



Procurement Policy

Status:	Current	Supersedes: All previous Rockhampton Girls Grammar School Procurement Policies
Authorised by:	Rockhampton Girls Grammar School Executive	Date of Authorisation: April 2020
References:	This policy should be read in conjunction with all Rockhampton Girls Grammar School finance policies.	
Review Date:	This policy will be reviewed every (2) two years, or as appropriate, to take account of new legislation or changes to school's operations and practices and to make sure it remains appropriate to the changing environment.	Next Review Date: April 2022
Policy Owner:	Board of Trustees of Rockhampton Girls Grammar School <i>trading as</i> Rockhampton Girls Grammar School CRICOS Provider No: 00508E	Access: Public - via the Rockhampton Girls Grammar School's web page at: www.rggs.qld.edu.au



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PURPOSE OF THE POLICY

The *Financial Management Standard 1997* (the FMS) requires the Board of Trustees of the Rockhampton Girls Grammar School to implement systems for managing the Rockhampton Girls Grammar School's (the School) expenses efficiently, effectively and economically. The School must also comply with the *Queensland Procurement Policy* (the QPP) or document the reasons for any non-compliance. The QPP is a whole-of- Government policy re-issued by the Department of Housing & Public Works in June 2019.

This *Procurement Policy* defines the governance framework, consistent with the requirements of the FMS and the QPP, to be observed by staff undertaking the School's procurement activities.

Reference should also be made to *Queensland Government Procurement Strategy* issued by the Queensland Government Chief Procurement Office. This strategy document supports the QPP by providing information about current 'best practice' procurement and guidance on the procurement to ensure Queensland businesses benefit from local projects.

The term 'procurement' is a generic one that covers all of the processes by which resources (human, material, facilities and services) are acquired by the School. It includes the functions of planning, budgeting, specification determination, selection of suppliers, contract administration and post-acquisition reviews.

SCOPE

Applies to staff, students and volunteers at Rockhampton Girls Grammar School.

RESPONSIBILITY

Rockhampton Girls Grammar School Board of Trustees

POINT OF CONTACT

Principal

DEFINITIONS AND LEGISLATION

Policy objectives

Consistent with the objectives of the QPP, the objectives of this policy are to:

Advance Government priorities - staff involved in procurement functions must seek to advance the Government's social, economic and environmental priorities. The Queensland Government's Procurement Strategy 2017 provides further information on this matter.

Achieve value for money - All staff must seek to obtain 'value for money' when procuring goods or services for the School's use. In addition to price considerations, the concept of value for money includes:

- How effectively the procurement contributes to advancing Government priorities
- Non-cost factors such as fitness for purpose, quality, service and support, and
- Cost factors, including whole-of-life costs and any transaction costs associated with acquisitions, use, holding, maintenance and disposals.

Ensure probity and accountability – Staff must act ethically, honestly and with fairness and equity to all participants in the procurement functions and comply with the standards set out in the School's *Code of Conduct*. In discharging these responsibilities, staff are accountable for the purchasing activities they undertake, including ensuring the objectives of this policy are observed.

Buying locally

The QPP requires that local suppliers be given every opportunity to supply goods/services at competitive, cost-effective prices. This can be regarded as referring to suppliers in the Rockhampton and contiguous areas, or as necessary to ensure reasonable competition.



Maintaining fairness standards

As required under the QPP, the School will use its best endeavours to deal with firms which maintain fairness in their employee conditions.

Sustainable procurement

This policy aims to integrate the practice of sustainability into the procurement of goods, services and construction and as such requires that all purchasing activities are carried out in an environmentally responsible manner. The School, therefore, seeks to purchase environmentally preferred products whenever they perform satisfactorily and are available at a reasonable price.

Procurement officer responsibilities

Staff undertaking procurement activities must ensure:

- All activities related to the procurement are undertaken honestly and with probity so as to obtain best value for money to the School with fairness and equity to offerers.
- The items supplied were according to order, price, and other prescribed requirements
- Purchasing thresholds are not exceeded by 'splitting' orders or requisitions or other inappropriate practices
- All procurement activities are adequately documented as to the reasons for the purchase and/or the reasons for any departure from the competitive process
- Suitable post-acquisition review is carried out as to effectiveness of all major procurement and the processes undertaken so that future enhancements can be made, where desirable
- Gifts or benefits are not accepted or solicited as they can be seen to be a means of influence that can compromise the integrity or impartiality of the procurement process.

