**MEMORANDUM OF ADMINISTRATIVE ARRANGEMENT**

**FOR THE ALIGNMENT OF PROCUREMENT**

**FRAMEWORKS UNDER TREASURER’S INSTRUCTIONS 18 PROCUREMENT**

**MEMORANDUM** made on <insert day> of <insert year>

**BETWEEN:**

**THE PARTY NAMED IN ITEM 1 OF ATTACHMENT 1** (“**the Aligned Public Authority**”)

**AND:**

**THE PARTY NAMED IN ITEM 2 OF ATTACHMENT 1** (“**the Host Public Authority**”)

# purpose

## This is an administrative arrangement for the alignment of procurement frameworks for the purposes of clause 9 of Treasurer’s Instructions 18 – Procurement (as amended from time to time) issued under section 41 of the *Public Finance and Audit Act 1987* (the “**Instruction**”)

## This administrative arrangement comprises this Signing Page, the Arrangement Details (**Attachment 1**), the Terms (**Attachment 2**) and the Aligned Procurement Services (**Attachment 3**).

## The parties intend to allocate responsibility for the Aligned Public Authority’s procurement processes and procedures, including certain obligations under the Instruction.

***INSERT SIGNING BLOCKS BELOW***

**Attachment 1 - Arrangement Details**

|  |  |  |
| --- | --- | --- |
|  | **Aligned Public Authority** | <insert name>  <insert ABN>  <insert address> |
|  | **Host Public Authority** | <insert name>  <insert ABN>  <insert address> |
|  | **Commencement Date** | <insert date> |
|  | **Expiry Date** | <insert date> |
|  | **Agency Representatives** | Aligned Public Authority: <insert>  Host Public Authority: <insert> |
|  | **Fees and Payment (including address for invoices)** | <insert relevant details and attach additional fee annexure if complex fee calculations>  Price: $<insert> (GST inclusive)  Manner of Payment: <e.g. instalments, payments attached to particular services>  <if not fee payable, or an alternative administrative arrangement in place of a fee, insert description and delete above> |

**Attachment 2 - Terms**

# AGREED TERMS

# administrative arrangement

## Subject to clause 4, the Parties acknowledge that this Memorandum is an administrative arrangement between two SA Government agencies and is not intended to create legal relations.

# term

## This Memorandum commences on the Commencement Date and continues until the Expiry Date or such other date as either Party may notify to the other Party in writing.

# Agency Representatives

The persons named in Attachment 1 as the Agency Representatives are the first point of contact between the Parties and are responsible for overseeing the effective administration of the Memorandum.

# Alignment model and services

## The Parties agree that this Memorandum is an administrative arrangement for the alignment of procurement frameworks for the purposes of clause 9 of the Instruction.

## The Parties acknowledge and agree that the responsibility for the Aligned Public Authority’s procurement processes and procedures, including certain obligations under the Instruction, will be allocated between the Aligned Public Authority and the Host Public Authority as set out in Attachment 3.

## The Host Public Authority will perform the Aligned Procurement Services allocated to it as set out in Attachment 3 in the manner specified in Attachment 3.

# Fee AND PAYMENT

## The Aligned Public Authority will pay the Fee at the times and in the manner specified in Item 6 of Attachment 1 (the “Fee”).

## Unless otherwise expressly stated the Fee is inclusive of GST.

# compliance with laws and policies of general application

## The Parties acknowledge that:

### various legislation, regulations and policies of general application will apply to this administrative arrangement; and

### this Memorandum does not detract from the obligations of the Aligned Public Authority and the Host Public Authority under legislation, regulations and policies of general application.

## The Parties intend to assist each other in complying with legislation, regulations and policies of general application, including in relation to records, information, documents or data received, disclosed, used or created in the course of conducting procurements under the Instruction.

# dispute resolution

## If there is a dispute arising in relation to this Memorandum or the procurement activities undertaken by either Party under this Memorandum:

### in the first instance, the Agency Representatives identified in Item 5 of Attachment 1 must meet within a reasonable time and use their best endeavours to resolve the dispute; and

### if the Agency Representatives are unable to resolve the dispute, it will be elevated to the Chief Executives of the Aligned Public Authority and the Host Public Authority.

# Variation

This Memorandum may be varied by written agreement between the Parties.

**Attachment 3 – Aligned Procurement Services**

**Procurement Framework – Treasurer’s Instructions (TI) 18, clause 8**

The Aligned Public Authority and the Host Public Authority have agreed that the Aligned Public Authority will follow the Host Public Authority’s Procurement Framework developed, implemented and reviewed in accordance with TI 18.

