

Procurement help

For further Information, templates and guides: www.education.govt.nz search “procurement for school property projects”

For assistance and advice: EIS.Procurement@education.govt.nz

The procurement process

Step 1: Initiate

- Develop a summary **Statement of Requirements**
- Estimate the **Procurement Value**
- Obtain appropriate written approval to undertake the procurement

Step 2: Identify needs and analyse the market

- Allocate **Procurement Roles**
- Obtain **COI Forms** from everyone involved (procurements \$50,000 or more)
- Conduct needs analysis, stakeholder consultation, market research and market engagement

Step 3: Specify requirements

- Develop a detailed **Statement of Requirements**
- Confirm the **Procurement Value**

Step 6: Negotiate and award contract

- Notify unsuccessful Tenderers that they have been unsuccessful and for open tenders, offer a debrief
- Negotiate the contract with the preferred Tenderer
- Obtain approval from the Procurement Sponsor for the final form of the contract
- Have the preferred Tenderer and then the Procurement Sponsor sign two copies of the contract (one copy to be retained by the preferred Tenderer)

Step 5: Approach the market and select supplier

- Issue an RFQ to potential Tenderers or advertise **ROI, RFT** or **RFP** openly on **GETS**
- Answer any questions from potential Tenderers
- Receive tenders (registrations/tenders/proposals/quotes)
- Conduct evaluation and select a preferred Tenderer
- Draft the **Recommendation Report(s)** and obtain approval from the Procurement Sponsor to shortlist from an ROI and/or to enter into contract negotiation with the preferred Tenderer

Step 4: Plan the Approach to Market

- Select the **Approach to Market** method (see table over page)
- Draft and obtain approval for the **Procurement Plan**
- Draft the **Approach to Market** document(s) (**RFQ/ROI/RFT/RFP**)

Procurement roles

Procurement Officer manages and administers the procurement (eg the project manager)

Procurement Owner represents the buyer/principal to the contract (the Ministry or board of trustees) for the procurement (eg school principal/EIS case manager). For procurements under \$100,000, the Procurement Officer and Procurement Owner may be the same person

Evaluator evaluates responses as part of the Evaluation Team (ET). The Procurement Officer and Owner may be evaluators. The Procurement Sponsor must not be an evaluator

Procurement Leader

- for Board of Trustees (BoT) procurement: a Ministry (EIS) property advisor
- for Ministry Procurement: a member of the Ministry’s EIS Commercial Procurement team

Project Sponsor provides governance over and has ultimate responsibility for the procurement. The Procurement Sponsor must not be directly involved in the procurement (eg cannot be the Procurement Officer, Procurement Owner or an evaluator)

Procurement terms

Statement of Requirements a description of goods/services/works/outcome sought including supplier capability (skills and expertise) and capacity (resources and availability)

Procurement Value the maximum potential value of all spend resulting from the procurement including potential variations, extensions, further engagements and/or contracts.

Conflict Of Interest (COI) is a circumstance where an individual has a personal interest, obligation or relationship that may influence the individual’s performance of the responsibilities of their job/position. A COI may be actual, potential or perceived. A COI may result in an individual’s independence, objectivity or impartiality being called into question

COI Form (template) Conflict of Interest and Confidentiality Agreement

GETS Government Electronic Tender Service website: www.gets.govt.nz

Approach to Market: An invitation to quote/register/tender/propose to either one or more potential suppliers or openly advertised on GETS. Approach to market documents are:

- **Request for Quote (RFQ)** direct source (one quote) or closed tender (multiple quotes)
- **Registration of Interest (ROI)** stage 1 of a 2 stage open tender
- **Request for Tender (RFT)** 1 stage (or stage 2 of a 2 stage) open tender for Contract Works
- **Request for Proposal (RFP)** 1 stage (or stage 2 of a 2 stage) open tender for professional services (e.g. design)

Procurement Plan (template) details the Statement of Requirements, procurement strategy and evaluation plan for a procurement

Recommendation Report (template) summarises the evaluation, recommends a preferred Tenderer and details the rationale for selection.



Minimum Approach to Market thresholds and templates

Procurement Value	Minimum Approach to Market method	COI Form	Procurement Plan		Approach to Market document		Evaluation workbook	Recommendation Report	Tenderer outcome letter	Evaluation method
			Short	Full	RFQ	ROI/RFT/P				
Under \$10,000	Non-competitive Purchase Written quote not required				RFQ lite (optional)			✓(5YA only)		Conformance and Value Will the purchase meet the requirement and provide value for money? (normally 1 evaluator)
\$10,000 – under \$50,000*	Direct Source Obtain 1 written quote		✓		RFQ lite (optional)			✓		Conformance and Value Does the quote meet the requirement and provide value for money? (normally 1-2 evaluators)
\$50,000 – under \$100,000	Closed Tender Seek 3 written quotes	✓	✓		✓			✓	(Notify unsuccessful Tenderers by email or phone)	Conformance and Best Value Select the quote that meets the requirement and provides best value for money (normally 2-3 evaluators)
\$100,000 or more	Open Tender Advertise on GETS	✓		✓		✓	✓	✓	✓	Weighted Attribute Tenders scored against weighted criteria (normally 3-4 evaluators)

* If cumulative value of under \$50k spend with the same supplier exceeds \$50k in 12 months, a closed tender applies (e.g. \$20k direct source + \$25k direct source + \$10k = \$55k: closed tender)

Control points

Template document	Procurement Officer	Procurement Owner	Procurement Leader		Procurement Sponsor
			EIS	BoT	
COI Management Plan	D	E	E		A
Procurement Plan	D	E	E (\$50k+)	C	A
RFQ/ROI/RFT/RFP	D	A	E		
Recommendation Report	D	E	E	C	A
Final form of the contract	D	E	E		
Contract signatory					S

D Draft E Endorse (support) C Copy (2 business days prior to approval) A Approve S Sign

Minimum GETS advertising periods	Full business days (9am-5pm)
ROI	13
Closed RFT/RFP to Tenderers shortlisted from an ROI	15
Single stage open RFT/RFP	18

- Allow 2 business days for Procurement Leader review/endorsement prior to GETS publication
- Everyone involved in a \$50,000 or more procurement must submit a COI Form
- Everyone involved in a procurement (regardless of value) must declare all COIs (by submitting a COI Form). All COIs must have an approved COI Management Plan (rear section of the COI form) which must be reviewed periodically throughout the procurement
- Awarding of a contract of \$25,000 or more to a BoT member requires prior authorisation by the Ministry. This is requested by submitting a COI Form to the school's property advisor for endorsement before approval by the Ministry's EIS Procurement Director
- The Procurement Plan must be approved before approaching the market
- The Recommendation Report must be approved before awarding a contract
- All open tenders must be advertised on GETS. All tender documents (ROI/RFT/RFP, draft contract) must be available through GETs and tenders must be submitted through GETS
- For all open tenders, Tenderers must be offered and/or provided with a debrief
- To source 10YPP Planning and/or Project Management services, use the supply panel selection process detailed here:

www.education.govt.nz search: "Project Management Panels"

www.education.govt.nz search: "10 Year Property Plan" & click "Engaging a 10YPP Consultant"