Procurement Policy

Section 1 - Key Information

Policy Type and Approval Body	Administrative – Vice-Chancellor
Accountable Executive – Policy	Chief Operating Officer
Responsible Manager – Policy	Executive Director, Procurement Business Services
Review Date	19 March 2027

Section 2 - Purpose

(1) The purpose of this Policy is to set out the principles and process to be applied to the acquisition of goods and services by or on behalf of La Trobe University (University).

(2) This Policy seeks to ensure that procurement activities:

a. uphold the principles of honesty, competition, fairness, and transparency, while achieving value for money and safeguarding the University's reputation;
b. take into account ethical, social and environmental considerations and provide opportunities for social enterprises and Indigenous-owned businesses; and
c. prioritise buying locally, both domestically and from local suppliers to foster community growth, create job opportunities and contribute to the local economies in which we operate.

Section 3 - Scope

(3) Unless expressly excluded, this Policy applies to the acquisition (including leasing) of all goods and services at the University, including but not limited to:

a. Information Services – including the purchase of any information technology (IT) assets such as hardware, software, mobile devices and IT services;
b. capital works, facilities and associated expenditure;
c. equipment and consumables, including those used for teaching and research;
d. general goods and services (e.g. labour hire providers and recruitment services, catering, office products, contingent labour, conference bookings etc); and
e. Independent Contractors and consultants (e.g. specialist consultants, individual recruitment agents).

(4) This Policy does not apply to:

a. IT Desktop equipment (refer to Desktop Equipment Policy) and Mobile Communication Device(s) (refer to Mobile Communication Device Policy);
b. Property – real estate including acquisition, subdivision, disposal, statutory authority charges, mortgages or

grants of easements or covenants;

c. People & Culture – determination of benefits, wages and salaries of University employees;
d. Research grants, funding, and collaborative agreements; and
e. In-house Goods & Services - goods or services developed/provided in-house and paid by internal journal/budget.

Section 4 - Key Decisions

Key Decisions	Role
Approve purchases and contracts	As per the Financial Expenditure & Contract Signing Delegations
Endorsement of Procurement Strategies	As specified in Part C of this Procedure which includes Council approval for any procurement activities over $5m.

Section 5 - Policy Statement

Part A - Responsible Procurement

(5) Responsible procurement is the act of purchasing goods or services in a way that considers social, ethical and sustainability factors. The University has measures in place to support responsible procurement, which reflects its commitment to ethical purchasing, environmental sustainability, diversity and inclusion. This commitment is particularly focused on aligning with the University's responsibilities and obligations in the following areas:

a. diversity, inclusion and accessibility
b. labour and human rights principles, including the risk of modern slavery in supply chains
c. environmental sustainability and the circular economy of goods and services
d. supporting the business and entrepreneurial endeavours of Aboriginal and Torres Strait Islanders
e. supporting the business and entrepreneurial endeavours of Social Enterprises
f. supporting local businesses first where possible
g. data privacy and data security
h. corporate governance and ethical business practices
i. wellbeing, health and safety of all employees, contractors, consultants and students.

Part B - Core Requirements

Pre-procurement

(6) Approved Vendors - Purchasers must use Contracted vendors for identified categories as listed. Where approved suppliers are not identified, purchasers must follow the Procurement Procedure.

(7) Additionally, when there is a Vendor Panel arrangement in place (one or more approved vendors providing the same goods or services; for example: recruitment and staffing; furniture; leadership development; marketing & digital services; legal service providers; laboratory and chemical supplies), staff are required to seek quotes from the panel as per the Procurement Thresholds Matrix.

(8) Where approved suppliers are not identified, purchasers must follow this Policy and the Procurement Procedure to purchase goods and services for or on behalf of the University.

Principles to be Applied to Procurement

(9) All procurement activities must:

