



PURPOSE

This document provides a summary of the key processes in the Department's Procurement Management Framework and associated approvals / authorisations. These are based on delegations and authorisations detailed in [DP001](#). Refer also to Treasurer's Instruction 8 – [Financial Authorisation](#).

Note: All amounts in this procedure are GST inclusive.

SCOPE

This policy covers the entirety of the procurement process.

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Click on flowchart for details of each step.



DETERMINE MINIMUM REQUIREMENTS FOR SUBMISSION OF OFFERS OR TENDERS (CONSTRUCTION, GOODS & SERVICES)

VALUE	PROCUREMENT INITIATION REQUEST	ACQUISITION PLAN	METHOD OF APPROACHING THE MARKET	FORM OF INVITATION / REQUEST FOR TENDER (RfT) and RECEPTION OF TENDER	FORM OF CONTRACT
≤\$2,2K ¹	Not required.	Not required.	Minimum of one Quotation must be sought. May seek additional offers where appropriate.	Mainly verbal but may be in writing via budget holder's email (details to be recorded in the Promaster system).	Transaction to be completed using a Purchase Card in accordance with DP140 .
\$2,200 ≤\$33K	Not Required.	Not Required.	Minimum of one quotation must be sought. May seek additional offers where appropriate.	Preferably in writing but may be verbal (details recorded with procurement documentation). Quotes may be received via budget holder's email.	Standard Purchase Order with DIT Special Conditions must be used through Basware. ² See Determine Contract Type Matrix below for other standard contract types.
\$33K ≤ \$220K	PR200-1 must be completed unless otherwise advised by P&C.	Infrastructure Acquisition Plan (PR202-1). Goods/Services SPB Simple Acquisition Plan OR Min. three quotes and a Simple Procurement Report	A minimum of three written quotes must be sought, (inc. at least one quote from an S.A supplier), unless approved otherwise in accordance with eGADS and ' PR221 - Limiting the Number of Tenderers'. Use of the SPB RfQ template is encouraged. Public tender optional.	Must be in writing, closing on a firm date, and submitted to SA Tenders website or submitted to a designated email account managed by the requesting section, monitored by a staff member independent of the evaluation process. ³	Standard PO with DIT Special Conditions may be used for non-complex procurements. ² See Determine Contract Type Matrix below for other standard contract types.

¹ IT equipment must not be purchased with a purchase card. Ongoing purchases under \$2200 should consider another procurement approach.

² SSSA/DIT Standard Terms and Conditions, and no other, must apply.

³ For bulky tenders, the technical submission may be received via DIT Tender Box or emailed to DPTI.tenders@sa.gov.au, however the financial submission must still be received via SA Tenders website.

**DETERMINE MINIMUM REQUIREMENTS FOR SUBMISSION OF
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\$220K ≤ \$550K	PR200-1 must be completed.	Acquisition Plan: <ul style="list-style-type: none"> • PR202-1 for construction; • SPB Simple Acquisition Plan template for Goods & Services 	A minimum of five written quotes must be sought, (inc. at least one quote from an S.A supplier), unless approved otherwise in accordance with eGADS and 'PR221 - Limiting the Number of Tenderers'	Must be in writing, closing on a firm date, and submitted to SA Tenders website. ³ Documentation approved by eGADS delegate.	See Determine Contract Type Matrix below.
>\$550 K	PR200-1 must be completed.	Acquisition Plan: <ul style="list-style-type: none"> • PR202-1 for construction; • SPB template for Goods & Services 	Public Tenders unless approved otherwise in accordance with: PR221 Limiting the Number of Tenderers	Must be an open (public) tender. Documentation approved by eGADS delegate.	See Determine Contract Type Matrix below.

Additional considerations:

1. All values in this procedure are inclusive of GST.
2. For Goods & Services, the authorising delegate that signs the purchase recommendation must be the same individual that signed the acquisition plan, unless otherwise stated in the acquisition plan and approved.
3. For all tenders, approval must be sought from the DIT Media Team prior to releasing.
4. For all Goods & Services Procurements the *Procurement Lead* must liaise with a representative of Contract Management to determine any contract management requirements and performance measures relevant to the procurement prior to the drafting of the tender documents in order that these measures may be included in the tender documents from the outset.
5. For a summary of requirements imposed by government policies, refer to [PR101](#) "Summary of Government Policy Requirements". Check PR101 for all Building and construction-related procurements.
6. Certain Goods & Services purchased in conjunction with construction (e.g. fixtures, plant, equipment, survey, planning, design) are deemed to be construction for the purpose of authorisations under this procedure (refer [PR105](#)).
7. For discussion on procurement requirements for Goods & Services > \$550,000, refer to State Procurement Board policies and guidelines: <http://www.spb.sa.gov.au/content/policies-guides/procurement-process>
8. Selective Tendering is the process of seeking offers directly from a number of companies without going to a public tender. Refer: [PR221 Limiting the Number of Tenderers](#) for details.
9. [DP140](#) "Purchase Card Policy" regulates the use of Purchase Cards.

