

<b>OTAGO POLYTECHNIC COUNCIL POLICY</b>		<b>Number: CP0013.02</b>	
Title:	<b>Procurement and Purchasing Policy</b>		
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**Purpose** To provide guidelines for staff involved in purchasing goods and/or services.

**Compliance** Procurement Guidance for Public Entities – Office of the Controller and Auditor General 2008  
<http://www.oag.govt.nz/2008/procurement-guide/docs/procurement-guide.pdf>

**Policy and Principles** All procurement and purchasing for the Polytechnic should comply with the government's Procurement Guidance for Public Entities section 2.3 and in particular reflect the following principles which require procurement and purchasing processes to:

- Be open and transparent
- Provide for open and effective competition
- Be free from conflict of interest
- Deliver outcomes which fit within the Polytechnic's strategic and financial priorities
- Be fair and honest
- Provide the best value for money over the whole of life of the item purchased
- Harness the purchasing power of the Polytechnic through the use of preferred supplier arrangements (corporate contracts)
- Take into account the principles of sustainability
- Take into account the principles of Fairtrade registration
- Consider the outcomes from previous purchases or procurement with any prospective supplier
- Manage risk effectively
- Comply with all relevant legislation
- Comply with the Polytechnic's operational procedures for procurement
- Harness the purchasing power of All of Government Contracts

**Procedures**

1. **Impact of Risk on Criteria for Selecting Purchase Method**
  - 1.1 While the financial value of goods/services is the primary determinant of the purchasing/procurement method (as set out in 2.1) the risk associated with any procurement/purchase may be cause for the Chief Operating Officer to elevate the procedural requirements for a purchase

## 2. Financial parameters for Selecting Purchasing Method

2.1 The financial thresholds for procurement methods are:

<b>Value (one-off order or anticipated annual purchases)</b>	<b>Requirements</b>
Below \$5,000	Quotations optional having regard to the likelihood of significant price variation
\$5,000 to \$9,999	A minimum of two written quotations
\$10,000 to \$50,000	Written quotations or proposals from at least three suppliers (where three eligible suppliers exist) and approval from the Chief Operating Officer
\$50,000 and over	Tender
\$100,000 and over	Tender and Business Case

2.2 Council approval will be required where any purchase falls outside the Chief Executive's delegations.

2.3 High risk/high value goods/services which are a new or significantly modified purchase will require both a business case to support the purchase decision and the Chief Operating Officer's approval regardless of financial value.

2.4 The Chief Operating Officer may waive the requirements of 2.1 where:

- circumstances make it impractical to devote resources in calling for quotations/tenders/proposals; or
- the item and/or service is only available from one supplier; or
- the item is under a preferred supplier scheme which has exclusive rights.

In any of these circumstances the rationale and decision must be appropriately documented and evidentially authorised.

## 3. Record Keeping

3.1 All phases of the procurement process must be documented fully and be available for scrutiny.

3.2 The documentation should clearly:

- record and justify all key decisions including the rationale for the selection of the successful tenderer/proposer.
- evidence the regular monitoring of the process and timing of the events.
- demonstrate to outside parties that the process was open, fair and free from bias.
- record all conflicts of interest and disclose how the Chief Operating Officer responded to these.

3.3 Details of every quotation should be attached to the copy of the requisition/order.

**Related Policy,  
Forms and  
Documents**

Procedures for Tendering and Proposals - Appendix 1  
Procedures for Purchasing - Appendix 2  
RFP Template - Appendix 3  
Otago Polytechnic Ethical Purchasing and Procurement - Appendix 4

CP0008 Sensitive Expenditure Policy  
CP0012 Conflict of Interest Policy  
MP0303 Authorities and Delegations from Chief Executive  
MP0360 Fairtrade

**Approved by Council**

**Date: 7 October 2016**





# Procedures for Tendering and Proposals

## 1. Authorisation of Tenders/RFPs

- 1.1 Tenders are required where purchases are estimated to exceed \$50,000.
- 1.2 Tenders shall be approved and monitored by the Polytechnic Tender Board.

## 2. Types of Tendering

- 2.1 Open tendering allows the market to be tested and is the default option for Polytechnic procurement tenders.
- 2.2 Selective tendering may be appropriate where there is a need for specialised knowledge or expertise and there will be significant reduction of administrative costs. Selective tenders/RFPs will be used in conjunction with a register of suitable contractors or suppliers who have a proven track record with the Polytechnic.
- 2.3 Any decision to adopt selective tendering process should be fully documented.
- 2.4 Preferred suppliers – are to be selected using the same processes as documented in an RFP or through All of Government contracts (with particular reference to Section 5 below, noting that Tender Board involvement is not required below \$50,000).