a. be undertaken in accordance with the University's legislative and regulatory requirements (including University legislation, Workplace Gender Equality Act 2012, Modern Slavery Act 2018) as well as all relevant policies and procedures, including but not limited to:
    i. Health and Safety Policy
    ii. Privacy Policy
    iii. Contracts Policy
    iv. Legal Advice Policy
    v. Asset Management Policy
    vi. Code of Conduct
    vii. Data Governance Policy
    viii. Environmental Sustainability Policy
b. align with the University's objectives under the La Trobe University Act 2009, values and Strategic Plan.
c. ensure best value for money, includes considering fitness for purpose and fair market value, undertaking appropriate levels of due diligence on the proposed vendor(s), whole of life costs, post- delivery support, effective warranty and conformity to laws.
d. incorporate responsible procurement considerations into sourcing and tender processes, with weightings that reflect the University's commitment to environmental sustainability, support for indigenous enterprise and promotion of social good.
e. ensure probity and equity, including open and effective competition, fairness and impartiality, consistency and fairness of process, accountability, transparency, security and confidentiality.
f. not involve conflicts of interest and be undertaken in the University's best interests. Any actual, perceived or potential conflict of interest must be reported and managed in accordance with the Conflict of Interest Policy and the Code of Conduct. Procurement Strategies must include a declaration of either no Conflict of Interest or details of any Conflict of Interest.
g. conform with the Procurement Thresholds Matrix which sets out the minimum requirements for procurement activities and forms part of the Procurement Procedure. For example, the authorised contract value (for the life of the contract) of the proposed purchase, will determine the nature of procurement activities to be undertaken before the purchase can proceed.

Financial approval

(10) All financial decisions in relation to procurement must be made in in accordance with the Delegations and Authorisations Policy, the Contract Signing Instrument of Delegation and appropriate funds must be available within the relevant business area budget.

(11) Financial decisions include obtaining approval to commence any procurement activity as well as ultimately executing the contract if the purchase proceeds.

(12) Splitting Procurement is the act of deliberately breaking up a single procurement into two or more smaller pieces to access lower financial decision sign off requirements or lighter processes. Splitting procurement circumvents probity processes, increases risk to the University and is strictly prohibited. Splitting procurement will constitute a breach of this policy as well as the University's Delegations and Authorisations Policy.

Foreign Engagement

(13) Engagements with foreign individuals and entities are an important part of University teaching, learning and

research activities. Refer to the University's Foreign Engagement Policy if your:

a. agreement/contract/invoice is with a foreign government/their agencies or foreign university;
b. invoice/s involve a foreign party outside an agreement/contract; or
c. proposal relates to a direct approach by an individual staff member to matters with a foreign partner.

Part C - Contract Establishment

(14) In line with the University's Legal Advice Policy. It is important to involve Legal Services as early as possible in any transaction. Any known timeframes (e.g. tender documents submission dates etc) should be notified to Legal Services at the earliest opportunity. Project planning must take into account and allow adequate time for the provision and consideration of legal advice. Notifying Legal Services of the need to establish a contract is not the sole responsibility of Strategic Procurement.

Contractual Terms and Conditions

(15) All procurement related activity must comply with the Contracts Policy. All Contracts to which the University will be a party must be written and include appropriate terms and conditions that have been prepared or reviewed by Legal Services. The only limited exception to this is where a currently approved Template Contract or prescribed Contract Review Tool is used by an approved user and within the prescribed terms of use.

(16) Obtaining Legal advice on Contract is part of ensuring that an informed decision can be made by the Contract Sponsor and Authorised Signatory regarding legal risk to the University.

(17) Wherever possible, a University Contract should be used over third party terms.

(18) Strategic Procurement must ensure that the appropriate University Standard Form Contract template is included in all tender (RF(x)) documentation, to inform all invited suppliers of the terms and conditions under which they will be required to contract, and in order to assess the level of Suppliers' compliance with the University's Standard Form Contract as part of the evaluation process.

(19) Strategic Procurement and/or relevant Business Unit will need to facilitate the establishment, negotiation and execution of the final Contract between the University and the selected Supplier, in conjunction with the Authorised Delegate and, as appropriate, Legal Services.

Non-compliance

(20) Staff who breach the provisions of this Policy may be subject to disciplinary action for unsatisfactory conduct or misconduct as outlined in the relevant University staff agreement or relevant policies. Such action may result in the withdrawal of delegated authority and/or other disciplinary action. Serious non-compliance may be reported to the Police and/or the Independent Broad-based Anti-corruption Commission (IBAC), which potentially could result in civil or criminal proceedings. There is a statutory requirement for the University to report all suspected fraud to the IBAC, irrespective of the amount involved. If fraud, corrupt or other improper conduct is suspected, it should be notified to Assurance and Compliance,(Commercial, Legal and Risk department) at the earliest opportunity.