**Procurement Process and Responsibilities**

The Parties agree to the following allocation of responsibility between the Aligned Public Authority and the Host Public Authority in relation to the planning for, undertaking of, and reporting on the Aligned Public Authority’s procurements under the Instruction:

| **STAGE** | **SERVICES** | **RESPONSIBILITY** | |
| --- | --- | --- | --- |
| **HOST PUBLIC AUTHORITY** | **ALIGNED PUBLIC AUTHORITY** |
| ***REPORTING*** | | | |
| **Reporting into the PARS above $55k** | Existing contracted expenditure reporting, previous 12 months (TI 18, cl 10(1)(a)) |  |  |
| Forecast procurement reporting, next 24 month period  (TI 18, cl 10(1)(b)) |  |  |
| Forecast procurement reporting, ongoing  (TI 18, cl 10(3)) |  |  |
| **Reporting into the PARS above $10 million (construction projects only)** | Forecast procurement reporting, next 36 month period (TI 18, cl 10(1)(c)) |  |  |
| ***DIRECT APPROACH TO NON-SA BUSINESS > $55K*** | | | |
| **Chief Executive approval for direct market approaches to non-SA business above $55K** | Approving direct market approaches to non-SA businesses above $55k – Chief Executive Responsibility (TI 18, cl 11(3)) |  |  |
| ***DIRECT APPROACH FOR MAJOR PROJECTS > $500 MILLION*** | | | |
| **Chief Executive approval for direct market approaches for major projects above $500 million** | Approving direct market approaches for major projects above $500 million – Chief Executive Responsibility (TI 18, cl 11(5)) |  |  |
| ***ACQUISITION PLAN*** | | | |
| **Acquisition planning** | Preparation of acquisition plan | Transactional (optional)  Routine (optional)  Complex (mandatory)  Strategic (mandatory) | Transactional (optional)  Routine (optional)  Complex (mandatory)  Strategic (mandatory) |
| Approval of acquisition plan | Transactional (optional)  Routine (optional)  Complex (mandatory)  Strategic (mandatory) | Transactional (optional)  Routine (optional)  Complex (mandatory)  Strategic (mandatory) |
| ***MARKET APPROACH*** | | | |
| **Approaching the market** | Approval to approach the market and certification of compliance with policies (TI 18, cl 11(1)(b) and (c)) | Transactional  Routine  Complex  Strategic | Transactional  Routine  Complex  Strategic |
| Approval to approach the market (where urgent pressing need) without forecast reporting into PARS (TI 18, cl 10(2)) | Transactional  Routine  Complex  Strategic | Transactional  Routine  Complex  Strategic |
| Responsibility for releasing major projects within 30 days of funding being available (TI 18, cl 11(6)) |  |  |
| Responsibility for notifying the market | Transactional  Routine  Complex  Strategic | Transactional  Routine  Complex  Strategic |
| Preparation of market documentation | Transactional  Routine  Complex  Strategic | Transactional  Routine  Complex  Strategic |
| Approval of market documentation (e.g. use of procurement committee) | Transactional  Routine  Complex  Strategic | Transactional  Routine  Complex  Strategic |
| *<user note: insert further rows in table if responsibility for approach the market obligations differs between the host and aligned agencies based on procurement value >* | | | |
| ***UNDERTAKING PROCUREMENTS*** | | | |
| **Undertake the procurement** | Corresponding with respondents, including managing queries | Transactional  Routine  Complex  Strategic | Transactional  Routine  Complex  Strategic |
| Evaluating responses | Transactional  Routine  Complex  Strategic | Transactional  Routine  Complex  Strategic |
| Drafting purchase recommendation | Transactional (optional)  Routine (optional)  Complex (mandatory)  Strategic (mandatory) | Transactional (optional)  Routine (optional)  Complex (mandatory)  Strategic (mandatory) |
| Approving purchase recommendation | Transactional (optional)  Routine (optional)  Complex (mandatory)  Strategic (mandatory) | Transactional (optional)  Routine (optional)  Complex (mandatory)  Strategic (mandatory) |
| Notifying respondents of outcomes, debriefing etc | Transactional  Routine  Complex  Strategic | Transactional  Routine  Complex  Strategic |
| Ensuring preparation of contract etc documentation | Transactional  Routine  Complex  Strategic | Transactional  Routine  Complex  Strategic |
| <other> |  |  |
| ***KEEPING OF REGISTERS*** | | | |
| **Departure register** | Keeping and maintaining the departure register  (TI 18, cl 12(1)(b)) |  |  |
| **Contract register** | Keeping and maintaining a contracts register |  |  |
| **<Other>** |  |  |  |