



Australian Film Television and Radio School

TENDER POLICY and PROCEDURES

Contact Officer: Facilities and Services Manager
Approved by: Director, Corporate Services and
Director, Technology & Infrastructure
Authorisation: Chief Executive Officer

November 2010
Reviewed 6 August 2011

1. INTRODUCTION

This document provides AFTRS with a structured approach to planning and implementing formal approaches to as required by the Administrative Orders.

2. POLICY

When acquiring goods and services, AFTRS is to achieve best value for money (see Section 8) while also maintaining efficiency, equity and fairness. AFTRS should maintain a reputation for fair and transparent dealings in its contracts with the public.

The two principles underpinning the Policy are:

Economy

- Value for money, being the benefits achieved compared to whole-of-life costs;
- Efficiency and effectiveness.

Equity

- Probity and fairness;
- Effective competition.

3. PROCUREMENT PROCESS & EXPENDITURE GUIDELINES

The AFTRS Administrative Orders define the expenditure thresholds that determine the appropriate approach to market. The Administrative Orders dated 28 August 2009 specify that formal market approaches may be required between \$100,001 and \$399,999 and that they are required for all procurement over \$400,000.

Between \$100,001 and \$399,999 the appropriate method to approach the market is determined either jointly by the Director, Technology & Infrastructure and the Director, Corporate & Student Services, or solely by the Chief Executive Officer.

4. APPROACHING THE MARKET

There are a range of methods to approach the market. These are outlined below.

Expression of Interest

An Expression of Interest (EOI) involves publishing an open and public Request for EOI and accepting all responses received that comply with the published terms. This method can be used for the following purposes:

- Seeking market input for the procurement of products and/or services where the requirements are in development and may depend on factors that are specific to a proposed solution.
- Using a limited set of essential or key requirements to pre-select from an expected large respondent pool prior to a detailed closed Request for Tender or Request for Proposal.

An EOI should be published for a reasonable period to allow the respondent to prepare a submission. As the nature of this method is intended to be brief it is expected that a reasonable period may be in the order of 10 working days.

An EOI does not result in the awarding of a contract.

Open Request for Proposal/Tender

A Request for Proposal/Tender (RFP/RFT) involves publishing an open and public Request document and accepting all responses that comply with the published terms.

An RFP is used where AFTRS is seeking the design and implementation of a solution according to stated business requirements. An RFT is used to procure against specific technical requirements where little or no design element is required.

An approach of this kind must be published for a reasonable period to allow the respondents to prepare a submission. Given the detailed nature of these methods it is expected a reasonable period is no less than 20 business days.

An RFP/RFT may result in the awarding of a contract, however AFTRS standard invitation document retain our right to award a contract for all, part or none of the goods or services requested.

Closed Request for Proposal/Tender

A closed RFP/RFT process is only open to those respondents selected and invited to respond. In all other aspects this method is the same as the Open method and all policy and procedures apply equally.

To be selected and invited to respond to a closed RFP/RFT an invitee must be:

- a) A selected respondent to an EOI; or
- b) A respondent to a recent and similar RFT/RFP that was open and public; or
- c) On an established government multi-use list; or
- d) Have been granted a specific license or comply with a legal requirement, in which it is essential to the conduct of the procurement.

Request for Quote

A Request for Quote (RFQ) involves a direct invitation through publishing an invitation to one or more suppliers. This method can only be used where approved either jointly by the Director, Technology & Infrastructure and the Director, Corporate & Student Services, or solely by the Chief Executive Officer.

Selected invitees must represent a reasonable selection of the market that ensures fair competition and achieves AFTRS's goals of economy and equity.

An RFQ may result in the awarding of a contract, however AFTRS standard invitation document retain our right to award a contract for all, part or none of the goods or services requested.

Panels

A panel may be established, by an open tendering or closed tendering process, by AFTRS entering into contracts or deeds of standing offer for the provision of identified goods or services. A panel is defined as an arrangement under which a number of suppliers may each supply goods or services to AFTRS as specified in the panel arrangements.

5. EXPRESSION OF INTEREST and TENDER PROCEDURES

	EOI / TENDER PROCESS	TYPICAL DOCUMENTS
<i>Prior to Issue</i>		
1.	Determine the need and define requirements and specifications.	Requirements Specification.
2.	Establish approach to market method (if appropriate)	Approach to Market Pre-Authorisation Form.
3.	Establish procurement schedule.	Project plan/timetable.
4.	Identify and review any potential or actual conflict of interest of either AFTRS staff or consultants and contractors involved in the procurement.	Completed "Disclosure of Conflicting Interests" where relevant.
5.	Establish evaluation criteria	Evaluation criteria
6.	Select invitees and document selection basis (where appropriate).	File note reason for confining/ selecting certain suppliers and list of selected tenderers.
7.	Prepare invitation documents.	Copies of documents and attachments.
<i>Publish Invitation</i>		
8.	Publish invitation documents or send them to all selected suppliers together with all attachments.	Copy of notice or letter (and attachments).
9.	Register all contacts with and enquiries by suppliers.	Register of enquiries/contact with suppliers.
<i>Close of invitation</i>		
10.	Open responses (following set procedures as below).	Register of response documents received.
11.	Send letter acknowledging receipt of response.	Copies of acknowledgment letter.
<i>Response Evaluation</i>		
12.	Check respondent's reference.	Working paper/file notes on reference notes.

