

# Procurement and Supply

## 1.0 Purpose

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### 1.0 Purpose

The purpose of this policy is to:

- Ensure procurement and supply of all goods and services captures best value and innovation from suppliers, in an efficient, fair, competitive, honest, and transparent.
- Enable the University to deliver its strategic objectives and operational priorities while achieving value for money.
- Create impact aligned to our environmental and social values and the Sustainable Development Goals.

### 2.0 Scope

This policy applies to all staff, University appointees, its controlled entities, and to all procurement and supply activities authorised and conducted by or on behalf of the University irrespective of funding source, unless expressly excluded otherwise in funding or grant agreements or associated procedures.

### 3.0 Policy statement

The procurement and supply of goods and services will:

- Enable bringing supplier innovation, capability, and capacity to bear at any part of the University value chains to realise our vision and mission to transform lives and add to human knowledge and understanding in a way that creates a future that benefits all.
- Achieve value for money outcomes.
- Enable delivering impact procurement and supply outcomes aligned to our core principles and values, and the Sustainable Development Goals.
- Comply with legislation and all other legal requirements including the Queensland Procurement Policy and related obligations.
- Support our strategic objectives and business needs and achieve operational efficiency.
- Be conducted with integrity, probity, and accountability.

The procurement operating model will:

- Devolve responsibility and accountability using a risk/value framework and a centre-led procurement and supply operating model.
- Make clear roles, responsibilities, and procurement and supply delegations.
- Enable staff to be accountable and responsible for their procurement and supply activities, decisions, and outcomes related to their roles and/or areas of accountability, subject to procurement and supply delegations.

- Promote a collaborative approach to strategic procurement and supply planning by adopting category management discipline alongside taking a value chain view.

### 3.1 Procurement and supply principles

Consistent with the Queensland Procurement Policy, Griffith is committed to the following procurement and supply principles (numbered for convenience and not to denote any order of priority):

- **Principle 1: Putting Queensland first when securing value for money** – recognising that value for money is more than just lowest total cost.
  - Consider whole-of-life-cost, including purchase and installation, design and building costs, operating costs, maintenance costs, associated financing costs, depreciation and disposal costs.
  - Identify and select options that provide best value for money outcomes, pursuing economic, environmental, social, and Indigenous objectives as well as price.
  - Deploy the most appropriate strategies to deliver those outcomes.
- **Principle 2: Advancement of economic, environmental, and social objectives** – providing a procurement framework that aligns with our core values and our commitment to the United Nations Sustainable Development Goals (SDGs). This includes ensuring our procurement practices and outcomes support our commitment to ethical behaviour and investing in First Peoples, environmental sustainability, diversity and inclusion, and social justice for a better world – now and in the future.
  - Provide full, fair, and reasonable opportunity for Queensland Suppliers including local suppliers, social benefit suppliers (including social enterprises, people with disability businesses, businesses owned and run by women and culturally diverse peoples, Aboriginal and Torres Strait Islander (Indigenous) businesses, and small to medium businesses.
  - Use set asides where value for money can be demonstrated to support meeting our objectives related to social, First Peoples, disability, women and culturally diverse peoples, and small to medium Queensland enterprise benefits.
  - Contribute to the delivery of relevant Queensland government targets and commitments.
  - Embed disability accessibility and inclusion requirements in our sourcing documentation and contracts.
  - Identify and remediate modern slavery risks and human rights exploitations in our supply chains.
  - Prioritise ethically sourced and sustainably farmed food (including those harvested from terrestrial and aquatic ecosystems).
  - Prioritise purchases that minimise waste, reduce plastic waste and reduce use of plastic (especially single-use plastic) and disposable items.
  - Embed requirement to comply with the Animal Care and Protection Act 2001 and regulations, related codes, standards and guidelines as a minimum in our sourcing documentation and contracts.
- **Principle 3: Integrity, probity, and accountability** – respecting the trust placed in us by the community by ensuring our conduct aligns with our core principles of Excellence, Ethical Behaviour and Engagement.
  - Embed the expected standards of integrity, probity, and accountability in culture so decisions are transparent and defensible.

