



THE UNIVERSITY OF
WAIKATO
Te Whare Wānanga o Waikato

Tender Manual

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Please note:

All **Tender Templates** highlighted in blue throughout this document are located in [iwaikato](#) then scroll down to Tender Processes. Alternatively the full path is [iwaikato/document directory/purchasing and procurement/ tendering processes](#).

The **UoW Contract (optional ITS & FMD Schedules) and Contract Guidance Notes** are located also in [iwaikato](#) then scroll down to Supplier Contract Management.

1. Introduction

The University of Waikato's tendering activities are guided by the principles of the Office of the Auditor General and the Ministry of Business Innovation and Employment (MBIE) Rules of Sourcing. The following principles underpin all University tenders; accountability, transparency, value for money, integrity, fairness and transparency. The purpose of this document is to provide information about the University's tendering processes, including links to approved tender templates.

This document must be read in conjunction with the following:

- [Procurement Policy](#)
- [Financial Authority Policy](#)
- [New Zealand Government rules of Sourcing](#)
- [Tender Templates](#) are located in [iwaikato](#) then scroll down to Tender Processes.
- [UoW Contract \(optional ITS & FMD Schedules\) and Contract Guidance Notes](#) are located also in [iwaikato](#) then scroll down to Supplier Contract Management.

Any departure from using a contestable open tendering process must be an exception rather than the rule and must be based on valid, documented reasons and be signed off by the Chief Financial Officer (CFO).

For tendering advice contact the University Procurement Manager, Virginia Duncan on ext. 4872 or email virginia.duncan@waikato.ac.nz

Who does this apply to?

All staff, independent contractors and consultants who are undertaking tender activities for goods/services on behalf of the University of Waikato.

Key Definitions

Approved Supplier means a supplier approved by the Procurement Manager to supply goods and services to the University. Where there is no contract in place, the supplier agrees to the University's Standard Terms and Conditions of Purchase when they accept the University purchase order, and supplies the goods/services to the University.

Closed Tenders means a limited number of tenderers are chosen to submit a tender. This is an exception to the rule and requires additional approval before proceeding.

Open Tenders means tenders that are advertised through the Ministry of Business, Innovation and Employment's (MBIE) Government Electronic Tendering Services (GETS). This is the preferred method of tendering at the University of Waikato.

Panel of Suppliers is a list of suppliers who have been pre-approved by the University (as a result of an open tender) to provide agreed work under agreed terms and conditions.

Preferred Supplier means an individual organisation that has been awarded 'preferred supplier' status for the supply of specified goods or services to the University. This follows a competitive tender process which results in a procurement contract with agreed pricing and service levels.

Procurement means the strategic approach to sourcing goods and services including the identification and selection of preferred suppliers following a competitive tender process and the on-going management of the procurement contract.

Purchasing means the transactional process including raising a purchase order, authorisation and receipting.

Secondary Procurement Process is the method the University will use to award work/contracts to suppliers who are part of a Supplier Panel.

Tenderer refers to a party, or suppliers submitting a proposal in response to a tender, and can also be called respondents.

Tendering means the contestable process that takes place before purchasing where the University formally evaluates and selects a supplier based on a supplier's written offer to supply goods/services at an agreed price and service level.

2. Before Starting a Tendering Process

What to do first

Contact the Procurement Manager to discuss the following:

- Determine the underlying business reason for tendering;
- Refer to the [Procurement Process Flow](#);
- Consider what type of tender process to follow;
- The expertise available to lead a tender;
- Are the goods and/or services complex or purchased campus wide;
- Existing preferred or approved suppliers suitability;
- The University wide tender plans;
- The availability of syndicate contract options such as:
 - the UPG (NZ Universities Procurement Group);
 - New Zealand Government's Ministry of Business, Innovation and Employment (MBIE) All of Government (AoG) Contracts;
 - and other syndicated contract options (e.g. Department of Corrections, NZ Police, IRD)
- All tenders must be registered with Procurement and will be issued with a UOW Tender Number.

Tender Roles and Responsibilities

- **Tender Sponsor** - has the financial delegated signing authority and must approve the initiation of the tendering process based on the completed [Tender Plan](#).
- **Tender Lead** – is assigned to carry out the tender process. The Tender Lead is accountable for the process during the entire tender period (including tender documentation filing) and is usually the authorised University Tender Representative for Tenderers questions. The first responsibility of the Tender Lead is to develop a [Tender Plan](#).
- **Contract Relationship Owner** - after the tendering process is completed and the contract signed the University Contract Relationship Owner is responsible for the preferred supplier relationship for the contract period. This includes managing the quality of goods and/or services the University receives and ensuring KPI's are achieved.

