



Version	Approved by	Approval date	Effective date	Next full review
4.1	Vice-President, Operations	2 December 2022	2 December 2022	August 2025
Procedure Statement				
Purpose	The Procurement Procedure identifies the principles, requirements and processes that govern Procurement at the University of New South Wales (UNSW).			
Scope	This Procedure applies to all UNSW Staff regardless of their level, seniority or scope of authority.			
Are Local Documents on this subject permitted?	<input checked="" type="checkbox"/> Yes, however Local Documents must be consistent with this University-wide Document			<input type="checkbox"/> No
Procedure Processes and Actions				

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1. Context

The purpose of the *Procurement Procedure* is to assist UNSW Faculties and Divisions to meet the requirements of UNSW's [Procurement Policy](#) and the principles underpinning Procurement activities across UNSW.

This Procedure provides information on managing Procurement processes that lead to UNSW Faculties and Divisions entering into a Contract or any arrangement with supplier(s).

UNSW Staff must ensure that the best possible outcome has been achieved taking into account all relevant considerations over the whole of the Procurement cycle.

Procure to Pay has developed [guidelines](#) and a suite of [templates](#) to assist Staff undertaking Procurement activities, including seeking Quotes.

2. Procurement Principles

UNSW Staff must ensure that all Procurement activities:

- comply with UNSW's statutory obligations and responsibilities, and [Policies and Procedures](#)
- are underpinned by the six core principles as defined in the [Procurement Policy](#) and described below:

2.1 Value for money

- Value for money is based on the principles of fitness for purpose; fair market price; return on investment; whole-of-life costs; timely delivery; post-delivery support; evidence of previous performance or experience, effective warranty and compliance with relevant laws.
- Value for money is most effectively achieved through an open competitive environment in which suppliers can be confident that their proposals will be assessed on merit. It does not automatically mean "lowest price".
- The use of UNSW suppliers and UNSW panel suppliers is an effective way to achieve value for money (the use of UNSW panel suppliers might still require the need of a RFQ process or open sourcing activity depending on the amount to ensure Value for Money is achieved).

2.2 Probity and equity

- Maintain high standards of transparency, fairness, probity, ethics and integrity at all times to prevent conduct which could impair public confidence in the integrity of UNSW
- Provide evidence of ethical behaviour
- Act in accordance with the [Independent Commission Against Corruption \(ICAC\) Act, 1988](#)
- Ensure accountability, consistency and alignment of Procurement practices across all UNSW entities and divisions
- Commit to fair and effective competition in the delivery of goods, services, infrastructure and capital works.

2.3 Risk management

- Identify, consider and manage all relevant and associated risks and ensure that an appropriate risk management strategy is established and undertaken to minimise unexpected or adverse outcomes in relation to the purchase or operation of the goods, services, infrastructure and capital works. Following the [Procurement Policy](#) and this Procedure should assist in mitigating the risks associated with Procurement activities.

2.4 Fit for purpose

- Ensure that any goods, services, infrastructure and capital works procured are fit for purpose and accurately commissioned (e.g.: size of the equipment fits within the installation site)
- Continually assess and ensure the quality, fitness for purpose and standards of goods, services, infrastructure and capital works that meet the intended use
- Commit to innovation and continuous improvement in the delivery of goods, services, infrastructure and capital works.

2.5 Responsible Procurement

- Adopt sustainable procurement practices that take into account environmental, social and economic sustainability issues when procuring any goods, services, infrastructure and capital works

Further details can be found in section 4.21 of this document.

2.6 Recordkeeping

- Maintain comprehensive records relating to all acquisition of goods, services, infrastructure and capital works in accordance with the University's [Recordkeeping Policy](#) and the [State Records Act, 1998](#). The [Government Information \(Public Access\) Act 2009 \(GIPA\)](#) requires UNSW to publish the relevant details of all Contracts with a value above \$150,000 including GST (=\$136,363 excluding GST).

3. Procurement Requirements

All Staff involved in Procurement activities must ensure the following requirements are met:

3.1 Adherence to Procurement Processes

All Procurement activities must be conducted in accordance with the [Procurement Policy](#), the Procurement Principles (see section 2 above) and section 4 of this Procedure.

3.2 UNSW suppliers

Where a UNSW supplier is established by Procure to Pay, this supplier must be used when procuring any goods, services, infrastructure and capital works (see 'Definitions' below).

What are the conditions that a supplier must comply with to become a UNSW supplier?

Suppliers can only be UNSW suppliers if they have been appointed and approved by Procure to Pay as a result of a competitive Procurement process or sourcing strategy which will ensure the following is met:

- Competitive pricing and product/service offering
- Favourable Terms and Conditions negotiated
- Competitive lead-time (where applicable depending on the goods or services provided)
- Inclusion of warranty or maintenance services (where applicable depending on the goods or services provided)

What does it mean for UNSW Staff?

UNSW Staff **must** procure from the UNSW supplier for the specific goods, services, infrastructure and capital works they wish to purchase. There are many advantages to procuring from UNSW suppliers as Terms and Conditions (T&Cs), pricing and additional services have already been negotiated and agreed. UNSW Staff can directly buy from the UNSW supplier by issuing a Purchase Order. UNSW suppliers may have a catalogue to buy from (e.g. office supplies).