## 3. Operation of the Tender Board

- 3.1 The Tender Board shall:
  - a) approve the Tender Document/RFP before issue;
  - b) ensure the principles of procurement as set out in the procurement policy are followed;
  - c) hear recommendations favouring selective tendering in preference to open tendering;
  - d) hear recommendations to waive the need to call for quotations or invite tenders/proposals;
  - e) review all disclosed conflicts of interest and the Chief Operating Officer's response;
  - f) consider recommendations from the panel responsible for assessing tenders/proposals;
  - g) accept tenders/proposals on behalf of the Polytechnic where they fall within an approved budget or recommend to the Chief Executive where appropriate;
  - h) Report formally to the Chief Executive each quarter.
- 3.2 Formal membership shall comprise:
  - a) Chief Executive
  - b) Chief Operating Officer (Chair)
  - c) Director Business Services (where requested)
  - d) Director: Learning Environment
  - e) Deputy Chief Executive Learning and Teaching Services
  - f) Deputy Chief Executive People, Performance and Development
  - g) Deputy Chief Executive Learner Experience
  - h) Manager of the requisitioning school/department (where relevant).

A Quorum of 3, to be at least 2 of the formal members and one other co-opted Leadership Team member.

- 3.3 Secretarial assistance for Tender Board matters will be provided by the Chief Executive's Office.
- 3.4 Meetings will be on an "as needs basis". Once a year the Board will meet to review its policies.

#### **4. Tendering Procedure**

The Tender/RFP Document should be developed using the approved Polytechnic template. Appendix 3.

- 4.1 Tenders should be advertised according to 4.2 and allow for sufficient time for prospective tenders to respond fully.
- 4.2 Public Advertisements shall include:
  - a) description of work
  - b) where tender/RFP documents can be obtained (specify names, telephone numbers of contact people)
  - c) identify closing date and how tender/proposal should be lodged
- 4.3 If the closing date is extended, all tenderers who have been issued with tender/RFP documents should be notified of this and a record kept of this amendment.
- 4.4 Registries of telephone inquiries must be kept (name of caller, date called, name of person taking the call and nature of the inquiry).
- 4.5 Any background information given to one tenderer/proposer must be given to all tenderers/proposers. A record should be kept to show that this has taken place.
- 4.6 Tendering specifications should be clear, focused, specific, and in place before tenders/proposals are invited.
- 4.7 The tender/RFP should reflect the requirements of the user.
- 4.8 Tenders/RFPs should be written in a way that does not restrict them to a specific brand or supplier.
- 4.9 The tender/RFP should include "general conditions for tendering".
- 4.10 The tender/RFP should include any information that would help the tenderer better understand how they may better meet the needs of the Polytechnic.
- 4.11 Selection criteria tailored to the situation should be established prior to considering any submitted tenders/RFP proposals.
- 4.12 The tender/RFP should be structured in order to encourage tenderers/proposers to respond to specific requirements in the same or similar format in order to enable easy evaluation of submitted tenders/proposals.

#### **5. Preferred Suppliers**

Preferred supplier agreements are set in place and enable mutual benefits to both organisations and result in strategic relationships. Besides meeting the selection criteria in Section 6 they also assist:

- Faster turnaround times
  - A saving in time and money
  - Consistency of supply
- 5.1 Preferred supplier selection – these are determined as per Section 4 (Tendering Procedures)



- 5.2 Review period – 3 years with provision for earlier/late end dates if circumstances warrant this, including extensions
- 5.3 Types of preferred supplier – may be for services or products
- 5.4 Selection criteria – as per Sections 2 and 8

## 6. Selection Criteria

Potential tenders/proposers should be informed in writing of the principal selection criteria, such as:

- a) quality of service design
- b) quality of key staff
- c) track record in the service being tendered or related areas
- d) financial stability of the firm
- e) quality of systems for control
- f) price
- g) health and safety systems
- h) sustainable practices or criteria
- i) where the tenderer provides clear regional economic impact
- j) a willingness to provide training opportunities for the polytechnics students

## 7. Receipts and Registration of Tenders/Proposals

- 7.1 Procedures must be in place to ensure confidentiality of tenders proposals such as the following:
  - 7.1.1 Details of received tenders recorded in a tender register.
  - 7.1.2 Tenders/proposals received by fax placed in a sealed envelope which records the time and date received.
  - 7.1.3 Tenders/proposals received by hand marked with the time and date received and stored securely.
  - 7.1.4 No verbal tender/proposal price will be considered. A record should be made of any verbal tender which will be kept with the other records relating to the tender/RFP.
- 7.2 An incomplete tender/proposal will not be accepted for consideration. It should be returned to the organisation that sent it.
- 7.3 Late Tenders/Proposals
  - a) Late tenders/proposals will be marked "late tenders".
  - b) Late tenders/proposals may be considered valid if the tender/RFP document made allowance for these to be accepted, and provided that the late tenders/proposals meet the conditions stated in the tender/RFP document for acceptance.

## 8. Tender/Proposal Evaluation

Evaluation of tenders/proposals should include the following:

- 8.1 **Track Record:** appropriate due diligence should occur to confirm the tenderer/proposer's expertise and track record in similar contracts and to establish the company's financial stability.
- 8.2 **Technical Capability:** appropriate due diligence should occur to establish that the tenderer/proposer and the key personnel who will be involved in the project have the relevant expertise and capability to perform the contract.
- 8.3 **Regional Economic Impact:** appropriate due diligence should occur to establish that the tenderer/proposer and the key personnel who will be involved in the project will bring economic benefits to the Otago region rather than outside it.