Tender Documentation Filing

It is essential that everything to do with a tender is filed electronically in an appropriate shared folder. This includes all tendering decisions and underlying reasons or assumptions e.g. all tender communications (internal and external), meeting minutes, emails or letter correspondence. The tender file must represent a clear audit trail of the decision-making process, and should be able to withstand an external review.

Tender documentation must include at a minimum:

- An approved [Tender Plan](#)*
- All Tender documents
- Tenderers submissions
- Tender Panels Evaluation results
- [Recommendation to Shortlist or Award](#)*
- Contract awarded (signed by both parties)*

- * This tender documentation must be recorded in the University's Contracts Register.

Tender Scope & Core Requirements

It is important that the Tender Lead clearly identifies the tender objectives as this affects:

- The preparation of the tender documents and the tendering conditions;
- What is required of the tenderers; and
- How the tender submissions will be evaluated and what evaluation criteria will be applied.

Tendering Objectives to consider when tendering include, but are not limited to:

- Best value for money;
- Best quality;
- Enhanced service levels;
- Innovative and electronic technology solutions;
- Environmental and sustainability considerations;
- Demonstrated experience and capability.

3. Tender Approval Levels

Delegated Authority

The appropriate Financial Delegation level must be confirmed in writing prior to releasing the tender to market and prior to committing the University to any form of expenditure.

Tender Project Approval

As referenced in the Financial Authority Policy, before a financial commitment takes place the Tender Sponsor is responsible for approving the:

- [Tender Plan](#);
- Recommendation of the successful supplier(s);
 - Contract; which must be approved by the appropriate financial authority levels, depending on the level of spend and the length of the contract.

Approval for up to \$50,000

For advice on values up to \$50,000 per annum, please refer to the [Procurement Policy](#) and the Request for Quotation (RFQ) Section in this document.

Tendering over \$50,000

For tenders with a value over \$50,000 per annum, the level of Procurement support must be agreed at the initial stages of the tender process and prior to going to market, based on the following:

- Tendering skills involved with tender project;
- Complexity of the proposed goods and/or services;
- Whether the goods and/or services are purchased University wide;
- The length of the resulting contract and;
- The level of risk, or profile level for the University.

Tendering Standard Terms & Conditions

Changes to any of the University's "Tendering Terms and Conditions" must have the Procurement Manager's approval prior to going to market.

4. Tender Notification

Open Tenders

Tenders are required to be advertised through the Ministry of Business, Innovation and Employment's (MBIE) Government Electronic Tendering Service (GETS) website. The GETS advertisement should contain the following:

- A general description of the service being tendered;
- A University Tender Number
- Contact details for uplift of documents; and closing time, date and place for receipt of tenders.

Closed Tenders

A closed tender is where a limited number of tenderers are chosen to submit a tender, in itself this is not open and transparent. The University's tender processes must be fully-contestable, that is an "open" and competitive tender process. Occasionally, a closed tender process is more appropriate but this is an exception to the rule. Contact the Procurement Manager to discuss.

5. Preparing to Tender

Using Approved Tender Templates

It is very important to always use the online templates to ensure you have the most up to date version. All templates mentioned in this document are located in [iwaikato](#) then scroll down to Tender Processes. These templates are updated by the Procurement Office periodically under guidance from the Office of the Auditor General and the Ministry of Business, Innovation and Employment (MBIE).

Do not use a previous tender document.

Request an Official University Tender Number all tender documents must quote a Tender Number.

[Click here to register your Tender](#)

Evaluation Panel

Every tender requires an Evaluation Panel; this panel must consist of staff with an adequate level of competence in the goods and/or services being tendered. The Tender Evaluation Panel may also include senior University representatives across Faculties and Divisions (depending on what is being tendered for).

Evaluation Criteria & Weightings

The evaluation methodology, criteria and weightings should be agreed and approved by the Tender Sponsor prior to releasing the tender to market. The Tender Lead is responsible for ensuring the Evaluation Panel members complete the [Tender Evaluation Forms](#) and steers the evaluation process through to its conclusion.

Conflicts of Interest & Confidentiality Declaration

The Panel members must register in the University's [Interest Register](#) whether they have an actual, perceived or potential Interest or not and for each tender process. Should a conflict be declared the Tender Lead must notify the Procurement Manager, a conflict can be managed by:

- Individual released from the tender panel for a material conflict;
- If the conflict is not material - individual continues to participate and mitigating action is recorded and signed on a 'one-up' basis;
- Register established and potential conflicts declared and mitigated throughout the process.