- Strike the right balance between observing probity and not overemphasising probity relative to value and risk.
- We are accountable for delivering timely outcomes using University resources.
- **Principle 4: Leaders in procurement and supply practice** – professionalising the procurement and supply discipline and building procurement and supply capability.
  - Improve procurement and supply capability across the University and actively manage the performance of our supplier expenditure.
  - Ensure third party supplier management effort is based on risk and value.
  - Be outcome focused, seeking opportunities to innovate and continuously improve our procurement and supply methods and practices.
  - Take a value chain and category management approach.
  - Ensure efficient and effective use of valuable resources.
  - Involve industry and key stakeholders to ensure we are an attractive customer.
  - Leverage procurement and supply technology to keep pace with the supply market such that sourcing, and contract management is information rich, efficient, and effective.
  - Leverage third party knowledge, expertise, and capability related to value chains, categories, markets, innovation, contemporary contractual arrangements, etc. to support delivering improved procurement and supply outcomes with minimum effort and to the University's advantage.
- **Principle 5: Working together to achieve outcomes** – working together to deliver procurement and supply outcomes that meet the University's priorities.
  - Provide a flexible procurement operating model based on a centre-led procurement model.
  - Encourage collaboration to optimise supplier enabled value chains, planning and managing categories of expenditure, maximising savings and benefits and reducing duplication.
  - Collaborate across the University sector and with government and leverage whole-of-government arrangements or University sector arrangements where they are available or should be established to provide better value for money.
- **Principle 6: Governance and planning** - focusing on a value chain and category management approach with strong governance and integrated planning.
  - Ensure our governance facilitates consultation and value for money outcomes.
  - Plan procurement and supply so that is integrated with strategic planning and budget.
  - Leverage modern procurement and supply technology systems and data strategies to support governance and planning for all procurement and supply activities and outcomes.
  - Ensure health and safety is considered appropriately during procurement and supply activities.
  - Ensure reporting provides a balanced view of progress against procurement and supply plans with measures and targets.
  - Manage risk through effective planning, oversight, assigning accountability, and appropriate internal controls.
  - Ensure alignment with Griffith's three lines of risk management model including second line risk management through regular analysis and reporting on risk associated with compliance/adherence to policy, thresholds and delegations, and procedures.

### 3.2 Queensland Government targets and commitments

Our procurement and supply plans must encapsulate our commitment and approach to meeting Queensland Government targets and commitments as published in the Queensland Procurement Policy and other related documents.

### 3.3 Procurement and supply compliance environment

The University's procurement and supply compliance environment is established by legislation, standards, policy, delegations, and procedures. All procurement and supply activities must be conducted in compliance with:

#### **Legislation and standards**

- Financial Accountability Act (Qld) 2009
- Financial and Performance Management Standard 2019
- Modern Slavery Act 2018 (Cth)
- Disability Discrimination Act 1992
- Other legislation and standards applicable to the nature of the supplier goods and services being provided.

#### **Policies and delegations**

- Queensland Procurement Policy, including Queensland Government targets and commitments, and 'how to apply this principle' clauses which apply to statutory bodies.
- This Procurement and Supply Policy, including Annexure 1 University Procurement and Supply Thresholds and Delegations.
- Delegations Policy, Delegations Procedure and Delegations Register which includes the University's Financial and Signing Delegations.
- Related University policy documents including policy and procedures.

#### **Procedures**

- Risk/value-based ways of conducting procurement and supply activities must be followed including processes, guidelines, frameworks, plans, templates, tools, and enabling technology provided by, nominated by, or endorsed by the Strategic Procurement and Supply Team.
- The 'how to apply this principle' clauses in the Queensland Procurement Policy, and other Queensland Government mandatory requirements applicable to statutory bodies, must be followed and can be used to supplement internal procedures as needed or where requested to by the Strategic Procurement and Supply Team.

The policy, delegations, and procedures noted above provide the primary source of guidance for conducting all procurement and supply activities. The policy and procedures will support adherence to legislation and standards. Knowledge of legislation and standards or Queensland Government procedures will only be required for some specialist transactions and will be referred to in the University's procedures.