- 8.4 **Sustainability:** appropriate due diligence should occur to establish that the tenderer/proposer and the key personnel who will be involved in the project demonstrate sustainable purchasing that aligns with Otago polytechnics sustainability aspirations. This should follow Appendix 4 guidelines.
- 8.5 **Training Opportunities:** wherever practical tenderers should provide training opportunities for the polytechnics learners such as internships, work place learning and project based learning.

## 9. Changes to Original Tender Document/RFP

- 9.1 If during the tender process a substantial change is made to the original tender/RFP by either party then it will be necessary to restart the tender process. The original tenderers/proposers must be given the opportunity to submit a new tender/proposal. The Polytechnic should detail why the original tender/RFP was changed.
- 9.2 The chair of the Tender Board has the authority to determine if the tender has to be re-tendered under a modified tender or has to be totally re-tendered as a new tender.

## 10. Acceptance of Tenders/Proposals

- 10.1 A letter of acceptance will be issued to the successful tenderer/proposer.
- 10.2 The Tender Board may authorise negotiations with a tenderer/proposer for an amended tender if none of the original tenders/proposals have been acceptable.
- 10.3 Unsuccessful tenderers will be notified by letter that they have been unsuccessful and advised of the successful tenderer/proposer.
- 10.4 For open Tenders/RFP the successful tenderer shall be announced in the public notices of the local newspaper within ten working days of conclusion of the tender/RFP.

## 11. Contract Between Polytechnic and Successful Tenderer/Proposer

- 11.1 A contract shall be drawn up between the polytechnic and the successful tenderer/proposer. Contracts should be developed or negotiated to fit with the existing Polytechnic contract templates wherever possible.
- 11.2 The Polytechnic signing authorities and delegations must be followed in signing any contract.

## 12. Conditions of the Contract

- 12.1 The contract document will include conditions and other important considerations. Before a contract is sent out, or signed on behalf of the Polytechnic, it may need to be vetted by the Polytechnic's Contracts Manager subject to any existing contracts management delegation.
- 12.2 Generally all contracts will include:
- a) terms of the contract
  - b) roles of each person referred to in the contract
  - c) payment details
  - d) dispute resolution
  - e) termination procedures
  - f) assignment issues
  - g) confidentiality
  - h) deposits
  - i) security of monies over \$1000
  - j) insurance including insurance payments

## 13. Conflicts of Interest

All conflicts of interest will be disclosed and dealt with according to CP0012 Conflict of Interest Policy.





# Procedures for Purchasing

## 1. Purchasing Procedure

- 1.1 Every item or service to be paid for by the Polytechnic must be supported by either:
  - an official Otago Polytechnic Purchase Order
  - an Expense Claim Form (for reimbursement) or
  - a tax invoice and other appropriate supporting documentation for purchases with an Otago Polytechnic credit card.
- 1.2 Expense Claim forms for staff must carry the signature of their Budget Manager. The Expense Claims for Budget Managers must be approved by their manager.
- 1.3 Otago Polytechnic Purchase Orders will be issued for all purchases. The purchase order should be fully complete prior to issuing to the supplier. Where the price cannot be confirmed at the time of raising the order an estimate should be entered. The estimate used should be that of a conservative nature.
- 1.4 A single purchase is not to be split over more than one purchase order.
- 1.5 Before approving invoices for payment and/or delivering the lines on an electronic purchase order, approved staff must:
  - ensure the goods/services have been delivered or supplied
  - confirm that quality is acceptable
- 1.6 The invoice received will be matched by the Finance Team against the appropriate purchase order previously approved by authorised staff. A tolerance level of 10% or \$100 (whichever is the lesser) may be applied by the Finance Team when matching the invoice to the purchase order.
- 1.7 In the event of partial fulfilment of orders, the words “Backorder to Come” shall be noted on all invoices until the order is complete. An electronic backorder shall be created from the original purchase order in the financial system.
- 1.8 Expenditure for utility items such as telephone, rates and leases do not require order numbers but still require coding and authorisation. This is provided an authorised delegate for contractual commitments has signed the contract.
- 1.9 Travel purchases should be completed through the contracted preferred travel supplier (HRG) and approval is via the on-line HRG portal rather than through the normal purchase order system.
- 1.10 Maintenance of the electronic purchase order system including supplier details, security access, delivery points and general ledger codes will be done by Finance.
- 1.11 In the case of field trips a purchase order may be raised for an estimated amount and a manual purchase order book issued. On return the order book will be returned and orders written whilst away will be reconciled to the electronic purchase order and adjusted if necessary.



