

## Aratoi Regional Trust (ART)

### Procurement Policy

Section: Finance and Operations

Approval Date: November 2021

Next Review Date: November 2024

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### Purpose

The purpose of this policy is to:

- a. set out the principles and processes that apply with respect to procurement
- b. ensure that ART's procurement is carried out within a clearly defined and transparent internal control framework
- c. ensure that ART's procurement processes comply with relevant legislation and accounting practices
- d. ensure that procurement and purchasing processes are conducted in a manner that maintains for ART a reputation for being fair and unbiased when dealing with suppliers

### Introduction

The Director is delegated with the authority to procure goods and services, and pay accounts, on behalf of ART and in line with the Delegations Authority. The day to day operating of the institution is delegated to the Director as per that Authority.

### Policy

#### 1. General

The "One Up" principles and the Delegations Authority applies to all procurement.

#### 2. Approval and Limits

- Normal operating expenditure (including recurring expenditure such as utilities and service contracts) should be made from preferred suppliers after obtaining at least one comparable quote to ensure a fair price is being paid.
- Expenditure for items of a capital nature which exceeds \$10,000 should be supported by at least two comparable quotes to ensure a fair price is being paid, and if directed by the Board (where it exceeds the Director's delegated authority) be subject to a commercially acceptable tender process taking due consideration of the expenditure amount and any specialised nature of the proposed expenditure

## **Definitions**

“**Tender**” means a formal offer to supply or purchase specified goods or Services at a stated cost or rate

“**Procurement**” means the strategic approach to sourcing and purchasing goods and services, including the identification and selection of suppliers following a competitive process, the negotiation of contracts and the management of contracts.

“**Preferred supplier**” means an individual or organisation that has been awarded preferred status for the supply of specified goods or services.

## **Audience**

All Aratoi Board and staff

## **Related procedures and Documents**

Delegations Authority

Current Budget

Collection Management

Asset Management

Museums Aotearoa Code of Ethics

Capital Assets Policy