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Australian National University Student Media

PROCUREMENT POLICY

1. Purpose:

1. To ensure that all purchases by the Association are informed and considered
2. To promote ethical behaviours within procurement activities by the Association
3. To ensure that all necessary measures are taken to promote the confidence of members in the ability of the Association to make appropriate and considered procurements

2. Other Policy Documents:

This policy should be read in conjunction with the Association's Constitution, Expenses and Reimbursements, Fraud Management, Gifts and Entertainment, Purchases and Debit Cards, and Conflicts of Interest Policies

3. Principles:

1. The Board shall seek value for money when undertaking procurement activities
2. Procurement activities shall be conducted in a manner that encourages competition between suppliers where possible to achieve the best outcome for members
3. Association funds must be used solely for the purposes of the Association in an efficient, effective and ethical manner
4. Association procurement activities shall be undertaken with accountability and transparency in mind

4. General Rules:

1. Requirements for procurement are dependent on the value of the goods, services and/or intangibles being sought
2. Procurements must not be divided or split into separate parts to avoid a procurement threshold
3. The Board should avoid perceived and/or real conflicts of interest, particular attention should be given to this policy if the Association is considering purchasing goods, services and/or intangibles from suppliers who:
 - a) Are current Editors or volunteers of the Association or employ current Editors or volunteers
 - b) Are past Editors or volunteers of the Association or employ past Editors or volunteers
 - c) Have a personal or business relationship with any of the Editors or volunteers involved in the procurement process
4. Management of Conflicts of Interest is the responsibility of the Deputy Editor in Chief in the first instance and the Board as a whole in the second
5. All below thresholds are subject to the Expenses and Reimbursements Policy
6. The Managing Editor should be included in all communication regarding procurement activities

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5. Minor Procurement (Less than \$1,000):
 1. No quotation is required
 2. Purchasing individuals are required to use their knowledge of the market to secure value for money

6. Medium Procurement (\$1,000 to \$9,999):
 1. A minimum of two written quotations must be sought
 - a) Subject to this, where more than three business days have elapsed since a quotation has been sought and no quotation has been received, the procurement activity may continue without that quotation
 2. Quotations must be made available to the Board prior to authorisation of purchase
 3. Purchasing individuals are required to use their knowledge of the market to secure value for money

7. Large Procurement (\$10,000 to \$29,999):
 1. A minimum of three written quotations must be sought
 - a) Subject to this, where more than five business days have elapsed since a quotation has been sought and no quotation has been received, the procurement activity may continue without that quotation
 2. Quotations must be made available to the Board prior to authorisation of purchase
 3. Purchasing individuals are required to use their knowledge of the market to secure value for money

8. Major Procurement (\$30,000 or greater):
 1. A minimum of two written quotations must be sought
 - a) Subject to this, where more than ten business days have elapsed since a quotation has been sought and no quotation has been received, the procurement activity may continue without that quotation
 2. An individual or an ad hoc committee of the Board must be assigned by the Board to manage the procurement exercise
 - a) Where an individual is assigned, this individual shall be the Managing Editor or another member of the Executive approved by the Managing Editor
 - b) Where an ad hoc committee of the Board is assigned, the Chair of this committee shall be the Managing Editor or another member of the Executive approved by the managing Editor
 - i. Subject to this, where the Managing Editor has approved another member of the Executive to Chair the ad hoc committee, the Managing Editor must either:
 - 1) Be a member of said committee or;
 - 2) Be an observer of said committee and be invited to all meetings of the committee, this must be the case where the Managing Editor has a perceived or real conflict of interest

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3. Proposed expenditure must be evaluated by the Board, on the advice of the assigned individual or committee by:
 - a) Assessing compliance with the constitutional aims of the Association;
 - b) Assessing the technical viability of the proposed solution;
 - c) Assessing the capability of the proposed supplier to provide the goods, services and/or intangibles, including technical and management competence and financial resources;
 - d) Taking account of the benefits and costs involved on a whole of life basis with a focus on cost over lifetime as opposed to cheapest price;
 - e) Identify the solution that represents the best available value for money in line with this policy
 4. The Board must report its decision with appropriate justification as either a Board meeting minute or an auxiliary document tabled in a Board meeting and which is publicly available through the Association's "Minutes" page that:
 - a) Provides full details of the process;
 - b) Provides a clear and publicly defensible appraisal of the proposal;
 - c) Notes any potential constraints or risks;
 - d) Notes any perceived or real conflicts of interest of any Board members or volunteers (in volunteers are involved in the procurement process)
 - e) Recommends acceptance of a quotation subject to satisfactory negotiation of a contract
9. Contracts:
1. Contracts should be determined based on the thresholds above in relation to the lifetime cost of the contract
 2. Procurement exercises for contracts are valid for the term of the contract, including any extensions entered into in contract variations
 3. Any further procurement undertaken following expiration of a term of a contract must be conducted with reference to the Procurement Policy
10. Discretion and Exceptions:
1. At the discretion of the Managing Editor and on the advice of the relevant portfolio Editor, requirements for procurement thresholds up to and including "Medium Procurement" (5. - 6.) may be bypassed
 2. This exception may only take place for the efficient operating of the Association, instances such as this include the following and other instances of a similar nature:
 - a) Where a particular piece or brand of equipment is required;
 - b) Where the Association has regularly used the services of the supplier before (e.g. printing of the magazine)
 - c) Where the purchase is urgent for the proper functioning of the Association or a part of the Association

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3. Where an exception has been made, the Managing Editor must report this to the Board at the next Board meeting and provide an explanation for this exception
 - a) Dissent from any Board member to this exception shall be noted in the minutes
 - b) Where the purchase has not yet been made or legally committed to, the dissent of any one Editor of the Board shall require normal threshold requirements to be adhered to
4. Where an "instance of a similar nature" is excepted, the Board must review this policy at the next Board meeting

11. Procurement Ethics:

1. The Association, its Editors and volunteers must not seek to benefit from supplier practices that may be dishonest, unethical or unsafe
2. Procurement activities should encourage positive environmental outcomes through the promotion of environmental standards, energy efficiency, re-use, recycling, disposal practices and natural resource conservation

12. Policy Details:

This policy replaced the previous Procurement Policy on 20/10/2022