## 2. Electronic Purchase Order Procedure

- 2.1 Access and training for the Purchase Order System is provided by Finance to authorised staff.
- 2.2 Authorised staff are responsible for the security and correct usage of the Purchase Order System and must use a password protected screen saver and not give access to any other staff member. Costs incurred as a result of insufficient security will be charged to the department/section responsible.
- 2.3 Cancelled Orders – departmental purchasing staff will change the status of the electronic purchase order to 'Cancelled', with a brief explanation. If possible the supplier copy of the order should also be returned.
- 2.4 Access to the Purchase Order System does not automatically pass from one staff member to their successor. Delegation levels are removed by Finance for staff who have left and new staff are added in the normal manner.

## 3. Specific Items

- 3.1 Expenditure which has any element of personal benefit must be approved by a budget manager who is at least one level of authority higher than the person who issues the order.
- 3.2 Expenditure which falls under the sensitive expenditure or conflict of interest policies must be approved in accordance with these policies.
- 3.3 Visiting lecturers are to be remunerated for their services (at a rate which must be agreed beforehand) on the basis of either
  - a salary payment, or
  - a GST Invoice.
- 3.4 It is possible for other arrangements to be made in lieu of remuneration as agreed with the Chief Executive or the Chief Operating Officer.
- 3.5 In addition to the limits imposed by the Procurement and Purchasing Policy CP0013.00 certain items are subject to special policies, and these are listed below:

<b>Item</b>	<b>Approval is subject to:</b>
Accommodation, personal	on Polytechnic business
Accommodation, family	on Polytechnic business and as approved by the Chief Executive
Clothing, cleaning of personal	not approved unless [A]
Clothing, repair or alteration of Supplied	no restriction [C]
Clothing, supply of uniform or for use on Polytechnic business such as Protective clothing	Per [B] [C]
Fines, parking/other	never authorised
Flowers	approval of Leadership Team Member [C] [D]

Gifts, presentations to staff	approval of Head of School for academic staff and approval of Service Manager for general staff
Gifts, promotional e.g. overseas visitors	as approved by the Chief Executive or Chief Operating Officer [C]
Glasses (eye), supply of	subject to employment agreement
Liquor	not approved unless; <ul style="list-style-type: none"> <li>1) OP is hosting outside guests</li> <li>2) The expenditure is a staff function that falls under the staff function policy MP0359 (in which case expenditure is limited by the dollar values specified in this policy)</li> <li>3) It is an OP function that you have paid to attend and which includes alcohol</li> </ul>
Meals	purchase order form must show names of persons and reasons
Optometrist, regular checks	for VDU users one test in each calendar year [C]
Practising Certificates	where connected to duties currently performed
Staff Purchases (including travel)	as arranged with Chief Operating Officer
Subscriptions, professional societies	where connected to duties currently performed
Subscriptions, magazine and technical updates	on Polytechnic business and ordered through the Library and as approved by Budget Managers
Travel, within New Zealand [E]	on Polytechnic business
Travel, outside New Zealand [E]	for purposes approved by the Chief Executive
for purposes approved by the Chief	

**Notes:**

- [A] This can be approved only in cases where a single incident has resulted in damage to the clothing of a staff member, and this and the date must be stated on the purchase order.
- [B] Subject to the policy set by Chief Executive or Chief Operating Officer for the staff member and duties performed.
- [C] Names of persons to whom issued must be noted on the purchase order.
- [D] Approval is available up to \$50; values beyond that must be approved by the Chief Executive/Chief Operating Officer
- [E] With the exception of Perth and Darwin Australia is regarded as domestic travel



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# Request for Proposal

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**[Service Area]**

**[Date]**

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## 1 INTRODUCTION

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Otago Polytechnic is an internationally recognised, modern tertiary education provider that is renowned for providing quality, career-focused degrees, diplomas and certificates.

Otago Polytechnic's main campus is situated in North Dunedin. The Polytechnic also has a campus in Central Otago where it offers specialised programmes in Adventure Tourism, Hospitality, Horticulture and Viticulture.

## 2 REQUEST OVERVIEW

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Otago Polytechnic is seeking proposals for [Provide overview of the services to be provided]

## 3 REQUEST SPECIFICATIONS

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### 3.1 Required Solution and Services

[Details of services required]

### 3.2 Location

The proposed sites to be covered are as follows (see map/s attached):

### 3.3 Scope

Services/goods covered in the solution would be

### 3.4 Specifications and Options Sought

## 4 RFP PROCESS AND TIMEFRAME

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### 4.1 RFP Process

This is a [closed/open /multi-stage] RFP.

Eg This is a closed RFP – the vendors invited to respond were notified by letter.

[Process for RFP]

### 4.2 Timeframe

The timeframe for this RFP is outlined below:

[Timeframes/Key dates for RFP process]

## 5 CONFIDENTIALITY

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**5.1** All information contained in this RFP, unless it is already available in the public realm, is confidential. It is provided for the sole purpose of allowing Respondents to prepare and submit their proposals to Otago Polytechnic. Information contained in this RFP must not be used for any other purpose, or revealed to any other person or organisation not directly involved in this tender process.