What does it mean for the UNSW supplier?

The UNSW supplier can be engaged directly by UNSW Staff by issuing a Purchase Order for the delivery of the specific goods, services, infrastructure and capital works to UNSW under the agreed Contract.

3.3 UNSW panel suppliers

Where a UNSW panel has been established by Procure to Pay, these panel suppliers must be used when procuring goods, services, infrastructure and capital works (see 'Definitions' below).

What are the conditions that a supplier must comply with to become a UNSW panel supplier?

Suppliers can only be UNSW panel suppliers if they have been appointed and approved by Procure to Pay as a result of a competitive Procurement process or sourcing strategy which will ensure the following is met:

- Competitive pricing and product/service offering
- Favourable Terms and Conditions negotiated
- Competitive lead-time (where applicable depending on the goods or services provided)
- Inclusion of warranty or maintenance services (where applicable depending on the goods or services provided)

What does it mean for UNSW Staff?

UNSW Staff **must** procure from one of these panel suppliers for the specific goods, services, infrastructure and capital works they wish to purchase subject to relevant Quotes being sought (i.e.: the use of UNSW panel suppliers might still require the need of a RFQ process or open sourcing activity depending on the amount to ensure Value for Money is achieved).

The benefit is that agreed pricing or discounts and T&Cs have been negotiated so UNSW Staff can choose and seek Quotes from the relevant UNSW panel suppliers. UNSW panel suppliers may have a catalogue to buy from.

What does it mean for the UNSW panel suppliers?

It means that the UNSW panel suppliers have been pre-qualified to deliver the specific goods, services, infrastructure and capital works to UNSW under agreed T&Cs and capped rates. The UNSW panel suppliers can be engaged directly by UNSW Staff subject to relevant Quotes being sought.

Staff **must** use established UNSW panel suppliers if there is a Contract in place for the goods, services, infrastructure and capital works being procured, source Quotes in accordance with the Procurement thresholds matrix (see section 4 below) and seek the relevant Financial Delegates' approval (see [Register of Delegations](#)).

3.4 Use of third party arrangements

Procure to Pay may consider the use of other panel arrangements or other supplier arrangement schemes set up by third parties if there is one in place that matches UNSW's requirements. In such circumstances, Procure to Pay may approve suppliers as UNSW suppliers or UNSW panel suppliers.

These third parties may include but are not limited to the following:

- [NSW Government](#)
- [Federal Government](#)
- [Council of Australian University Librarians \(CAUL\)](#)
- [Council of Australian University Directors of Information Technology \(CAUDIT\)](#)
- [Higher Education Services \(HES\) / Australian Universities Procurement Network \(AUPN\)](#)
- [Universities Procurement Hub \(UPH\)](#)

Due to the diversity of third party panels, the process to engage with those suppliers might differ. Please contact Procure to Pay to seek guidance on the engagement process.

The Buying Guide provides information on [UNSW suppliers and UNSW panel suppliers](#).

4. Procurement Process

The Procurement Matrix below provides the minimum requirements for Procurement activities. However, Staff may choose to obtain more Quotes or elect to undertake a more comprehensive market approach for any process to ensure that the best outcome is achieved.

Advice can be sought from Procure to Pay.

4.1 Which Procurement Process Do I Follow?

UNSW Staff are responsible for the Procurement activities that they undertake and must ensure that they comply with the [Procurement Policy](#) and Procedure and that the correct financial delegations are applied (see [Register of Delegations](#)). UNSW Staff listed as [Financial Delegates](#) are accountable for ensuring compliance as they will be acting as the representative making the commitment on behalf of UNSW.

All values stated in the table below are excluding GST. Risk must always be considered when purchasing goods, services, infrastructure and capital works (see section 4.2).