OBTAIN PURCHASING AUTHORISATION STAGE 1
(i.e. approval of Procurement Strategy and / or approval to call)

Refer [eGADS PR01 and PR02](#) (set Category Filter to 'Procurement')

10. Draft Acquisition Plans for the following must be reviewed by the Department's Procurement Committee. Refer to the [Terms of Reference](#) for more information:
 - Construction contracts HVRCO⁴ only
 - Goods & Services > \$1.5 m
11. Seeking a Single Offer for purchases above \$33,000 requires special approvals - refer to [eGADS PR01 and PR02](#).
12. Refer to Section 2 of [DP001](#) for positions assigned to each level.
13. In addition to the above authorisations, special approvals are needed for:
 - [Consultancies](#); and
 - Contracts for labour services, where a person is working under the general direction of Departmental staff (sometimes referred to as "body hire" contracts). Refer to [PR242](#).
14. Where the Department establishes a contract between two other parties that does not involve expenditure by the Department (e.g. a company provides training to private drivers at their expense in accordance with Departmental standards), procurement approval must be obtained which aligns the total estimated value of the goods / services / construction to be provided; i.e. it is treated as though the expenditure will be incurred by the Department.

[Return to Flowchart ↑](#)

OBTAIN PURCHASING AUTHORISATION STAGE 2
(i.e. approval that the procurement process was followed correctly)

Refer [eGADS PR01 and PR02](#) (set Category Filter to 'Procurement')

15. Purchasing Authorisation for construction may be included in the minute seeking financial approval (FIN01), with separate signature blocks to accommodate the approval requirements of eGADS.

OBTAIN FINANCIAL AUTHORISATION
(i.e. approval to incur expenditure and enter into a contract)

Refer [eGADS FIN01](#) (set Category Filter to 'Finance')

16. If it appears that the actual cost will exceed the approved contract sum during the execution of a contract, you must seek re-approval. Refer FIN13 and FIN14 in eGADS for approvals.

⁴ High Risk / High Value / High Complexity / High Opportunity for change

ACCEPTANCE OF OFFERS / TENDERS & EXECUTION OF CONTRACTS

Refer [eGADS PR05](#) (set Category Filter to 'Procurement' and scroll)

17. Financial authorisation / approval to award must be obtained before the award / execution of a contract.
18. Refer to Policy: [PR371 Notifying Successful Tenderers](#) to ensure tenderers are notified in accordance with policy, i.e. no assurances are made prior to execution of contract.
19. Procurement and Contracting will determine whether a formal Instrument of Agreement is required, which will depend on factors such as contract value, risk, complexity and whether the final contract has been substantially altered during post tender (or pre-contract) negotiations from what went out in the tender documents. Refer to the appropriate policy for [post-tender/pre-contract negotiations](#). Refer to [PR375](#) for details of preparing formal Contracts.

DETERMINE CONTRACT TYPE			
Value Inc. GST.	Professional Services ⁵	Low Risk Contract	Med/High Risk Contract
Goods and Services⁶			
<\$33k	Purchase Order with DIT Special Conditions	PO with DIT Special Conditions if not using a purchase card.	SPB Standard G&S Contract with DIT Special Conditions
\$33K to \$220K	Low Risk: SPB Standard G&S Contract with DIT Special Conditions. Medium - High Risk: AS4122-2010	PO with DIT Special Conditions	SPB Standard G&S Contract with DIT Special Conditions
\$220K to \$550K	Low – Medium Risk: SPB Standard G&S Contract with DIT Special Conditions. ⁷ High Risk: AS4122-2010	SPB Standard G&S Contract with DIT Special Conditions	SPB Standard G&S Contract with DIT Special Conditions
>\$550K	Low – Medium Risk: SPB Standard G&S Contract with DIT Special Conditions. ⁸ High Risk: AS4122-2010	SPB Standard G&S Contract with DIT Special Conditions	Contact the Contract Formation Team ⁹
Construction and Infrastructure Maintenance¹⁰			

⁵ Buildings ONLY use version AS4122-2000 for Professional Services and AS2124-1992 for Minor Construction and Services and Construct

⁶ For plant hire, use DPTI GCC Plant Hire. For low to medium risk, non-complex procurement contracts with the Not-for-Profit (NFP) organisations where upfront block funding is provided, the SPB Standard NFP Funded Services Agreement must be used.

⁷ Check with DPTI.GoodsandServicesCF@sa.gov.au

⁸ Check with DPTI.GoodsandServicesCF@sa.gov.au

⁹ DPTI.ContractFormation@sa.gov.au

¹⁰ Construction is the creation of new infrastructure. Infrastructure Maintenance is the services required to maintain existing infrastructure.

Up to \$1m	AS4122-2010	<p>Construction: DIT Minor Construction and Services</p> <p>Infrastructure Maintenance: DIT Infrastructure Maintenance Services</p>	Contact the Contract Formation Team ⁹
\$1m – \$10m	AS4122-2010	<p>Construct only: AS4000-1997⁵</p> <p>Infrastructure Maintenance: DIT Infrastructure Maintenance Services.</p> <p>Design and Construct: Contact the Contract Formation Team⁹</p>	Contact the Contract Formation Team ⁹
>\$10m	AS4122-2010	Contact the Contract Formation Team ⁹	Contact the Contract Formation Team ⁹

DEFINITIONS

All definitions not specific to this policy are available in the Procurement & Contracting [Glossary of Terms](#). Defined terms are in italics.

DOCUMENT APPROVAL

Approval Date:	9 July 2020
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Policy Contact Officer:	Team Leader Policy
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Policy Owner:	Chief Executive