**5.2** All and any information gained by the Respondent in preparing a response or, if selected, in carrying out the contract, which relates to the business of Otago Polytechnic will be treated as confidential and will not be reproduced, distributed or disclosed to a third party without the written approval of Otago Polytechnic.

Please Initial Here: →



- 5.3** All responses received by Otago Polytechnic will be kept confidential. No part (or whole) documents will be reproduced, distributed or disclosed to any person outside of the tender process without the prior written consent of the Respondent.
- 5.4** Otago Polytechnic may share non-commercially sensitive / general information provided with other tertiary institutions, especially those affiliated with the Tertiary Alliance New Zealand (TANZ) group.
- 5.5** These obligations of confidentiality will continue indefinitely.
- 5.6** The Ombudsman has ruled that information provided by Respondents should be made available to parties requesting such information under the Official Information Act. It is Otago Polytechnic's policy that such requests will not be met until the tendering process has been successfully completed and a contract has been signed with the successful Respondent.

## **6 RELEVANT INFORMATION FOR RESPONDENTS**

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### **6.1 Otago Polytechnic Structures**

Other facts relevant to the request eg organisation chart, school/area structure

### **6.2 Specialised Information for this RFP**

[existing factors which would affect implementation of any solution]

## **7 PROPOSAL REQUIREMENTS**

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### **7.1 Information to be Included**

- ❖ Response to each requirement
- ❖ Overview of proposed solution
- ❖ Proposed cost structure of the solution
- ❖ Sample Service Level Agreement
- ❖ Confirmation that timeframes can be met, or clarification of potential difficulties
- ❖ Identification of subcontracting organisations which would be involved in supplying the goods or services
- ❖ Outline of practices which reduce environmental impact which would be used to deliver the goods/services
- ❖ Proposed account management procedures
- ❖ Company Profile and a copy of, or access to, the latest annual report where applicable
- ❖ Referees - names of at least two reference clients who have acquired similar services with a contact name, telephone and email or facsimile.

### **7.2 Response timeframe and formats**

**7.2.1** [Five] hard copies and [one] electronic copy (Microsoft Word version 2002 or later format) of the proposal and supporting materials must be received by Otago Polytechnic no later than [5.00pm] on [Friday 3 August 2007].

**7.2.2** Proposals are to be marked 'confidential' and delivered to:

Otago Polytechnic  
Forth Street, Dunedin  
Attention: [name], level [1], [G] Block

**Please Initial Here: →**



**7.2.3** Any respondent requiring clarification or further information regarding any part of this RFP should contact the [Tender Coordinator], [name]. Requests must be made via email to:

[email]

Queries will be answered via email within [24 hours]. At the discretion of Otago Polytechnic the request and reply may be distributed to all recipients of the RFP.

### **7.3 Late Responses**

Late responses will not be accepted

OR

Late responses will be accepted up to five days from the stated close date for Proposals, only in the case that the delay is due to (eg) inability to obtain required information from Otago Polytechnic or any other relevant source.

### **7.4 Non-Conforming/Alternative Proposals**

Respondents are encouraged to propose innovative solutions.

Joint proposals are acceptable.

### **7.5 General Provisions**

**7.5.1** Once proposals have been submitted they cannot be withdrawn or modified without the written consent of Otago Polytechnic, and are considered valid for 60 days from date of submission.

**7.5.2** Pricing provided in any response must be valid for six months from the date of submission.

**7.5.3** Vendors may be asked to revise or clarify their proposals or provide additional information during the RFP process. These requests will require immediate action and must be responded to in writing within two days, or as specified. Otago Polytechnic reserves the right to exclude any proposal where the timeframes for these requests are not met.

**7.5.4** The lowest priced or any proposal will not necessarily be accepted.

**7.5.5** Otago Polytechnic reserves the right to accept all or part of any proposed solution.

**7.5.6** Otago Polytechnic reserves the right to amend the timeframes in this RFP at any time prior to actual conclusion of the RFP, and will give notice to the vendors of any such amendment.

## **8 SELECTION CRITERIA**

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**8.1** Selection criteria are presented here for the information of vendors, and are in no particular order.

[criteria may be provided to tenderers]

[sample criteria]

- Full compliance with the specifications of the RFP Package
- Evidence to support claims made
- Competitive pricing
- Ability to meet required timeframes

**Please Initial Here: →**



- Ability to be innovative and progressive resulting in better quality goods or services, service times, and/or more cost effective systems
- Ability to create savings or add value at minimal or no cost to Otago Polytechnic
- Previous performance
- Evidence of sound organisational and financial structure
- Ongoing performance and quality assurance monitoring
- Communications and Account Management processes
- Where the vendor provides clear regional economic benefit

## **9 CONTRACT DURATION AND CONDITIONS**

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### **9.1 Contract Duration**

**9.1.1** Subject to completion of the tender process to Otago Polytechnic's satisfaction, It is expected that Otago Polytechnic will award a [ ] year contract.

**9.1.2** The duration of the contract will be confirmed during contract negotiations with the selected Respondent.

### **9.2 Standard Terms**

The Otago Polytechnic Standard Terms for Acquiring Services are attached as Appendix 1 and would form part of any contract.