Buying Reference Guide

START HERE

<p>↓</p> <p>START HERE</p> <p>Is there a UNSW Supplier capable of providing the specific category of goods or services?</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">NO</p>	<p>➔</p> <p>YES</p>	<ul style="list-style-type: none"> ▪ Buy from catalogues in place, or UNSW supplier can be engaged directly. There is no need to obtain any additional quotes ▪ UNSW credit card should not be used ▪ For bulk buying or purchase above \$350,000, engage Procure to Pay as there could be additional opportunities to leverage from UNSW suppliers 	<p>+ a purchase order must be raised and approved in NS Financials</p>			
<p>↓</p> <p>Is there a UNSW Panel Supplier capable of providing the specific category of goods or services?</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">NO</p>	<p>➔</p> <p>Yes</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%; padding: 5px;"> <p style="text-align: center;">UNSW panel suppliers (applicable for <u>all</u> panels except UNSW panel suppliers for building contractors and major construction works – see next section)</p> <p>Between \$0 to \$350,000 = minimum 1 written quote from 1 supplier from the panel</p> <p>Between \$350,000 to \$1M = minimum 3 written quotes from 3 different suppliers from the panel obtained via an RFX process</p> <p>More than \$1M = sourcing activity with all suppliers from the panel or other strategy approved by Procure to Pay</p> </td> <td style="width: 10%; text-align: center; vertical-align: middle;"> <p>OR</p> </td> <td style="width: 60%; padding: 5px;"> <p style="text-align: center;">UNSW panel suppliers for building contractors and major construction works</p> <p>Between \$0 to \$350,000 = minimum 1 written quote from 1 supplier from the panel</p> <p>Between \$350,000 to \$10M = minimum 3 written quotes from 3 different suppliers from the panel obtained via an RFX process</p> <p>More than \$10M = sourcing activity with all suppliers from the panel or other strategy approved by Procure to Pay</p> </td> </tr> </table>	<p style="text-align: center;">UNSW panel suppliers (applicable for <u>all</u> panels except UNSW panel suppliers for building contractors and major construction works – see next section)</p> <p>Between \$0 to \$350,000 = minimum 1 written quote from 1 supplier from the panel</p> <p>Between \$350,000 to \$1M = minimum 3 written quotes from 3 different suppliers from the panel obtained via an RFX process</p> <p>More than \$1M = sourcing activity with all suppliers from the panel or other strategy approved by Procure to Pay</p>	<p>OR</p>	<p style="text-align: center;">UNSW panel suppliers for building contractors and major construction works</p> <p>Between \$0 to \$350,000 = minimum 1 written quote from 1 supplier from the panel</p> <p>Between \$350,000 to \$10M = minimum 3 written quotes from 3 different suppliers from the panel obtained via an RFX process</p> <p>More than \$10M = sourcing activity with all suppliers from the panel or other strategy approved by Procure to Pay</p>	<p>+ a purchase order must be raised and approved in NS Financials with quote(s) or supporting documentation attached (such as Work Order/SOW) UNSW credit card should not be used</p>
<p style="text-align: center;">UNSW panel suppliers (applicable for <u>all</u> panels except UNSW panel suppliers for building contractors and major construction works – see next section)</p> <p>Between \$0 to \$350,000 = minimum 1 written quote from 1 supplier from the panel</p> <p>Between \$350,000 to \$1M = minimum 3 written quotes from 3 different suppliers from the panel obtained via an RFX process</p> <p>More than \$1M = sourcing activity with all suppliers from the panel or other strategy approved by Procure to Pay</p>	<p>OR</p>	<p style="text-align: center;">UNSW panel suppliers for building contractors and major construction works</p> <p>Between \$0 to \$350,000 = minimum 1 written quote from 1 supplier from the panel</p> <p>Between \$350,000 to \$10M = minimum 3 written quotes from 3 different suppliers from the panel obtained via an RFX process</p> <p>More than \$10M = sourcing activity with all suppliers from the panel or other strategy approved by Procure to Pay</p>				
<p>↓</p> <p>Are the goods and services likely to cost less than \$3,000?</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">NO</p>	<p>➔</p> <p>YES</p>	<ul style="list-style-type: none"> ▪ No written quote but written evidence of price (e.g., screen snapshot, email) required ▪ UNSW credit card may be used ▪ Engagement of a Contractor (email HR for the specific process) ▪ This includes the use of NSW Government Panel Suppliers 				
<p>↓</p> <p>Are the goods and services likely to cost between \$3,000 to \$50,000?</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">NO</p>	<p>➔</p> <p>YES</p>	<ul style="list-style-type: none"> ▪ Minimum 1 written quote which represents best value for money is required ▪ Credit cards may be used only up to a cumulative annual value of \$50,000 for the same supplier. Refer to Credit Card Procedure ▪ Engagement of a Contractor (email HR for the specific process) ▪ This includes the use of NSW Government Panel Suppliers 	<p>+ a bulk for reoccurring purchases, or standalone purchase order must be raised and approved in NS Financials with quote(s) or exemption or supporting documentation attached (such as Work Order/ SOW).</p>			
<p>↓</p> <p>Are the goods and services likely to cost between \$50,000 to \$350,000?</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">NO</p>	<p>➔</p> <p>YES</p>	<ul style="list-style-type: none"> ▪ Minimum 3 written quotes or exemption approved by the relevant financial delegate within your reporting line for independent review and approval ▪ Engagement of a Contractor (email HR for the specific process) ▪ This includes the use of NSW Government Panel Suppliers 	<p>The financial delegate must approval the total value (including any initial and extension periods)</p>			
<p>↓</p> <p>Are the goods and services likely to cost more than \$350,000?</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">NO</p>	<p>➔</p> <p>YES</p>	<ul style="list-style-type: none"> ▪ Procurement Strategy approved by Procure to Pay ▪ Engagement of a Contractor will be managed by the Procure to Pay representative ▪ This includes the use of NSW Government Panel Suppliers 	<p>When credit card can be used then no purchase order is raised.</p>			
<ul style="list-style-type: none"> ▪ All amounts are exclusive of GST ▪ The amount that is to be approved by the financial delegate be estimated cost over the proposed term (including all extensions if applicable) of the engagement including supply, freight, installation, implementation, training and ongoing service, support and maintenance; this is not a cost per annum. The amount must not be divided into separate transactions for the purpose of bringing it below the threshold value. ▪ Reoccurring purchases where recurrent invoices are received, a bulk purchase order is to be established for the total proposed term, approved by the delegate who holds the appropriate Total Value delegation. Refer to Procurement Policy ▪ SOW or Work Order or relevant contract form is required for all engagements under NSW Government or other Panel arrangements 						

4.2 Risk

The following risks must be considered when purchasing goods, services, infrastructure and capital works:

- Process (e.g.: ensure and demonstrate transparent decision making)
- Vendor (e.g.: ability to deliver project on time, maintaining scope and budget)
- Item (e.g.: new to market goods or services with high potential impact)

Suppliers can only be UNSW suppliers or UNSW panel suppliers if they have been checked through an initial risk assessment approved by Risk Management or Procure to Pay.