## 4.0 Roles, responsibilities and delegations

ROLE	RESPONSIBILITY
Vice Chancellor	<ul style="list-style-type: none"> <li>Approving Authority for this Policy and the Procurement and Supply Thresholds and Delegations.</li> <li>Reports to Council about compliance with this Policy.</li> </ul>
Executive Group	<ul style="list-style-type: none"> <li>Advocates this policy in their areas of responsibility.</li> <li>Ensures all procurement and supply activities in their areas of responsibility comply with this Policy.</li> </ul>
Chief Operating Officer	<ul style="list-style-type: none"> <li>Approving Authority for Procurement and Supply Thresholds and Delegations where sub delegated to by the Vice Chancellor as per section 3.3 of the Delegations Policy.</li> <li>Accountable for investigations into suspected breaches of this policy.</li> </ul>
Chief Finance Officer	<ul style="list-style-type: none"> <li>Advisor to the Vice Chancellor on procurement and supply thresholds and delegations.</li> </ul>
Head of Strategic Procurement and Supply	<ul style="list-style-type: none"> <li>Develops, maintains, and advocates this Policy across the University.</li> <li>Develops and maintains procurement and supply related procedures.</li> <li>Develops and implements strategies to improve procurement capability across the University.</li> <li>Coordinates level two (2) assurance and compliance reporting process for all procurement and supply related activities on behalf of the Vice Chancellor.</li> <li>Monitor and report on Policy effectiveness and compliance.</li> </ul>
University Staff	<ul style="list-style-type: none"> <li>Complying with this Policy and associated procedures.</li> <li>Complete procurement and supply related training as required.</li> <li>Immediately report suspected breaches of this Policy to Your Call, a supervisor or head of element.</li> </ul>

Delegations related to this policy are contained in the Delegations Register.

Other roles and responsibilities are documented in the procedures specific to the procurement and supply activities being undertaken.

## 5.0 Definitions

For the purposes of this policy and related policy documents, the following definitions apply:

**Centre-led procurement and supply model means** a core procurement and supply team, or procurement and supply centre of excellence focuses on setting up the policies, infrastructure, best practices, and knowledge sharing, while empowering those closer to the frontline to tackle the day-to-day purchasing activities themselves for certain procurement activities (refer to the Delegations Register). It includes the central Strategic Procurement and Supply Team leading some activities when in the best interest of the University.

**Goods and services** mean any type of right, interest or thing, both physical and intangible, which is legally capable of being owned (goods); and work performed by individuals or a group of individuals for others (services), and includes but is not limited to catering, office products, conference bookings, engagement of contractors, consultants, contingent labour and construction services.

The following expenditure is not considered to be 'goods and services' for the purpose of this policy':

- Real property transactions – e.g., selling, 'purchasing', renting, leasing land or existing buildings.
- Arrangements or transactions typically classified as grants, where the substance of the arrangement or transaction is such that the value of what one entity receives from another entity is not of approximately equal value, in the form of cash, goods, non-monetary assets and/or services. These arrangements or transactions can also be in the nature of incentives, donations, contributions, debts forgiven, rebates, tax relief and other similar funding arrangements as detailed in the Financial Accountability Handbook administered by Queensland Treasury.
- Investments, loans and guarantees.
- Employment contracts (noting engagement of contractors, consultants and contingent labour are considered to be 'services' for the purpose of this policy).

**Full, fair, and reasonable means:**

- 'Full' means providing the same opportunity to all suppliers to participate in a procurement and supply process.
- 'Fair' means that all suppliers are provided the same opportunity to compete for University requirements on an equal and transparent basis.
- 'Reasonable' means that tenders are free from any unreasonable specifications or requirements that could rule out suppliers and are structured in such a way as to provide suppliers the opportunity to participate.

**Framework** is as defined in the University's Policy Governance Policy.

**Impact procurement** means using our buying power to generate social value above and beyond the value of the goods or services. For example, social value in Indigenous supplier procurement or improved environmental outcomes.

**Procurement** includes all procurement and supply activities i.e., planning, sourcing, evaluation and negotiation, contract award, contract management and supplier management, and purchase to pay.

**Risk** as it relates to procurement and supply activities includes consideration of items such as criticality to Griffith and/or its core operations, interruption to core operations, market competitiveness, level of customisation, industry considerations, level of confidence required outcome will be delivered.

**Set aside** is a practice whereby a specific procurement or portion of a procurement spend is 'quarantined' and offered in the first instance to a particular grouping or type of business, such as social enterprises, with the objective of advancing a specific outcome.

**Social benefit suppliers** are organisations that have a social purpose or mission. They are often owned or managed by disadvantaged groups. These include, but are not limited to:

- Aboriginal businesses and/or Torres Strait Islander businesses - making a substantial contribution to addressing disadvantage, primarily by growing and developing the Indigenous business sector, and through this, generating employment opportunities

- Social enterprises - led by an economic, social, cultural, or environmental mission consistent with a public or community benefit. Social enterprises trade to fulfil their mission and derive a substantial portion of their income from trade and reinvest most of their profit/surplus into the fulfilment of their mission.

