**POLICY: Procurement**

**Purposes**

1. The purpose of this policy is:
   1. to ensure that all purchases of the association are made in an accountable manner and appropriately authorised manner.
   2. to ensure that ethical behaviours such as honesty, integrity, diligence, fairness, trust, respect and consistency are adhered to. This protects the integrity of each procurement process being undertaken by the association, promotes members’ confidence and manages potential risks, perceived or otherwise, to the association.

**Principles**

1. Association purchasing activities shall seek value for money.
   1. Association purchasing shall be conducted in a manner that encourages competition amongst suppliers, generating opportunities to achieve the best outcome for the student body.
   2. Association funds must be used solely for the purposes of the association in an efficient, effective and ethical manner.
   3. Association purchasing activities shall be undertaken in accordance with the principles of accountability and transparency.
   4. Association procurement shall be conducted in accordance with the principles outlined in the below procedure, with particular attention paid to the requirements associated with various procurement thresholds.
   5. For the avoidance of doubt, employment decisions are not subject to this policy.
   6. Procurements should provide long-term value to the Association wherever possible.
      1. This section applies exclusively to procurements on behalf of the Association as a whole, and not procurements on behalf of departments, committees, or other sub-units of the Association.
      2. Merchandise purchasers should procure designs that will not rapidly date wherever possible. All merchandise purchases made on behalf of ANUSA must promote the Association and items should be identifiable as being produced by ANUSA, unless doing so would defeat the purpose of the procurement.

**Procurement Thresholds**

1. All procurements must be conducted according to the requirements in the threshold table appended to this policy.
2. Association procurement requirements are dependent on the value of the goods and services being sought.
   1. Thresholds apply to the value of individual goods and services, not to the value of single transactions. A contract shall be treated as a procurement at the threshold of the total cost over its full term.

* 1. A procurement must not be divided or split into separate parts to avoid a procurement threshold.

1. All thresholds in this policy are subject to the Purchases Policy
2. A purchaser may conduct a procurement according to the requirements of a higher value procurement threshold.
3. A procurement exercise is valid for the term of the contract (including extensions entered into in contract variations).
   1. Any further procurement undertaken following expiration of a term of a contract must be conducted with reference to the Procurement Policy.

**Conflicts of Interest**

1. Procurements must be done with a view towards minimising conflicts of interest.
   1. Staff, representatives and volunteers involved in association purchasing activities must disclose any actual or perceived conflict of interest arising from the purchasing activity.
   2. Particular caution should be exercised if the Association is considering purchasing goods and/or services from suppliers who:
      1. are current employees or office bearers of the association;
      2. are past employees or office bearers of the association;
      3. have a personal relationship with any of the employees, volunteers or representatives involved in the procurement process.
   3. Where an actual or perceived conflict of interest has been identified, such a conflict shall be actively managed by the board or involvement prohibited.
   4. The Association and its staff, representatives and volunteers must not seek to benefit from supplier practices that may be dishonest, unethical or unsafe.
   5. Staff, representatives and volunteers must avoid all situations that could give rise to a conflict of interest, either real or perceived.

**Ethical procurement**

1. Procurement activities should be done in line with the ethics that the student body expects of its student union.
   1. Procurement activities should encourage positive environmental outcomes through the promotion of environmental standards, energy efficiency, re-use, recycling, disposal practices and natural resource conservation.

**Appendix 1: Threshold Table**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Threshold** |  | **Requirement 1** |  |  | **Requirement 2** |  | **Requirement 3** |  | **Requirement 4** |
| <$2000 |  | Purchaser must |  | -- |  | -- |  | -- |  |
| $2000 – 4999 |  | source the best |  | Purchaser must source at | | -- |  | -- |  |
| $5000 – |  | option, with a view to |  | least two quotes for the | | The procurement must | | The Executive must consider | |
| 100,000 |  | value for money and |  | procurement. | | be approved by a | | competitor quotes or other | |
|  |  | quality. Purchases |  |  |  | decision of the | | evidence to satisfy | |
|  |  | must comply with the |  |  |  | Executive. | | themselves that the | |
|  |  | constitutional |  |  |  |  |  | procurement is the best | |
|  |  | requirement that |  |  |  |  |  | value option available. | |
|  |  | formal approval be |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| >$100,000 | given by two of either | -- | The procurement must | The SRC must consider |
|  | the President, Vice |  | be approved by the | competitor quotes or other |
|  | President, or |  | SRC. | evidence to satisfy |
|  | Treasurer beforehand. |  |  | themselves that the |
|  |  |  |  | procurement is the best |
|  |  |  |  | value option available. |
| Notes: |  | *Requirements in this* | *Requirements in this* |  |
|  |  | *column may be waived or* | *column for decisions* |  |
|  |  | *reduced by a decision of* | *by the SRC or* |  |
|  |  | *the Executive, recorded in* | *Executive may be* |  |
|  |  | *the minutes of the next* | *fulfilled by votes* |  |
|  |  | *executive meeting if taken* | *conducted over email* |  |
|  |  | *outside a meeting. The* | *or other non-* |  |
|  |  | *executive may only waive* | *synchronous means.* |  |
|  |  | *or reduce these* | *Meeting notice* |  |
|  |  | *requirements if* | *requirements do not* |  |
|  |  | *compliance would be* | *apply, however for* |  |
|  |  | *unreasonably difficult or* | *non-synchronous* |  |
|  |  | *would be commercially* | *votes, the SRC must* |  |
|  |  | *unviable.* | *be given at least two* |  |
|  |  |  | *days to vote.* |  |

Review date: on or before 12/2024