Any Procurement activity with spend greater than \$350k, if engagement is not with UNSW suppliers or panel suppliers, would require a risk assessment approved by Risk Management or Procure to Pay.

Any other Procurement activity would be considered on a case-by-case basis. A risk assessment will be required to be approved by Risk Management or Procure to Pay under the following circumstances:

- Overseas vendor, or
- May cause adverse media, or
- When non-standard Contracts are required (i.e. Contract not approved by Legal), or
- May impact key academic courses, or
- May impact research activity, or
- May impact Staff.

Please contact Procure to Pay to seek any further guidance.

4.3 Quotes

Before seeking Quotes, Staff must establish if a [UNSW supplier or UNSW panel supplier](#) is available for the goods, services, infrastructure and capital works they wish to purchase.

When a UNSW supplier or UNSW panel supplier has a catalogue available to UNSW Staff, obtaining a price from the catalogue for specific goods and services is equivalent to a written Quote for such goods and services.

A Quote from a supplier should as a minimum include:

- description of the goods, services, infrastructure and capital works
- quantity
- total cost inclusive of any delivery, ongoing maintenance, etc.
- lead time / estimated delivery date

Staff seeking Quotes must follow the Procurement principles, requirements and the Procurement process outlined in this Procedure.

Procure to Pay has developed [guidelines](#) and a suite of [templates](#) to assist Staff undertaking Procurement activities, including seeking Quotes.

A Request for Quotation (RFQ) may be issued via the UNSW electronic [TenderBox](#). Staff will need to register with Procure to Pay for access to the UNSW electronic [TenderBox](#). Email: procurement@unsw.edu.au

When obtaining the minimum number of Quotes (e.g. minimum 3 written Quotes between \$50k to \$350k), Staff must ensure that they seek Quotes from different suppliers (i.e. suppliers holding a different ABN). If any suppliers approached do not provide Quotes (although three Quotes have been sought), then the process is regarded as compliant and no exemption process is required. However, documented evidence must be retained (e.g. emails sent to the suppliers, suppliers' email declining participation).

This Procedure does not mandate the sourcing process (e.g. Quotes sought by RFQ via UNSW [TenderBox](#) vs Quotes sought by email), only the minimum number of required Quotes is mandated. However, UNSW Tender box must be used for running Request For Tender.

When ordering goods, services, infrastructure and capital works Staff must attach the minimum number of required Quotes, including the successful Quote, or evidence of the price obtained, when creating the Purchase Order record in NS Financials for the UNSW Financial Delegate to review.

4.4 Sourcing activities

Before proceeding, Staff must establish if a [UNSW supplier or a UNSW panel supplier](#) is available for the goods, services, infrastructure and capital works they wish to purchase.

In accordance with section 4.1 above, where an open sourcing activity for goods and services which are likely to cost over \$350K is required, Procure to Pay must be engaged as soon as possible to agree upon a Procurement strategy, including tender and Contract documentation, evaluation and Contract implementation methodologies.

All sourcing activities must follow the Procurement principles, requirements and the approved process outlined in this Procedure.

Procure to Pay has [guidelines](#) and a suite of [templates](#) available to assist Staff undertaking Procurement activities, including sourcing.

Sourcing activities may be issued via the UNSW electronic [TenderBox](#). Staff will need to register with Procure to Pay for access to the UNSW electronic [TenderBox](#). Email: procurement@unsw.edu.au

4.5 Unsolicited Proposals

An unsolicited proposal (**USP**) is when a third party approaches UNSW with a proposal that has not been formally requested and which is not being addressed through an existing process.

All proposals are required to be sent via email to procurement@unsw.edu.au for independent review.

In principle UNSW will follow the [NSW Government Unsolicited Proposals Guide for Submission and Assessment](#) (May 2022) to the extent that it is applicable to UNSW and its operations. This process will commence with an initial review to confirm whether the USP is something that UNSW would consider further.

Generally, USPs will be reviewed against a set of guiding principles to determine the appropriateness for further consideration and development. These principles are:

- the proposal is unique and innovative and cannot be reasonably delivered by another provider or achieve the same (or greater) value for money outcome through a procurement process within acceptable timeframes;
- the proposal aligns with UNSW policies and strategic objectives;
- there is a demonstrated need for the goods and/or services
- the proposal is financially, economically, socially and technically feasible.

Where, after initial review, a USP is assessed as being suitable for further investigation, this should be undertaken in accordance with the UNSW processes and policies for managing commercial opportunities, using the NSW Government Guide as the basis for this assessment. In order for a USP to be progressed, the USP should be assessed as satisfactorily meeting the following criteria:

- Uniqueness
- Value for money
- Whole of University impact
- Return on investment
- Capability and capacity
- Affordability
- Risk allocation.

