definitions of each method are included at the end of this document to assist with the compilation of the template.

Contract Management in Procurement includes analysis for the purpose of driving and maximising financial and operational performance and minimising risk in the procurement process, usually commencing with a tender and selection of a supplier, pricing and negotiating the terms and conditions. It can be summarised as the process of systematically and efficiently managing contract creation, execution, and performance as part of the procurement life cycle.

Procurement Principles

The following Procurement Principles have been adopted by the University:

	Procurement Principles
1.	**Best Value for Money** ensures competition by wherever practical seeking competitive tenders and quotations. Does not imply that the lowest quotation be always selected.
2.	**Open and effective competition** all processes are to be transparent, subject to the highest levels of probity and are subject to internal and external audit.
3.	**Enhancing where possible the capabilities of local business and industry** All potential local providers of goods and services are given the opportunity to participate in the quotation and tender process. Using Industry Capability Network NT to assist.
4.	**Environmental protection** adopting practices to promote and protect the environment and minimise environmental harm. This includes paying due consideration to energy efficiency and sustainability.
5.	**Ethical Behaviour and Fair Dealing** All dealings are undertaken with impartiality, fairness, independence, openness, integrity and professionalism.

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Procurement activities to consider when Planning

When completing the division Procurement Plan please consider including some of the following activities that are sometimes overlooked as part of the normal procurement process:

- External consultancies costing >$10,000. Exemptions are normally only approved if the consultant has been specifically named in the research contract or it can be established that they are the only provider qualified to undertake the task at hand.
- Enhancements to existing University systems; such as new reporting requirements, upgrades or licensing renewals.
- Replacement of existing equipment which has reached the end of its life-cycle;
- Project funded new equipment;
- New computer needs outside the normal leasing renewal process.
- Regular teaching supplies which in total exceed $10,000 and for which on standing order may be required.
- External teaching contracts costing >$10,000. (not casual employees via HRS)

Note: please do not include desktop computers or Multi Functional Printers (MFP's) that are already on leasing arrangements as they will be renewed automatically.

Procurement Plan Timeline 2014

Date	Item
Early August	Procurement Plan Information distributed to divisional Managers • Covering instructions • Procurement Plan Template Including major purchases, standing purchase orders and specific purchasing needs for 2014 Note: the majority of these items should be included in the 2014 Operational Planning and Budget submissions.
13th September 2013	*Operational Plan Deadline* with accompanying *Budget submission* **Draft Procurement Plans due** Submission via procurement@cdu.edu.au by no later than **Friday 13th September 2013**
October 2013	Strategic and Operational Initiatives finalised and budgets negotiations finalised.
27th November 2013	Final review of Budget **Final Procurement Plans due** Plans collated to form a schedule of procurement action for 2014 ▪ Cost Centre Managers contacted to confirm specifications and Procurement methods
Early January	Consolidated Procurement Plan tabled to Tender Committee for final sign off. Purchasing begins after approval.

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Definition of Terms

Procurement Plan: is the required written plan with designated details to enable appropriate consideration and approval for proposed procurement activity.

CoE: Certificate of Exemption. Under certain circumstances there is provision to dispense with the requirement to seek quotations and or public tenders and confine enquiries to one or a selective number of suppliers. A Certificate of Exemption may be appropriate for requirements >$10,000 in circumstances where the observance of the request for quotation and or public tender process is impractical or inappropriate for all or some of the following reasons: urgency, standardisation of suppliers, single-source suppliers, spare parts. No action to commence procurement of the goods or services should be commenced prior to obtaining an approved Certificate of Exemption from the Secretary of the Tender Committee.

EOI: Expression of Interest. A document that seeks preliminary information and interest from potential suppliers on their capability and willingness to respond by providing goods/services to the buyer. An EOI will often be followed by and RFT or RFP.

Ongoing Supply Contract: A contract or agreement between the buyer and supplier that covers the on-going supply of goods/services over a nominated period. Individual purchases can be made against an on-going supply contract by either setting up ***Standing Purchase Orders*** or by raising individual Purchase Orders that reference prices contained in the contract. An On-going Supply Contract is usually arranged between "Endorsed Suppliers" for the supply of common use goods by all Cost Centres.

RFQ: Request for Quotation. A request to a supplier to provide a quotation covering the cost of providing goods or services prescribed in the RFQ. The purchasing thresholds determine if a RFQ is required based on the value of the goods or services being sought.

RFP: Request for Proposal. A formal request to a supplier to provide a detailed submission covering the cost of providing goods or services to the University. An RFP subtly differs from an RFT in that the buyer's requirement is usually less prescriptive and not as tightly specified.

RFT: Request for Tender. A formal request to a supplier to provide a detailed submission covering the cost of providing goods and services prescribed in the RFT. The information in an RFT is generally more prescriptive than in a RFQ and therefore seeks a more detailed response on the goods and services to be provided as well as overall cost factors. All procurement over $100,000 must be formally and publically advertised as a tender.

Standing Exemption: an exemption from the requirement for quotation/tendering for certain goods and services. Standing Exemptions require approval by the Procurement Tender Committee and are reviewed on an annual basis.

SUGGESTED SUPPLIES EXEMPTED FROM QUOTATION/TENDER REQURIEMENTS

1. Library Subscription Services;
2. Works of Art;
3. Membership to Professional Organisations or Associations and National Peak Bodies;
4. Curriculum materials;
5. Legal Practitioners and Expert Witnesses;
6. Cattle and buffalo for research or breading purposes;
7. Purchase of Fleet Vehicles under NT Fleet and Commonwealth Government agreements;
8. Renewal of ongoing software maintenance and licensing agreements.