**Supplier** means an enterprise known to be capable of supplying required goods and/or services. It includes manufacturers, stockists, resellers, merchants, distributors, consultants and contractors.

**University staff** is as defined in the University's Policy Library Glossary.

**Value-for-money** is not restricted to price alone. Other factors to consider include:

- Cost-related factors including up-front price, whole-of-life costs and transaction costs associated with acquisition, use, holding, maintenance and disposal;
- Non-cost factors such as fitness for purpose, quality, delivery, service and support and sustainability considerations; and
- Social benefit factors such as community benefit through increasing spend with quality social enterprises. This may include offering some tenders as separable portions to enable social enterprises to lodge bids.

INFORMATION		Printable version (PDF) Downloadable version (Word)
Title	Procurement and Supply Policy	
Document number	2023/0001205	
Purpose	<p>The purpose of this policy is to:</p> <ul style="list-style-type: none"> <li>▪ Ensure procurement and supply of all goods and services captures best value and innovation from suppliers, in an efficient, fair, competitive, honest and transparent.</li> <li>▪ Enable the University to deliver its strategic objectives and operational priorities while achieving value for money.</li> <li>▪ Create impact aligned to our environmental and social values and the Sustainable Development Goals.</li> </ul>	
Audience	Staff	
Category	Operational	
Subcategory	Finance	
Approval date	September 2023	
Effective date	September 2023	
Review date	2024	
Policy advisor	Head of Strategic Procurement and Supply	
Approving authority	Chief Operating Officer	



## RELATED POLICY DOCUMENTS AND SUPPORTING DOCUMENTS

### Legislation

- [Animal Care and Protection Act 2001](#)
- [Disability Discrimination Act 1992](#)
- [Financial Accountability Act \(Qld\) 2009](#)
- [Financial and Performance Management Standard 2019](#)
- [Griffith University Act 1998](#)
- [Modern Slavery Act 2018](#)

Other legislation and standards applicable to the nature of the supplier goods and services being provided e.g., Higher Education Standards Framework 2021 and for construction Building Industry Fairness (Security of Payment) Act 2017

### Policy

Queensland Government:

- [Queensland Procurement Policy](#)

Griffith University:

- [Assets Management Policy](#)
- [Code of Conduct](#)
- [Conflict of Interest Policy](#)
- [Delegations Policy](#)
- [Risk and Resilience Management Policy](#)
- [Fraud and Corruption Control Policy](#)
- [Gifts and Benefits Policy](#)
- [Health, Safety and Wellbeing Policy](#)
- [Hospitality Provided by the University Policy](#)
- [Information Management Policy](#)
- [Modern Slavery Policy](#)
- [Public Interest Disclosure Policy](#)
- [Environmental Sustainability Policy](#)
- [Travel Policy](#)

### Procedures

- Procurement and supply procedures, including processes, guidelines and frameworks are published on the University's website.
- [Delegations Procedure](#)
- [Delegations Register](#) which includes the University's Financial and Signing Delegations.

### Local protocols

N/A

### Forms

Templates, tools and systems are published on the University's website

## Annexure 1 – Procurement and Supply Thresholds and Delegations

**This is a sub-delegation made by the Vice Chancellor. Authority to amend this instrument of sub-delegation resides with the Vice Chancellor only.**  
This instrument sets out powers that the Vice Chancellor has sub delegated to the Chief Operating Officer. Only the Chief Operating Officer has delegated authority to approve changes to the Procurement and Supply Thresholds and Delegations.