6. Selecting the Type of Tender

[Request for Quotation \(RFQ\)](#)

A RFQ is a simple and quick option when determining availability, price and supply terms and is usually used when:

- The goods and/or services are less than \$50,000 and;
- There is no existing University preferred supplier and;
- The resulting contract doesn't exceed one year and ;
- The goods/services can be clearly defined.

When using the RFQ the University must seek a minimum of three written quotes from suppliers that can supply the required goods and/or services. If a University approved supplier exists then this supplier must be given the opportunity to quote.

When not to use the RFQ

- If the total value of the goods/service(s) exceeds \$50,000 and,
- When there is an existing preferred supplier and,
- If the term is more than one year, and
- If the goods/service are complex.

Expression of Interest (EOI)

An EOI is usually part one of a significant multi-stage tendering process, for example used prior to the Request for Proposal (RFP) processes. An EOI is used to identify prospective suppliers and to create a shortlist by asking for responses to specific questions concerning experience, company capability and company capacity.

The EOI process shortlists a manageable number of tenderers who could all, theoretically, be capable of providing the University's required goods and/or services. The EOI does not result in a legally binding contract.

Request for Proposal (RFP)

A RFP invites prospective tenderers to suggest ways in which they could achieve the University's tender objectives. The RFP process allows the tenderers to be innovative and offer different approaches and pricing options to address the solution that the University is looking to achieve. The RFP should not be used if you have prescriptive requirements, where flexibility is not an advantage. As a result of a RFP is a legally binding contract.

Use the RFP too:

- Identify suppliers are capable of providing the goods and/or services required, within a specified timeframe;
- Find suppliers capable of meeting the need, in possibly innovative ways;
- Find out how suppliers propose to meet your requirements; and
- Discover the market price for your requirements.

Request for Tender (RFT)

A RFT invites prospective tenderers to make offers based on a specific and well-defined statement of requirements; as a result this is focused more on price.

The RFT is a relatively rigid and prescriptive process and is to be used when the University knows exactly what it wants to purchase and the outcomes are able to be fully specified by the University. The RFT should not be used if the specific requirements or specifications have not been determined. The RFT results in a legally binding contract.

Use the RFT too:

- Identify suppliers that are capable of providing the specific goods and/or services required and within a specified timeframe;
- Discover the market price for your specified goods and/or services.

7. Conducting the Tender

The University must take care when conducting a tender to avoid inadvertently creating a contractual situation during the tender process or unfairly/inadvertently discriminating against any potential tenderer. Discuss any concerns with the Procurement Manager.

Notice to Tenderers (NTT)

To ensure that during a tender any additional information relating to the tender is conveyed to all tenderers in a consistent and timely manner. The NTT template must be used.

Extensions of time for tenders

The tender period may be extended (only to all tenderers) if there is no discrimination or unfairness to other tenderers. The University will not agree to a request by an individual tenderer to extend the time for submitting their tender.

Receiving and opening tender submissions

Preferably, tenders should be collected in a secure tender box. However, if received by the mailroom or reception, tenders must be delivered unopened to the Tender Lead. The Tender Lead must inform the mailroom and reception that a tender is closing well in advance of the closing time/date. Any tenders received prior to the tender closing time/date are to be securely stored until the closing date and time of the tender.

Emailed tender responses are acceptable (assists with electronic filing requirements) but must be followed by a physical copy with "Original" quoted on the physical tender response. The 'original' physical copy is deemed always to be the correct copy for the purposes of evaluation if there is a variance in the emailed or copied physical tender response. Several copies may be requested in the tender to reduce the amount of photocopying required for the Tender Evaluation Panel.

Faxing is not acceptable under any circumstances.

Amendments after tender is closed

Amendments to tenders submitted cannot be made to a submitted tender response after the closing date and time. However this does not include clarifications sought by the University during the evaluation process.

Late tenders

Late tender responses can only be accepted by the University in exceptional circumstances as agreed by the Procurement Manager.

Confidentiality

The information provided by tenderers to the University of Waikato should be kept confidential at all times, unless required under legislation (such as the Official Information Act).

8. Evaluating the Tender

Evaluation Process

The evaluation process must be fair, transparent, impartial and capable of withstanding a full external audit. It must not deviate from the criteria stipulated in the tender documentation itself.