### **9.3 Health and Safety**

Contractors are expected to follow the health and safety procedures of Otago Polytechnic, which will include attendance at a Health and Safety induction.

The Otago Polytechnic Contractor Health and Safety Agreement is attached as Appendix 2 and would form part of any contract.

### **9.4 Sustainability**

The following clauses, or similar, in the area of sustainability would form part of any contract:

**9.4.1** The Supplier will perform the services in a manner which gives appropriate regard to the protection of the natural environment. The Supplier will comply with all environmentally related legislation and codes of practice relating to the goods and/or services relevant to this Agreement.

**9.4.2** The Supplier will cooperate with the Customer to discuss, and where agreed, implement initiatives to reduce environmental impact of the goods and/or services relevant to this Agreement with regard to sustainability, avoidance of environmental pollution, lifecycle energy use, water, wastewater management and solid waste management.

### **[9.5 Right of Replacement**

During the term of the contract, Otago Polytechnic reserves the right to have replaced at its request any equipment that is worn out, unreliable, inoperable, or that fails to perform satisfactorily in any other manner. To ensure fair consideration is given to the equipment, an issue identification and resolution process will be defined within the Service Level Agreement.]

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## APPENDIX 1: STANDARD TERMS FOR ACQUIRING SERVICES

### 1 Services

- 1.1 All services must:
- (a) be carried out with care and skill to a professional standard, in accordance with all legal requirements and Otago Polytechnic's rules and directions; and;
  - (b) meet Otago Polytechnic's purposes and requirements.
- 1.2 The Supplier must comply with Otago Polytechnic's Health and Safety policies and procedures.

### 2 Confidentiality

- 2.1 This Agreement and any information provided by Otago Polytechnic are confidential. The parties agree not to disclose any confidential information to anyone except with the other party's prior written consent. It shall not be a breach of this clause 2.1 for a party to disclose information to the extent required by law, or to its professional advisors on a confidential basis.
- 2.2 All trade and professional secrets supplied to the Supplier by Otago Polytechnic remain Otago Polytechnic's property.

### 3 Relationship

Nothing in this Agreement creates any agency, partnership, joint venture or employment relationship between the parties. Neither party has the right to bind the other in any way.

### 4 Rights to inventions and developments

Any inventions, ideas, know-how and/or techniques relating to anything developed by either party or both parties in the course of this Agreement, are deemed to be the property of the developer or developers.

### 5 Goods and Services Tax

All prices and charges are in New Zealand dollars and are exclusive of GST and any other Government imposed levies, surcharges or taxes (unless otherwise stated).

### 6 Ending this Agreement

- 6.1 Otago Polytechnic may end this Agreement by written notice to the Supplier:
- (a) if the Supplier breaches any term of this Agreement and fails to remedy the breach within 7 days after receiving written notice from Otago Polytechnic requiring the breach to be remedied; and

- (b) immediately in the case of a breach of Health and Safety policy, procedure, legislation or regulations.

- 6.2 The ending of this Agreement is without prejudice to any other rights and remedies of Otago Polytechnic, and does not affect any rights and responsibilities which are intended to continue or come into force after it ends.

### 7 Waiver

If either party delays, or does not exercise any right or remedy under this Agreement, it is not a waiver of that right or remedy.

### 8 Assignment

Neither party may assign its rights under this Agreement without the other party's prior written consent.

### 9 Each clause separately binding

Each clause of this Agreement is separately binding. If for any reason Otago Polytechnic cannot rely on any clause, all other clauses remain binding.

### 10 Choice of law and choice of forum

- 10.1 This Agreement is governed by New Zealand law. Any dispute, which is to be litigated, is to be commenced and heard at Dunedin. The parties agree that any cause of action is deemed to have arisen at the Dunedin office of Otago Polytechnic.

### 11 Entire Agreement

This Agreement constitutes the entire agreement between the parties, and the Client agrees that its own terms of trade (if any) do not apply.

### 12. Notices

- 12.1 Otago Polytechnic will send any notices under this Agreement by post to the last address given by the Supplier. Any notice is deemed to have been delivered 3 days after posting.

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## APPENDIX 2: CONTRACTOR HEALTH AND SAFETY AGREEMENT

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### CONTRACTOR HEALTH AND SAFETY AGREEMENT

Dated the \_\_\_\_\_  
BETWEEN Otago Polytechnic ("The Principal")  
AND \_\_\_\_\_ ("The Contractor")  
RELATED TO The Contract dated \_\_\_\_\_

