



Procurement

Australian Education Union ACT Branch Policy

Policy Number	POL046	Version	2.0
Last Reviewed	November 2020	Next Review	November 2023

INTRODUCTION

The Union is committed to ensuring that all its financial management processes are ethical, accountable and transparent.

PURPOSE

The purpose of this policy is to define the financial management processes associated with purchasing, procurement and leasing in accordance with the principles of openness, transparency and accountability.

POLICY

All major purchasing, procurement and leasing decisions made by the Union will:

- be undertaken for the benefit of the Union’s operations.
- be made in accordance with the Union’s objectives.
- give priority to ethical suppliers and service providers.
- represent the best value for goods and services procured and the competitive market rate for any lease
- be made according to the agreed procurement rules that form part of this policy
- be made in accordance with the Delegations of Authority policy and Credit Card policy.

RESPONSIBILITIES

It is the responsibility of the Branch Secretary to ensure that officers and employees are aware of this policy.

It is the responsibility of the Business Manager to oversee procurement in accordance with this policy.

PROCEDURES

Procurement rules

The Union’s procurement rules are as follows:

Value of Goods/Services	Procurement Rules
Up to \$1,000	Oral quotations may be obtained for purchases up to \$1,000. A written record of all quotes must be kept. It is not mandatory to obtain more than one quotation for purchases up to \$1,000; however, the purchase should still represent value for money. All such purchases must be authorised in line with the Union’s Cheques and Electronic Banking Policy or Credit Cards Policy.
Greater than \$1,000 and up to \$5,000	Written quotations for purchases must be obtained in writing. Although it is not mandatory to obtain three quotations for purchases less than \$5,000, those authorised to approve expenditure must be satisfied, and be able to justify, that <ul style="list-style-type: none"> • the recommended supplier is price competitive for the particular requirement and/or • the specific purchase proposal is to the best advantage of the union, whilst having regard to such factors:



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Value of Goods/Services	Procurement Rules
	<ul style="list-style-type: none">• as standard of service• quality of product• proximity to requirement• delivery times• convenience• cost of acquisition. <p>Regardless of the number of quotations obtained, the quotations obtained must be in line with the market value of such goods or services.</p>
Greater than \$5,000	<p>For purchases greater than \$5,000, the Union will seek at least three quotations, which should be invited in writing. This may be, if appropriate, as part of a publicly advertised tender process or through a closed tender process with the union inviting formal quotations from the preferred supplier list.</p> <p>The following supporting documentation shall be maintained in respect to each transaction:</p> <ol style="list-style-type: none">a) delegated authority to submit the goods or services to tender/quotationb) details of for whom, where and why goods or services are required, in line with the union's strategy, budget and objectivesc) a list of those asked to submit a quotationd) a copy of the written request for quotatione) copies of quotations obtainedf) criteria used for selecting those asked to submit a quotationg) if fewer than three quotations obtained, reasons whyh) full explanation/justification/recommendation for acceptance of the quotation. This recommendation shall address all specified selection criteria.

Leasing

Any proposals for the leasing by or from the Union will be developed by the Branch Secretary in consultation with the Finance Committee. All such proposals must be endorsed by the Branch Executive prior to being entered into.

RESOURCES

Operational activities related to this policy are to be delivered within budgeted office resources.