Section 6 - Procedures

(21) The following procedures document how to comply with this Policy:

a. Procurement Procedure
b. Health and Safety Policy – including relevant Health and Safety procedures

c. ICT Asset Purchasing Procedure (under development)

Section 7 - Definitions

(22) For the purpose of this policy:

a. Authorised Delegate: means a person who has the delegated authority to authorise expenditure for procurement of goods or services and sign off the transaction as specified in the Delegations and Authorisations Policy and the Contract Signing Instrument of Delegation.
b. Circular economy: involves adopting practices that support sustainability and resource efficiency throughout the entire life cycle of products and services. Focus on keeping resources in use for as long as possible extracting maximum value from them while in use and recovering and regenerating products and materials at the end of their life cycle.
c. Conflict of Interest: is assessed in terms of the likelihood that staff possessing a particular interest could be improperly influenced, or might appear to be improperly influenced, in the performance of their duties. The types of Conflicts and University's reporting requirements are set out in the Conflict of Interest Policy and the Code of Conduct.
d. Consultant: means an external person or organisation engaged with a specific skill set and knowledge not normally available at La Trobe University to provide professional or expert advice in a specific field. They have greater subject matter expertise than would be feasible for the University to retain in-house and are typically engaged on short term basis.
e. Contract: means an agreement between two or more parties (supplier and the University) that sets out what will be delivered at what cost and other obligations and requirements. This may be a Standard Form Contract, Standard Purchase Order Terms or other form of University approved contract and includes relevant schedules, annexures or attachments for the services, fees and any other relevant information agreed between the parties. The Contract also incorporates any related Variations.
f. Independent Contracter: Means a person who contracts to perform work for another person or organisation, but is not employed by that person or organisation. An independent contractor undertakes to produce a given result, and the agreed payment is payable when the contractual conditions have been fulfilled. They are engaged as 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. Independent Contractors must be genuine (e.g. with a valid ABN/ACN, registered for GST etc (if Australian-based) and have adequate insurances in place).
g. Modern Slavery: means modern slavery as defined in section 4 of the Modern Slavery Act 2018 (Cth) and includes human trafficking, forced labour, child labour, debt bondage, situations where workers' freedom is deprived, restricted or undermined or where workers are otherwise exploited, and similar unethical conduct.
h. Procurement: means all activities involved in the acquisition of goods, services, infrastructure and capital works either purchased or leased, including but not limited to:
    i. identifying the need to procure
    ii. electing external suppliers, whether or not via a tender evaluation process
    iii. contracting and placing orders
    iv. managing contracts and suppliers including the supply chain
    v. governance and compliance of contractual requirements, policies, regulations and relevant laws
i. Purchaser: refers to an individual or entity within LTU responsible for acquiring goods, services, or products on behalf of LTU. Purchasers play a crucial role in the procurement process, as they are responsible for selecting suppliers, negotiating contracts, and ensuring that the organisation's procurement activities align with its goals and policies. They may also be tasked with evaluating supplier performance, monitoring compliance with procurement regulations, and seeking cost-effective solutions for the LTU's needs.

j. RF(x): means any of the following Tender activities: Request for Information (RFI), Expression of Interest (EOI) Request for Proposal (RFP), Request for Tender (RFT) or Request for Quotation (RFQ).
k. Supplier: means an external person or organisation that supplies goods and/or services that the University may procure, in conducting its business.
l. Total Authorised Contract Value: means the approved total cost representing acquisition of the goods and/or services including all supply, freight, installation, training and associated ongoing maintenance and/or service costs or other ongoing operational costs to support that purchase over the proposed purchase period and possible extensions.
m. Variation: means an amendment to a Contract agreed between the University and the Contracted Supplier.
n. Vendor: A vendor, also known as a supplier or seller, is an individual, business, or organisation that offers goods or services to customers in exchange for payment.
o. Vendor Panel: a vendor panel refers to a group of vendors or suppliers who have been pre-selected or approved to provide goods or services to LTU. It is a managed pool of vendors with established relationships and agreements in place. These vendors have typically undergone a selection process to ensure they meet certain criteria, such as quality standards, pricing competitiveness, reliability, and adherence to contractual terms.

Section 8 - Authority and Associated Information

(23) This Policy is made under the La Trobe University Act 2009.

(24) Associated information includes:

Modern Slavery

a. For suppliers – refer to the "Modern Slavery Governance and Compliance" accordion on The University's "Doing Business with La Trobe" webpage.
b. For staff – refer to People & Culture Knowledge Base Article KB0023133 .

Status and Details

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Responsible Manager - Policy	Andrew Peacock Executive Director, Procurement Business Services
Enquiries Contact	Finance

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