#### THE PARTIES AGREE AS FOLLOWS:

1. The Contractor shall take all practicable steps to ensure that people in the place of work, and people in the vicinity of the place of work are not harmed by any hazard that is or arises in the place of work.
2. Before beginning work at the Principal's business or worksite, the Contractor must carry out a systematic identification of hazards likely to be encountered and must develop controls for all those identified as being significant hazards.
3. The Contractor must advise the Principal immediately of any new hazard created while the contracted work is being carried out and will take all practical steps to prevent harm caused to any person as a result of such hazards.
4. The Contractor agrees to make available for inspection by the Principal any documentation relating to health and safety in connection with this Agreement.
5. The Contractor is required at all times, until the contracted work is completed, to comply with all relevant Acts and Regulations (including the Health and Safety at work Act 2015 and subsequent amendments,, the Resource Management Act 1991 and subsequent amendments, and Fire Safety and Evacuation of Buildings Regulations 2006 and subsequent amendments ), local Bylaws and District Plan requirements, relevant New Zealand Codes of Practice and any Otago Polytechnic health and safety requirements.
6. The Contractor must have a health and safety management system in place which ensures their compliance with the Health and Safety at work Act 2015 and subsequent amendments.
7. The Contractor must ensure that all site personnel and subcontractors:  
ARE PROPERLY TRAINED IN THE SAFE USE OF PLANT AND EQUIPMENT  
ARE INFORMED OF EMERGENCY PROCEDURES, LOCATION OF EMERGENCY EQUIPMENT, LOCATION AND USE OF SAFETY EQUIPMENT, BASIC SAFETY RULES, HAZARDS AND HAZARD CONTROLS, GO AND NO-GO AREAS AND ACCESS AND AUTHORISATION REQUIREMENTS RELEVANT TO THE TASKS THAT THEY HAVE BEEN ASSIGNED AND ARE NOT PERMITTED TO WORK AT THE PRINCIPAL'S BUSINESS OR WORKSITE WITHOUT BEING SO INFORMED;  
AND  
ARE EITHER ADEQUATELY EXPERIENCED THEMSELVES OR ARE SUPERVISED BY AN EXPERIENCED PERSON IN ORDER TO CARRY OUT THE TASKS THAT THEY HAVE BEEN ASSIGNED SAFELY.
8. The Principal may refuse access to its work site to any person who does not comply with the required standards for health and safety owing to their behaviour, lack of skill or insufficient training or experience.
9. If any deviations from safe work practices are identified, the Principal's Contract Manager may stop all site work, at the Contractor's expense, until agreed safe work practices are developed.
10. The Contractor will be fully responsible for supervising site personnel and subcontractors to ensure that they strictly adhere to all applicable safety requirements. In the Contractor's absence from the site, another person is to be assigned in charge of meeting the designated safety requirements.

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11. The Contractor, including all site personnel and subcontractors, must comply with the following requirements:
- smoking is not permitted in Otago Polytechnic buildings or on its grounds;
  - personal protective equipment, where applicable, shall be used and worn in accordance with safety regulations; this equipment must be well maintained to the required standard;
  - good housekeeping standards are to be observed throughout the period of work, both at the work site area and in and around any temporary buildings; the working area shall be kept tidy with escape exits and other access ways kept clear; any spillage shall be cleared up in a timely and safe manner;
  - work areas shall be clearly marked and cordoned off to prevent risk of harm to Polytechnic employees, students or any other person;
  - an appropriate first aid kit must be provided and maintained by the Contractor;
  - use of radios is not permitted on Otago Polytechnic premises unless authorised by the a Contract Manager of the Polytechnic;
  - use of language and/or gestures towards staff, students or visitors on Otago Polytechnic premises that may be of an objectionable nature, is prohibited. This contravenes Otago Polytechnic harassment prevention policy
12. Contractor must report any accident to the Principal's Health and Safety Advisor as soon as practically possible after the event and provide the Health and Safety Advisor with a written copy of the entry from the Contractor's register of accidents in respect of any accident that harmed or might have harmed any person within 24 hours of the event. The Contractor will notify OSH and the Principal of any serious harm accident as soon as possible after its occurrence.
13. The Contractor, in accepting this contract, undertakes to comply with any direction or requirement of the Principal's Contract Manager in relation to the implementation of the "all practicable steps" requirement contained in the Health and Safety at Work Act 2015 and subsequent Amendments to ensure that employees of the Contractor and any subcontractors; employees or students of the Polytechnic; or any other person is not harmed by the Contractor's activities on the Polytechnic premises under this Agreement. Failure to comply with this provision, or any other significant breach of this Agreement, will constitute grounds for dismissing the Contractor.

\_\_\_\_\_ of  
Name (Print)

\_\_\_\_\_  
Company Name (Print)

have read and understood the Otago Polytechnic's Contractor Health and Safety Agreement and accept responsibility to ensure that all staff and subcontractors employed under this work/purchase order on behalf of the Otago Polytechnic will conform to this Agreement.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

**Please Initial Here: →**





# Ethical Purchasing and Procurement

## Overview

Sustainable and ethical purchasing and procurement at Otago Polytechnic is based on aligning Otago Polytechnic's strategic goals to its sustainability aspirations.

### Educational excellence

- Use best practice for sustainability in all operations.
- Increase Otago Polytechnic responsibility in regard to compliance, accreditation and monitoring associated with sustainable practice.