Further guidance on the key considerations for these criteria can be obtained from the [NSW Government Guide](#).

4.6 Establishing supplier arrangements

Where UNSW does not have a UNSW supplier or a UNSW panel supplier in place, Staff may be required to establish a supplier arrangement (e.g. by means of entering into a Contract). UNSW has a number of approved templates for use by Staff when procuring goods, services, infrastructure and capital works. These standard agreements should be used and are an important element in managing legal and commercial risks associated with Contracting. Any variation to those standard template agreements must be approved by Procure to Pay

or Legal.

Any new Contracts or supplier agreements above \$350k should be referred to Procure to Pay for advice and approval.

A supplier must be created in NS Financials in accordance with the [Finance vendor creation process](#).

A Purchase Order must be raised in NS Financials with the required documentation.

Supplier Contracts must be managed regularly by the responsible area (e.g. Staff who established the Contract or Procure to Pay) to ensure compliance with the Contract terms. Procure to Pay has guidelines available to assist Staff in managing suppliers. Supplier management/Contract management reviews must be forwarded to Procure to Pay who will keep records of these reviews for consideration in future Procurement activities.

Further information can be found by accessing the [UNSW Intranet](#).

4.7 Exemptions

There may be circumstances where an exemption to the threshold requirements in the Procurement matrix described in section 4.1 above is required.

An exemption may be only used for seeking less than the number of required Quotes as described in section 4.1, otherwise a Procurement strategy must be agreed and approved by Procure to Pay to define the best market and sourcing approach.

When applying for an exemption, UNSW Staff must be able to provide tangible, objective and factual documented evidence of the reasons for the exemption and must demonstrate how the request meets the UNSW Procurement Principles (see section 2).

Where an exemption seeks to undertake a direct negotiation (i.e. a negotiation with a single supplier), this involves significant risk; it is essential that proper process is followed so that the supplier is not unfairly or improperly advantaged. Staff involved in direct negotiations should seek advice on requirements from Procure to Pay and familiarise themselves with the '[Guidelines for managing risk in direct negotiations](#)' published by ICAC.

It should be noted that an exemption must be approved prior to commencing the sourcing or negotiation or Contracting process. If an exemption is approved, Staff ordering goods, services, infrastructure and capital works must attach a copy of the signed exemption when creating the Purchase Order record in NS Financials for the UNSW Financial Delegate to review.

Bulk exemption:

There are some situations where it may be appropriate to seek a single exemption to cover a series of sourcing or Contract events over a particular time period (i.e. bulk exemption). Examples may include:

- Software renewal (e.g. bulk exemption can cover 3 years renewal instead of only 1 year if tangible and objective documented evidence of the reasons for the exemption over 3 years can be provided)
- Continuity of services (e.g. original equipment manufacturer requiring maintenance or building Consultants engaged for both the design and build phase)

When applying for bulk exemptions UNSW Staff must be able to provide tangible and objective documented evidence of the reasons for the exemption and must demonstrate how the request meets the UNSW Procurement Principles (see section 2).

Regardless of the value of the Procurement activity, the bulk exemption must be approved by Procure to Pay.

If a bulk exemption is approved, Staff ordering goods, services, infrastructure and capital works must attach a copy of the signed bulk exemption when creating the Purchase Order record in NS Financials for the UNSW Financial Delegate to review.

4.8 Engaging Independent Contractors and Consultants

UNSW engages a range of professional specialists to assist with various projects across UNSW Faculties, Schools and Divisions. These services are generally obtained from Independent Contractors or Consultants whenever 'in-house' resources are not available or it is considered to be in a project's best interest to do so.

As UNSW is accountable for the expenditure of public funds, it is important that the selection and appointment of all Independent Contractors and Consultants be conducted in a professional and transparent manner.

When there is a requirement to engage any type of temporary employee (including Independent Contractors), please contact [Human Resources](#) who will provide guidance on the appropriate process and relevant [UNSW suppliers or UNSW panel suppliers](#).

When engaging Consultants (which is Procurement of services), Staff must follow the Procurement process

identified in section 4.1 above (Which Procurement Process Do I Follow?) applicable to the cost of the Procurement (Thresholds), including an exemption if the Procurement process is not followed.

4.9 Order Splitting

Staff must not divide the value of Procurement activity into separate transactions for the purpose of bringing it below:

- The threshold value at which additional Quotes are required; or
- The threshold value at which a formal Quote or sourcing activity is required; or
- The threshold at which financial delegation limit applies.

There must be no order or invoice splitting to circumvent procedures or delegation levels.

The value of the Procurement activity must include the total value of the purchase or engagement excluding GST with a supplier for a specific project (i.e. intended Contract duration not the annual value). For example, when purchasing a piece of software, the total value will include the purchase of the software licences as well as required installation, training, maintenance, etc over the period of the Contract.

If the value of the Procurement activity is likely to increase due to additional required activity (i.e. scope creep), please contact Procure to Pay to seek guidance on the Procurement strategy.