Each member of the Evaluation Panel is to receive a copy of the Evaluation Form and Evaluation Guidelines in conjunction with the tender responses received. The evaluation must be conducted independently by the members of the Evaluation Panel then consolidated and supported by panel discussions and ideally a panel consensus on the outcome. The evaluation summary is produced by the Tender Lead. It consolidates all the independent evaluations conducted by the evaluation panel members.

Evaluation Form

The [Tender Evaluation Form](#) must identify key comparison factors/evaluation criteria that will be used to assess each tender response individually. A Tender Evaluation Form is to be completed for each tender response.

Evaluation Meeting

The evaluation meeting is held so that the Tender Lead can present the evaluation summary to the Evaluation Panel. Each member will be given the opportunity to discuss their scoring with the panel, particularly focusing on any wider variances or outlying scores. The evaluation panel members may amend their scoring to reflect further information obtained during the discussion with other panel members during the evaluation meeting.

The Tender Lead is to document all evaluation meetings and any changes to the evaluation scores and the reasons for each of the changes.

Clarification of Tender Submissions

During the evaluation process there may be a need to seek clarification from tenderers on their submission. This is a formal process, and must be conducted in writing. The University will document the points from the tender submission that need clarification and release it to the individual tenderer for their response within a certain timeframe. The response will then be used to assist with the evaluation of the tenderer's submission.

Short listing Tender Submissions

Once the evaluation process has been completed, the Panel can decide to shortlist. The shortlisted tenderers can be invited to present their submission to the Evaluation Panel. Notification to tenderers can be by telephone, but also follow up with a formal letter using either [RFP, RFT or EOI Shortlist Letter](#).

The Tender Lead must seek approval to shortlist from the Project Sponsor using the [Recommendation to Shortlist or Award](#) template prior to informing the tenderers.

Presentations by Tenderers

The University may, as part of its tender evaluation process, invite short listed tenderers to present or expand on their tender submission. Tenderers should be informed in the tender documents whether presentations are likely to be held.

It is important that the University treats all tenderers fairly and equitably in relation to their presentations. Each tenderer should be provided with sufficient notice of the time and date, the same presentation brief and allotted amount of presentation time. The evaluation should primarily assess the content of the presentation rather than the method or form of presentation.

When inviting tenderers to make a presentation, the University must limit the number of personnel attending the presentations to:

- Those that have contributed to the preparation of the tender; and
- Those that will have an involvement in providing the goods or services if their tender is successful.

Reference Checks

Part of the due diligence responsibilities, the Tender Lead must ensure that, all reference checks, company register checks and/or actual site visits conducted are noted in writing as part of the tender electronic documentation filing requirements.

Final evaluations

The Evaluation Panel must reassess the initial evaluation scores and make any changes they see necessary based on the shortlisted tenderers presentations. All reasons for amending any scores should be recorded and kept with the tender documentation on file.

9. Approval Phase

Approval of preferred tenderer

Recommendations to select a successful tenderer must be signed off by the appropriate financial delegated authority; the Chief Financial Officer (CFO) and the Procurement Manager must be informed. The Recommendation to shortlist or Award template must be completed, and approved recommendations must be filed with the tender documentation. The Recommendation must provide the financial delegated authority with;

- sufficient information to understand the goods and/or services required,
- the whole of life value of the resulting contract,
- the tender and evaluation process, and
- the rationale for the recommendation.

10. Advising Tenderers of the Outcome

Each tenderer will be informed of the outcome of the tender. If unsuccessful the tenderer will be notified by way of a [Decline Letter](#) and offered an opportunity to have a debrief. However it is suggested this debrief is after the implementation of successful tenderer has been completed.

The successful tenderers should be notified of the outcome of the evaluation by way of a [Letter of Acceptance](#) (subject to successful negotiations and signing by both parties of a contract).

11. Withdrawing from a Tender

If a tenderer wants to withdraw after submission, they are to notify the University Tender Lead in writing.

12. Cancelling the Tender

All of the University's tender templates, contain a standard tender clause that reserves the right to suspend or cancel the tendering process. Before considering this option discuss with the Procurement Manager as there are legal implications in suspending or cancelling a tender. If this occurs the University must advise all tenderers in writing.