### Financial Sustainability

- Reduce Otago Polytechnic supply chain cost through sustainability efficiencies.

### Community Confidence

- Contribute as much as possible to the local economy by using local products and services.

### Environmental and Social Responsibility

- Encourage staff to make healthy choices that consider the environment.
- Create a culture and work environment that is based on sustainable practice
- Minimise the waste, energy, water and chemical footprint of Otago Polytechnic on the environment.
- Limit the overall impact of Otago Polytechnic activities on biodiversity.
- Reduce the Otago Polytechnic supply chain impact on the environment.

**Sustainable and ethical purchasing includes purchasing both products and services. It is essential that the purchasing of products and services directly contributes to the sustainability and Fairtrade aspirations of the organisation.**

Sustainable and ethical purchasing and procurement requires the purchaser to include and consider the impact of social, environmental, political and economic performance factors in a systematic way when making decisions about specific products or services. Furthermore, considering such impacts often results in sustainable purchasing reflecting the full cost (social, environmental, political and economic) of a product or service. In most cases any higher up-front costs can be offset by reduced costs in waste and by longevity of product versus more frequent purchasing.

## The Product Purchase Process

Products should be purchased in line with policy MP0360 Fairtrade. This involves thinking about how the product is going to be used and the consequences of any environmental, social, political or economic outcomes as a result of the purchase.

### **For products this includes:**

- How the product is made?
- What the product is made of?
- Where the product was made, and by whom?
- What traceability systems are in place to confirm the above with certainty?
- How will the product be used?
- How will the product be disposed of after use?
- How does the product contribute to or detract from Otago Polytechnic sustainability aspirations (impact)?

It also involves the purchasing of a service and how that service underpins the corporate aspirations for sustainability.

## The Service Procurement Process

### **For services this includes:**

- How will the service contribute to the sustainable practices/values of the business?
- How will that service advance the business process?
- How does the service provider model a sustainable process?
- How does the service provider help re-design, re-orientate and change current practice?
- What ongoing support is in place from the service provider (supply chain) to assist the change process?
- What sustainability record does the service provider have?

*Assessment of initial purchasing decisions should involve following an adapted version of the Whistler (British Columbia) 6 step purchasing guide e- adjusted here to meet the Otago Polytechnic sustainability aspirations.*

## Product

### **Step 1 Identify the product's service**

- What service does the product provide?
- How does this service contribute towards the overall business goals?

### **Step 2 Assess the need for the product**

- Why do we need this product?
- Can we achieve this function without purchasing another product?
- Is it better to rent, lease or borrow this product rather than buying?

### **Step 3 Identify the products content**

- Identify the components of the product by asking the supplier or reviewing the ingredients list
- Make a list of ingredients

### **Step 4 Identify the social, environmental and economic impacts of the required product**

- Review this component list. Identify any component that could affect the environment and or humans
- Identify how this product supports Otago Polytechnic's sustainability aspirations
- What are the impacts – how does this product move us away from our sustainability objectives?
- Identify what components we should avoid
- Identify what products meet Otago Polytechnics purchasing process – IF NO PRODUCTS MEET REQUIREMENTS see step 5

### **Step 5 Identify what a sustainable option might look like (considering social, environmental and economic aspects)**

- Describe what a more sustainable product would look like
- How can we work with existing supply chain partners to provide this product?
- Who will work with our supply chain to find/develop this product?



**Step 6 Identify and prioritise options before making a choice.**

- Which product will best serve our sustainability needs/requirements at present?
- Develop a purchasing list of sustainable products
- Annual review of purchased products to explore new options that meet the Otago Polytechnic sustainability aspirations

**Service Process****Step 1 Identify the products service**

- What does the service provide?
- How will the service contribute to the sustainable practices/values of the business?
- How will that service advance the business process?

**Step 2 Assess the need for the service**

- Why do we need this service?
- Can we achieve what we want without purchasing more service?
- Can we contract, lease or use a service through a partner organisation?
- Can we contract this service rather than fulltime or part time employment?

**Step 3 Identify the service content**

- How does the service provider model a sustainable process?
- How does the service provider help you re-design, re-orientate and change current practice?
- Determine the quality of the service in relation to overall sustainability aspirations

**Step 4 Identify the social, environmental and economic impacts of the required service**

- What ongoing support is put in place by the service provider (supply chain) to ensure an ethical process?
- What sustainability record does the service provider have?
- What are the impacts – how does this service move us away from our sustainability aspirations?
- Identify what service/s meet the Otago Polytechnic purchasing process – IF NO SERVICE/S MEET REQUIREMENTS see step 5

**Step 5 Identify what a sustainable option might look like (considering social, environmental and economic aspects)**

- Describe what a more sustainable service would look like
- How can we work with existing service partners to provide this option?
- Who will work with our service provider to find/develop this option?

**Step 6 Identify and prioritise options before making a choice.**

- Which service will best serve our sustainability needs/requirements at present?
- Develop a list of sustainable services in this area
- Annual review of service providers to explore new options that better meet the Otago Polytechnic sustainability aspirations

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