**EOI / TENDER
PROCESS**

TYPICAL DOCUMENTS

Prior to Issue

1.	Determine the need and define requirements and specifications.	Requirements Specification.
2.	Establish approach to market method (if	Approach to Market Pre-Authorisation Form.

6. RECEIPT AND OPENING OF RESPONSES

Responses received must be secured and treated in confidence. Response handling processes must ensure that confidentiality is protected throughout the procurement.

Responses must be opened and verified by a minimum of two persons. They must record the receipt of each response, including the date of receipt and the apparent legal entity of the respondent.

7. GENERAL PRINCIPLES FOR TENDERING

There are two main principles that apply to the purchase of goods and services by AFTRS. First, there is the economy principle – the need to get the best possible value for public money; and second, the equity principle – the need for fairness and impartiality at all stages of the process.

Some important issues that should be considered at all stages of the purchasing are:

- obtaining best value for money;
- ensuring accountability;
- promoting fairness and impartiality;
- handling gifts and benefits; and
- avoiding conflicts of interest.

Obtaining Best Value for Money

Getting best value for money means considering factors relevant to a particular purchase. While price is important, it is also important to consider whole-of-life costs and non-price factors such as:

- quality;
- reliability;
- delivery time;
- ongoing service; and
- support.

When contracting services, it is important to consider other factors, such as:

- experience;
- qualifications of personnel;
- knowledge of AFTRS' needs; and
- previous work performance.

Note, in normal circumstances, AFTRS will get the best value when all those who are capable of supplying the required goods and services have the opportunity to bid for the work.

Ensuring Accountability

AFTRS is accountable for its purchasing practice and decisions to both the Government and the community. The community has the right to expect public money to be properly used as it ultimately bears the cost, which is likely to be higher if corruption occurs. Appropriate accountability mechanisms can reduce opportunities for corruption and can save time, money and resources in the long term.

An AFTRS Executive member of staff must be assigned as the Project Sponsor to oversee and ensure the whole market approach process is in accordance to this policy and procedures. Detailed records should be kept throughout the entire process and a report compiled for submission to the relevant divisional director.

Promoting Fairness and Impartiality

Selection criteria and specifications will be established and documented before calling for bids, and will be equally available to all prospective suppliers.

If it is necessary to change criteria all tenderers must be given the same information, an equal opportunity and reasonable time to revise their bids.

Handling Gifts and Benefits

AFTRS staff involved in a procurement process are able to accept gifts of a token kind or moderate acts of hospitality provided they are not in any way compromised or appear to be compromised as a result of this acceptance. If in doubt, advice should be sought from the Head Business Affairs, the Director, Technology & Infrastructure or the Director, Corporate & Student Services.

As an aid, the following principles may be used as a guide:

- Would acceptance in any way tend to influence judgement?
- Could it appear to an impartial observer that any person or body is securing or attempting to secure influence or favour through the provision of hospitality or benefits?

AFTRS officials should avoid all situations where the offer of a gift or benefit may result in these situations. Any substantial gifts, offers or suggestions about benefits that are made to any staff, either directly or indirectly, must be reported to their supervisor, in the first instance.

Avoiding Conflicts of Interest

Conflicts of interest arise when AFTRS staff are influenced, or appear to be influenced, by personal interests when doing their jobs. Any staff who has a connection with any of the respondents, or may stand to gain personally from the outcome of a purchasing decision, should not be involved in the process or be able to affect the outcome.

Contractors, consultants and potential suppliers also need to be made aware of the AFTRS policy on conflicts of interest and should be required to disclose any potential conflicts. If they do not do so, AFTRS may have grounds for terminating the contract.

Breach of Policy

If a staff member has a suspicion that this policy is being breached through fraudulent activity they should refer to the Fraud Control Policy at <http://intranet.aftrs.edu.au/index.cfm?objectid=19C12AD2-D0B7-4CD6-F96417A584DAB0D6> for guidance on how to report suspected fraud.

Related Documents:

AFTRS Code of Conduct

Administrative Order 2009

AFTRS Fraud Control Policy 2010-2012