4.10 Contract Variations, including extensions

Throughout the life of a Contract, variations to the Contract terms or specifications may be required. This must be reflected by a Contract variation to be executed by both parties. UNSW relevant delegate/signatory must have the relevant financial delegations to cover the total value of the Contract including the variation period (see [Register of Delegations](#)). Please contact Procure to Pay to seek further guidance.

4.11 Grants

Grants are funds provided by government departments, corporations, foundations or trusts to universities to support research. As the grants are expending funds through UNSW, the Procurement principles outlined in the [Procurement Policy](#) and this *Procurement Procedure* (see section 2 above) apply to all UNSW Staff (even when the grant has been awarded under a specific UNSW Staff name).

The grant body may require UNSW Staff to utilise the services of a particular supplier and/or purchase a specific piece of equipment or may prohibit some forms of expenditure as a condition for providing the funding.

In this instance, and up to \$350k, if Quotes have been sought in accordance with the Procurement process specified in section 4.1 prior to the grant application being approved, no exemption from the Procurement process is required to utilise the services of a particular supplier and/or purchase a specific piece of equipment unless:

- fixed price was not sought as part of the grant application process; and/or
- 12 months has passed since the Quotes have been written; and/or
- additional suppliers have entered the market; and/or
- new or improved technologies have become available.

Above \$350k, the Procurement process set out in section 4.1 above must be followed.

Staff must attach relevant documentation such as grant conditions or relevant Quotes, including the successful Quote, when creating the Purchase Order record in NS Financials for the UNSW Financial Delegate to review.

It is recommended to engage with Procure to Pay before applying for a grant and if major equipment is expected to be purchased for more than \$350k excl GST.

Please contact Procure to Pay to seek any further guidance.

4.12 Payments

UNSW will not normally pay suppliers in advance for the supply of goods, services, infrastructure and capital works. The exception is where a legitimate deposit is required and approved by the relevant Financial Delegate of the whole purchase to secure the goods, services, infrastructure and capital works. In that case, Staff should always try to negotiate to pay as little as possible upfront in order to minimise UNSW's exposure and try to include risk mitigation options such as bank guarantees.

UNSW standard payment terms for goods and services are:

- 30 days from the end of the month from invoice date.

UNSW standard payment terms for Building Infrastructure and Capital Works are:

- 15 days from receipt of invoice under *Building and Construction Industry Security of Payment Act 1999* (NSW).

Staff responsible for the purchase must ensure that the payment structure is clearly defined and communicated to the [UNSW Financial Delegate](#) approving the purchase and should be clearly documented on the Purchase Order or the Contract.

4.13 Multi-funding sources

When goods, services, infrastructure and capital works are financed from multi-funding sources, the following rules apply:

- If UNSW is the procuring agent, UNSW *Procurement Policy* must apply.
- If any other university is the procuring agent, the *Procurement Policy* of the relevant university applies.
- If the procuring agent is from the private sector, UNSW *Procurement Policy* must apply unless approved otherwise by Procure to Pay

4.14 Procurement Steering Committee

A Procurement Steering Committee has been established with the following functions (subject to change and approved by the approver of this Procedure):

- Supporting, guiding and challenging Procurement to ensure Procurement continuous improvement
- Providing oversight on procurement initiatives to secure savings for 2025 and help resolve issues
- Ensuring that the [Procurement Policy](#) and this Procedure are aligned with UNSW business requirements
- Addressing spend outside of UNSW suppliers and UNSW panel suppliers, including opportunities for new arrangements

4.15 Financial Delegations and Approval

Procurement of goods, services, infrastructure and capital works can only be approved by persons holding the [relevant delegated authority](#) for the total value of the Procurement activity (not the annual value). Information on the financial delegations can be found in the [Register of Delegations](#).

4.16 Segregation of Duties

Procurement processes must include appropriate oversight and segregation of duties to avoid end to end control by any individual. The person approving the financial commitment on behalf of UNSW (e.g. signing the Contract or approving evaluation) should not be the person who has obtained the quotations from the supplier(s) and/or has evaluated the proposals and/or negotiated the Contract.

4.17 Conflicts of Interest

Procurement activities must be conducted in accordance with the [UNSW Code of Conduct](#). Staff involved in a Procurement activity are required to declare any potential or perceived conflicts of interest. The approving officer (a representative from Procure to Pay or the Financial Delegate) will decide and approve whether the declared conflict presents an unacceptable risk to the UNSW and what mitigating actions to pursue.

Any conflict of interest should be reported and managed in accordance with the [Conflict of Interest Disclosure and Management Policy](#).

4.18 Gifts and Hospitality

Staff involved in all Procurement activities from the commencement of the sourcing activity (defined as first engagement with potential suppliers) until a Contract has been signed (e.g. tendering activity, direct negotiation), are prohibited from soliciting or accepting gifts or hospitality or any other benefits from current or prospective suppliers; if Staff are involved in a lunch or similar hospitality, they must pay for their consumption.

Where Staff are involved in ongoing supplier relationship management, modest hospitality (e.g. in-house lunch, coffee, tea) associated with business meetings to discuss goods, services, infrastructure and capital works is acceptable, but accepting restaurant lunches and dinners, the provision of alcohol, tickets to the theatre or sporting events are prohibited in all cases unless the UNSW Staff disclose gifts and/or other benefits to their

manager and register gifts and/or other benefits in the University's [Register of Gifts and Benefits](#).

