



Procurement is bound under the requirements of Treasurer's Instruction 18; supported by four key policies of (DTF) Procurement Services SA.

- **Procurement Governance Policy**
- **Procurement Planning Policy**
- **Procurement Sourcing Policy**
- **Procurement Contract Management Policy**

DTI's Procurement Policy, confirms the adoption of the above policies and guidelines being the minimum acceptable standards to apply to procurement in South Australian Government.

Consistent process will assist in ensuring DTI objectives are met, and key principles are taken into consideration.

All procurement follows a consistent process with approval points within the Delegation framework:

- Identified of Need / Acquisition planning  
(Approval point)
- Market approach
- Evaluation/Selection of supplier(s)  
(Approval point)
- Contract establishment
- Purchase Order  
(Approval point)
- Contract management

## 1. IDENTIFICATION OF THE NEED

This is an important phase in procurement, to identify the outcomes you are seeking, which will assist you in establishing the process moving forward.

With your procurement, some early market research will assist you identifying the anticipated budget. You will need to determine if budget funding has been allocated – as this is required before approaching the market. Note that the budget is an estimate of the anticipated cost – and is different to the contract or tendered value.

Finance can assist you in confirming the budget allocated – if there isn't one, follow up with your Manager or Director to seek guidance on obtaining funding.

***If your anticipated price across the life of the contract is expected to exceed \$22 000 (GST inclusive), you must consult with Procurement to start the formal process.***

As a general rule – a purchase order is also required for all procurement – unless a purchase card is utilised for spend under \$2 200 GST inclusive

## 2. APPROACHING THE MARKET

An approach to the market for a **new arrangement** can be via an Open or Selective approach – with the intent always to ensure a value for money solution is identified to meet the needs of the Department. The approach will depend on the value thresholds.

### Panel Procurement

A market approach may be as a secondary approach through an existing Strategic Contract Panel arrangement under a Procurement Services across-government contract; or Lead Agency contract with more than one agency involved.

Panel procurement refers to procurement of goods / services where there is an existing contractual or whole of government requirement to approach specific suppliers. There are currently two main categories for panel procurement:

1. Across Government Arrangements
2. E-projects Portal (EPP)

All procurement under Panel contracts must still follow a secondary procurement process. A secondary procurement process refers to the methodology in determining the number of quotes required after approaching the market described in (2) above. For more information on the secondary procurement process, refer to the panel procurement procedure or seek assistance from DTI Procurement.

### Across Government Panels

Pre-established across-government panels exist (many are mandatory for all government agencies). Examples include *Audit and Related Services, Temporary Staff and Travel Services*. A key advantage is that contract terms and conditions are already in place - so timelines are generally shorter to finalise. Staff members must, however, complete the required documentation - an Official Order Form that sets out the goods / services specification, and generally a Purchase Order.

### e-Projects Panel

EPP is an across Government pre-qualified panel established to facilitate the acquisition of Information Communication Technology (ICT) related project services up to \$700K GST inclusive. It is not mandatory to use this panel, however, it is highly recommended especially if it is a high value spend which would otherwise require a tender.