		Procurement and Supply Thresholds Contract Value (excluding GST)			
Risk Rating		< \$20,000	\$20,000 to < \$100,000	\$100,000 to < \$450,000	≥\$450,000
	Any risk	<ul style="list-style-type: none"><li>Griffith catalogue purchase order - no quotes required</li><li>Travel and accommodation bookings - follow travel procedures</li><li>Panel arrangement (Griffith University, Whole-of-Government, University Procurement Hub, CAUDIT and other panels available to Griffith such as LocalBuy) - follow panel rules and seek guidance from the Strategic Procurement and Supply team when over \$450,000.</li><li>Contracts with a sole provider established by Whole-of-Government, University Procurement Hub, CAUDIT and other contracts available to Griffith such as LocalBuy - obtain 1 quote or seek guidance from the Strategic Procurement and Supply team when over \$450,000</li></ul>			
		<ul style="list-style-type: none"><li>Set asides can be used where value for money can be demonstrated via a competitive process for social enterprises, Indigenous businesses, people with disability owned businesses, and small to medium enterprises in Queensland.</li></ul>			Follow strategic sourcing process.  Key documents required: <ul style="list-style-type: none"><li>Category plan or sourcing plan</li><li>Sourcing evaluation plan</li><li>Sourcing award recommendation</li><li>Contract</li><li>Contract management plan for contracts classified as critical, strategic, focused, or leveraged</li></ul>
		Very low	1 quote	<ul style="list-style-type: none"><li>2 quotes recommended</li><li>document details of number of quotes sought and received, plus justification for supplier selection</li></ul>	<ul style="list-style-type: none"><li>3 quotes recommended</li><li>document details of number of quotes sought and received, plus justification for supplier selection</li></ul>
	Medium				
	High	Contact Strategic Procurement and Supply for guidance on which is the most appropriate strategy to deploy, including associated documentation required (e.g., sourcing plan), to deliver the best procurement outcome.			Any exceptions to be agreed by: <ul style="list-style-type: none"><li>Manager, Strategic Procurement and Supply, or</li><li>Head of Strategic Procurement and Supply</li></ul>
Very high					

### NOTES:

- Risk as it relates to procurement and supply activities includes consideration of items such as criticality to Griffith and/or its core operations, interruption to core operations, market competitiveness, level of customisation, industry considerations, level of confidence required outcome will be delivered.
- Value is calculated exclusive of GST and means the total value of the contract over the whole term of the contract (including extension options), or the full value of the transaction.

## Procurement and Supply Delegations

Authority to approve	≥\$450,000 to <\$2 million OR High risk irrespective of value	≥\$2 million OR Very high risk irrespective of value
Category plan	<ul style="list-style-type: none"> <li>• Senior Category Manager or</li> <li>• Manager, Strategic Procurement and Supply or</li> <li>• Head of Strategic Procurement and Supply</li> </ul>	<ul style="list-style-type: none"> <li>• Manager, Strategic Procurement and Supply or</li> <li>• Head of Strategic Procurement and Supply</li> </ul>
Sourcing plan	<ul style="list-style-type: none"> <li>• Senior Category Manager or</li> <li>• Manager, Strategic Procurement and Supply or</li> <li>• Head of Strategic Procurement and Supply</li> </ul>	<ul style="list-style-type: none"> <li>• Manager, Strategic Procurement and Supply or</li> <li>• Head of Strategic Procurement and Supply</li> </ul>
Sourcing evaluation plan	<ul style="list-style-type: none"> <li>• Senior Category Manager or</li> <li>• Manager, Strategic Procurement and Supply or</li> <li>• Head of Strategic Procurement and Supply</li> </ul>	<ul style="list-style-type: none"> <li>• Manager, Strategic Procurement and Supply or</li> <li>• Head of Strategic Procurement and Supply</li> </ul>
Sourcing award recommendation	<ul style="list-style-type: none"> <li>• Evaluation Panel and Sourcing Lead must all approve</li> </ul>	
Contract management plan	<ul style="list-style-type: none"> <li>• Senior Category Manager or</li> <li>• Manager, Strategic Procurement and Supply or</li> <li>• Head of Strategic Procurement and Supply</li> </ul>	<ul style="list-style-type: none"> <li>• Manager, Strategic Procurement and Supply or</li> <li>• Head of Strategic Procurement and Supply</li> </ul>

## Financial Delegations

Approval for entering into contract plus contract variations	As per Financial and Signing delegations
Contract signing	As per Financial and Signing delegations

- NOTES**
1. The financial delegate must be given the opportunity to endorse the category plans and sourcing plans for sourcing above \$450,000. This must be done prior to approval of and actioning the plans.
  2. The financial delegate makes the final decision as to whether to award based on the recommendation put to them and they need to satisfy themselves that:
    - the offer represents good value for money
    - there is still a business need for the required goods / services
    - budget is available
    - an appropriate procurement process has been followed
    - the contract (may just be Purchase Order terms and conditions for low value low risk) is appropriate
    - a contract management plan is drafted where required
    - recommendation has been endorsed by Business/Project Sponsor or Project Board (where they are not the sole business sponsor)