Where there is confusion or difficulties surrounding proffered gifts and/or other benefits, or where there is a possibility that proffered gifts and/or other benefits place Staff in a position where he/she is (or may be perceived to be) compromised or influenced by acceptance of the gifts and/or other benefits, a Procure to Pay Manager or the Director of Procure to Pay should be consulted.

Reference should also be made to the UNSW [Gifts and Benefits Procedure](#).

4.19 Probity Advisers

Procure to Pay may require that probity advisers be used for high profile, complex or high value Procurement projects, or where it is requested by the project sponsor or project steering committee.

A probity adviser will provide advice during a Procurement activity to ensure probity is maintained and fair and transparent process and no one supplier is given an unfair advantage over another. The probity adviser should have no authority or decision-making power in the Procurement activity. The Procurement decision rests with the relevant Staff member who will be accountable for the outcome.

4.20 Recordkeeping

Accurate and thorough records must be maintained throughout all Procurement processes and filed on the corporate recordkeeping system of UNSW. For further information, please visit the [Records and Archives Office website](#) and refer to the [UNSW Recordkeeping Policy](#).

Procurement practices are open to substantial internal and external scrutiny. Records relating to Procurement processes may be examined by audit Staff, ICAC, police and any member of the public under the [NSW Government Information \(Public Access\) Act 2009 \(GIPA\)](#).

In accordance with Division 5 of GIPA, UNSW is required to publish the relevant details of all Contracts with a value of \$150,000 including GST (= \$136,363 excluding GST) or more. Where a Procurement activity results in a Contract for this amount or more, the relevant details of the Contract including copies of Contracts and Quotes executed by UNSW must be provided to Procure to Pay via [email](#) for recording and/or publication by UNSW.

4.21 Responsible Procurement

Social sourcing:

Social engagement is a key priority as part of the UNSW Strategy 2025 (Part B – Social Engagement). Procure to Pay aims to support our equity, division and inclusion commitments through procuring from:

- Indigenous-owned business
- Women-owned business
- Disability enterprises

Sustainable and ethical sourcing:

Sustainability and ethical sourcing should be embedded in every activity at UNSW. When buying goods, services, infrastructure and capital works, UNSW will evaluate (subject to costs and other considerations):

- Strategies to avoid unnecessary consumption and manage demand.
- Minimising environmental impacts over the life of the goods and services from inception to their disposal, by selecting appropriate suppliers and goods.
- Suppliers' socially responsible practices including compliance with legislative obligations to employees.
- Mitigating Modern Slavery risks across our supply chains and operations

UNSW recommends that consideration be given to including social, sustainable and ethical sourcing as evaluation criteria for all tendering activities and the use of available templates and guidance found on the Procurement [Intranet](#).

Further information about managing environmental risks can be found on the [Sustainability website](#).

4.22 Work Health and Safety

Health and Safety (HS) specifications must be identified for services being procured and goods being purchased.

- HS specifications should be documented in tender documents.
- The selection process should include evaluation of tenders against HS specifications.
- HS requirements should be included in Contract documents for the successful tenderer(s) including compliance against legislation and standards.
- HS documents submitted by successful tender(s) should be evaluated prior to engagement.
- Processes should be outlined for any failure to meet specifications.
- A pre-purchase checklist must be used prior to the purchase of any equipment with a potential to cause harm and injury

For further information, please refer to: <http://www.safety.unsw.edu.au/>

4.23 Hazardous and Restricted Goods

UNSW must procure hazardous and restricted goods in accordance with UNSW [Policies and Procedures](#). For further information, please refer to: <http://www.safety.unsw.edu.au/>

4.24 Foreign Currency

When a Procurement activity involves a payment in foreign currency > AU\$50,000 equivalent or when there is an exchange rate risk, Staff must seek prior advice from Treasury or Procure to Pay as there will be a foreign currency UNSW rate to be applied.

Accountabilities	
Responsible Officer	Chief Financial Officer
Contact Officer	Director Procure to Pay
Supporting Information	
Legislative Compliance	This Procedure support the University's compliance with the following legislation: Public Finance and Audit Act 1983 (NSW) University of New South Wales Act, 1989 (NSW) State Records Act, 1998 (NSW) Independent Commission Against Corruption Act 1988 (NSW) Government Information (Public Access) Act 2009 (NSW)
Parent Document (Policy)	Procurement Policy
Supporting Documents	UNSW Register of Delegations UNSW Code of Conduct HS316 Health and Safety Purchasing Guideline Health and Safety - Procedures Health and Safety Policy Gifts and Benefits Policy Gifts and Benefits Procedure Credit Card Policy Credit Card Procedure Business Expense Policy Business Expense Procedure Recordkeeping Policy Fraud and Corruption Prevention Policy Conflict of Interest Disclosure and Management Policy Environmental Sustainability Policy Recruitment Onboarding Equity, Diversity and Inclusion Policy Accounts Payable Procedure Modern Slavery Prevention Policy Unsolicited Proposals Guide for Submission and Assessment (NSW Government)
Superseded Documents	Procurement Procedure v3.4
File Number	2022/077491
Definitions and Acronyms	
ABN	Australian Business Number
Consultant	An external person or organisation engaged with a specific skill-set and knowledge not normally available at UNSW to provide professional or expert advice in a specific field. They have greater subject matter expertise than would be feasible for UNSW to retain in-house and are typically engaged on short term basis.
Contract	An agreement between two or more parties (supplier and UNSW) that sets out what will be delivered at what cost. This may be a UNSW Purchase Order, a UNSW template Contract, a UNSW Contract or consultancy agreement or other form of Contract.
Financial Delegates	Refer to the UNSW Register of Delegations