13. Due Diligence

Due diligence provides the University and a tenderer with an opportunity to test their expectations and understanding of the procurement. Issues to be addressed during a due diligence process:

- The tenderer's ability to deliver the goods or services for the price tendered and for the contract period. This is particularly important where the tenderer submits a comparatively low price;
- The terms and conditions of any proposed financing structures, including the certainty of funding and the tenderer's ability to service the debt;
- The financial viability of the tenderer;
- The experience of either the tenderer or any proposed sub-contractor in providing similar goods or services;
- Credit and/or reputation checks (reference checks);

- The qualifications or credentials of the tenderers key personnel (e.g. obtaining CV's and meeting with individuals to discuss their relevant experience and understanding of University's requirements);
- The adequacy of the tenderer's proposed approach to the procurement and whether it is likely to meet the key objectives;
- Site visits to check the adequacy and condition of infrastructure, equipment and resources that will be used in meeting the University's requirements; and
- Examination of work or product samples.

14. Post Tender Negotiations

Post tender negotiations with the preferred tenderer can be an effective risk management tool. In that by the end of the negotiation process, the University and the supplier must have the same expectations about the obligations of each party and how the contract will subsequently operate. All substantive issues must be agreed and the contract amended to reflect the agreed direction.

University Negotiation Team

The skills and experience of the negotiation team should reflect the value, risk and complexity of the procurement tendering activity.

What if Negotiations Fail?

Should the outcome of the negotiations be unsatisfactory, the University should reassess its position and decide whether it should negotiate with the next highest-ranked tenderer. If you have concerns or questions regarding post tender negotiations, please discuss these with the Procurement Manager.

15. The Contract

A contract is a legally binding document committing two or more parties to carry out certain activities, by an agreed future date, for an agreed price. The University has a standard [Contract \(with optional ITS & FMD Schedules\)](#) and [Contract Guidance Notes](#) which are located in [iwaikato](#) then scroll down to Supplier Contract Management.

Supply Products and Services Agreement template available in [iwaikato](#) that has already been approved by the University in-house legal person. The contract must be sufficiently comprehensive to meet the objectives of the procurement needs as follows:

- Reflect the full specification of the goods and/or services;
- Be consistent with the conditions specified in the tender document and subsequent tender process;
- Define and protect the rights and obligations of all parties;
- Outline the term of the contract;
- Detail the University and Tenderers Contract Relationship Owners;
- Include indicative or set prices or rates as appropriate.
- Any term greater than one year must be approved as per the University's [Financial Authority Policy](#)

It is important that a scanned copy of the contract signed (by both parties) is recorded in the University Contracts Register in accordance with the [Procurement Policy](#). Contact the Procurement Manager if you need support.

16. Panel of Supplier Contracts

Subsequent to an open tender process, the University has the right to establish and award contracts to a panel of suppliers from whom they may purchase goods or services at the University's sole discretion. It

is important that this Supplier Panel concept is clearly defined in the tender. The University should ensure that the contract does not contain an exclusive right to supply from any of the successful tenderers, nor guarantee that they will receive requests to supply goods or services from the University as a result of this contract. Once a Supplier Panel is established the University is not required to open tender but can use suppliers from the Panel but a Secondary Procurement Process must be followed.

17. Approval for Sole Sourced (Direct Sourced) Procurement

Occasionally there are instances when there is a requirement to approach a single supplier without inviting competition from other suppliers. However, *this is an exception to the rule*, and must be fully justified, and approved by the financial appropriate delegated authority, in consultation with the Chief Financial Officer (CFO) or the Procurement Manager. A [Tender Plan](#) is still provided but in these cases, the following conditions must be met:

- Tendering is not practicable, e.g. emergency procurement;
- The goods and/or services are only available from one supplier that has the capability to deliver within the timeframe required; and
- Standardisation and compatibility with existing equipment can only be achieved through procuring from one supplier.
- The Tender Plan is seeking approval from the Vice Chancellor to waiver the Procurement Policy and direct source.

18. Emergency Procurement

Emergency procurement is purchasing undertaken to meet the critical requirements of a genuinely unforeseen situation, this is an exception to the rule. *Purchasing or payment urgency in itself does not constitute emergency procurement.*

The following would be considered as emergency procurement:

- When life or property are at risk;
- In cases of disaster relief;
- When operational capacity would be severely affected by non-supply in the short term.

For advice, contact the Procurement Manager at the earliest possible stage, all emergency procurement activities must be in accordance with:

- Existing financial delegations and
- [Critical Event & Business Continuity Policy](#)

19. Capital and Discretionary Funding

For further advice speak with your Financial Services Division Management Accountant.

20. Questions

If you have any questions contact the University Procurement Manager, Virginia Duncan by emailing virginia.duncan@waikato.ac.nz or phone 4872.