Purchasing thresholds

The procedures which staff must follow when purchasing goods and services will depend on the value of the purchase.

Value of purchase: Under \$5,000

- Obtain at least 1 verbal quote taking into account value for money, risk and sensitivity
- Where a decision is made to obtain more than one quote, document offers received and the reasons for selecting a particular quote.

Value of purchase: \$5,000 - \$50,000

- Obtain at least 2 written quotes from suppliers taking into account market availability, risk of supply and the type of goods being purchased to determine the number of quotes obtained
- Document offers received and reason for selecting a particular quote
- Give written notice to the successful offerer via letter or purchase order

Value of purchase: Over - \$50,000

- Purchases of this value must be supported by a business case submission to the Board of Trustees and at least three written offers from suppliers known to be capable of providing the requirements at competitive prices.
- The School may consider the engagement of an external service provider to manage the procurement process for purchases of this value.

Value of project: Over - \$900,000

- To comply with the Building Industry Fairness Act 2017 for Projects with a value of more than \$900,000

Business case submissions

Business case submissions should broadly identify:

- The purpose and objectives of the proposed procurement and how it will advance the School's objectives
- Estimated cost and source of funding
- Risks and strategies for mitigating those risks



- Timeframes for the provision of the supply
- Three written offers from suppliers known to be capable of providing the requirements at competitive prices.

Purchasing/payment methods

The following methods are used to purchase goods/services and pay suppliers:

Petty Cash – petty cash should only be used for purchases valued at less than \$20.00

Purchase Order – a purchase order must be issued for all purchases other than those items purchased via petty cash. There must be a separation of duties between the ordering officer and the paying officer.

Supplier Account - goods may be purchased on account with a preferred supplier and supported by an authorised purchase order.

Credit Card – may be used for procuring low value/low risk purchases where supplier account arrangements do not exist and the purchase is supported by an authorised purchase order.

Electronic funds transfers (EFT)/cheques – after a supplier's invoice has been matched with the purchase order, payment may be processed by EFT or via cheque.

Preferred supplier arrangements

Various preferred supplier arrangements may be utilized for the School's use. These result in value for money procurements and the saving of resources through streamlining the process for sourcing goods and services.

However, it is recommended that a testing and analysis of the supply market be undertaken at least every two years to ensure that value for money is being achieved and the appropriate opportunities are being given to other potential suppliers.

Sole supply, limited supply and urgent arrangements

Sole supply arrangements - a sole supply arrangement occurs when the required goods or services are available from only one original source or from one stock list, distributor or supplier.

Limited supply arrangements - a limited supply arrangement exists where the required products or services are available only from a select source or available only from a limited number of stock lists, distributors or suppliers within the timeframe nominated for delivery.

Urgent cases - an urgent supply means that the timeframe to have a product or services in place to meet a particular business need does not allow for the normal competitive processes to be followed.

With each of the above arrangements which result in a departure from the competitive process, the purchasing action should be recorded, documenting the reasons for purchasing goods or services from a sole supplier, via a limited supply arrangement or through an urgent need such as a health, safety or security issue.

Exceptions to this policy apply with repeated invoices, for example electricity, at the discretion of the Principal.

Conflicts of interest

Persons involved in procurement processes must disclose to the Facilities and Services Manager any real or potential conflicts of interest before participating in calling or evaluating offers or quotes.

A conflict of interest could include any form of personal or business relationship with a potential supplier. Where such a conflict exists or is thought to exist, the person must be excluded from the procurement process.

If a conflict of interest is identified during or after an evaluation process, an independent review of the processes must be undertaken and if necessary, offers or tenders recalled.



Privacy

The School is committed to *Information Standard 42 - Information Privacy* that establishes how personal information must be collected, stored, used and disclosed. In discharging this responsibility, staff undertaking procurement activities must be mindful of any privacy issues that may be involved in procurement activities.

Complaints

The QPP requires agencies to maintain adequate arrangements for addressing complaints and related issues raised about their procurement activities. Any such complaint should be referred to the Principal for investigation and appropriate response.