ICAC	Independent Commission Against Corruption. Website: https://www.icac.nsw.gov.au/			
Independent Contractor	An external person which contracts with UNSW because there is a need to augment existing resources (e.g. due to a short-term increase in projects), or to fulfil a short-fall in capacity where certain skills and knowledge are ordinarily present at UNSW. Contractors are deemed as UNSW employees at law if directly engaged as sole traders via UNSW payroll. Contractors can also be engaged via a recruitment agency.			
NS Financials	UNSW's finance system, which is a software application, provided by Oracle/PeopleSoft. The system is referred to as NS Financials at UNSW. It is the technology used for purchasing (and other) financial processes and transactions.			
Procedure	Procedure means the procedures set out in this Procurement Procedure document.			
Procurement	All activities involved in the acquisition of goods, services, infrastructure and capital works either purchased or leased, including but not limited to: <ul style="list-style-type: none"> ▪ identifying the need to procure ▪ selecting suppliers ▪ Contracting and placing orders ▪ managing Contracts and suppliers. 			
Purchase Order	A Purchase Order is a formal UNSW document which is provided to a supplier as UNSW's request and confirmation for a specified supply of goods, services, infrastructure and capital works.			
Quote	A Quote is a formal statement setting out the cost for a particular job or service. A Quote could be any of the following: <ul style="list-style-type: none"> ▪ Statement of Work ▪ Proposal ▪ Quotation ▪ Any other document that is a Quote from a supplier and should include description of goods or services, quantity and price at a minimum. 			
RFQ	Request For Quotes			
Staff	All employees and personnel of UNSW, its affiliates and subsidiaries who are authorised to purchase goods, services, infrastructure and capital works on behalf of UNSW, including but not limited to continuing, fixed-term and casual staff and all persons who are engaged to perform work as Independent Contractors or Consultants of UNSW			
Procure to Pay	Procurement staff engaged by Finance to undertake and/or to provide support with Procurement activities.			
T&Cs	Terms and Conditions			
UNSW panel suppliers	UNSW panel suppliers are a number of suppliers that have been qualified following an approved UNSW Procurement process and approved by Procure to Pay to supply goods, services, infrastructure and capital works to UNSW where a business requirement has necessitated such UNSW panel suppliers. As a result, a number of qualified suppliers have entered into a Contract with UNSW to supply equivalent specific goods, services, infrastructure and capital works (e.g.: IT Professional Services panel). In order to be approved by Procure to Pay as UNSW panel suppliers, evidence of a competitive sourcing activity process or approved sourcing strategy must be provided.			
UNSW supplier	UNSW supplier is a supplier that has been qualified following an approved UNSW Procurement process and approved by Procure to Pay to supply specific goods, services, infrastructure and capital works to UNSW based on UNSW wide needs. As a result, a supplier has entered into a UNSW wide Contract with UNSW to supply specific goods, services, infrastructure and capital works (e.g.: office supplies). In order to be approved by Procure to Pay as a UNSW supplier, evidence of a competitive sourcing activity process or approved sourcing strategy must be provided.			
USP	Unsolicited proposal			
Revision History				
Version	Approved by	Approval date	Effective date	Sections modified
1.0	Acting Vice-President, Finance and Operations	6 August 2014	6 August 2014	This is a new Procedure

2.0	Chief Financial Officer and Vice-President	12 August 2015	12 August 2015	Definitions and clauses 4.5, 4.7-4.10 and 5.1-5.10 including links
2.1	Vice-President, Finance and Operations	20 July 2016	25 July 2016	Administrative updates and links to the new Finance website
3.0	Vice-President, Finance and Operations	30 November 2017	26 February 2018	Full review. Intentional delay between approval and effective date to enable staff training.
3.1	Vice-President, Finance and Operations	4 December 2018	4 December 2018	Minor amendments to UNSW standard payment terms in section 4.11; amendment to section 2.5 and 4.13
3.2	Director of Governance	21 May 2019	21 May 2019	Updated to include Accounts Payable Procedure as a Related Document
3.3	Director of Governance	19 August 2019	19 August 2019	Administrative update to add the Business Expense Policy and Procedure and the Escalation Process to the Supporting Documents
3.4	Vice-President, Finance and Operations	12 December 2019	12 December 2019	Amendment to Buying Guide to include changes to Contractor engagement
4.0	Vice-President, Operations	24 August 2022	24 August 2022	Updated links to new locations and buying guide adjustment to bring alignment to panel thresholds
4.1	Vice-President, Operations	2 December 2022	2 December	Changed to include the process for unsolicited proposals (USP)