



Certificate IV in Purchasing AQF Level 4

Assessment Criteria

***Please refer to checklist on the last page**

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HOW TO COMPLETE YOUR ASSESSMENT

This book has been designed to assist you in achieving your competency level assessment through a systematic and relatively simple process. We encourage you to read and understand the requirements and should you have any concerns please do not hesitate to contact us so that we can assist you in completing the assessment.

Your Assessment

The process you will be following is known as a competency-based assessment. The difference between this process and traditional forms of assessments is that evidence of your current skills and knowledge will be measured against national and international standards of best practice, not against the learning you have undertaken either recently or in the past. Furthermore, the assessment will be concerned with how you apply the skills and knowledge in your workplace, not in the training room or in a hypothetical case study.

The standards used are known as Competency Standards and are endorsed by industry groups and national bodies here and overseas.

When your assessment is successful against these standards, your skills and knowledge will be deemed to be equal to national and international best practice and the qualification you gain will reflect this.

Using the Assessment Guidelines

The criteria by which you will be assessed are listed in this book. Also listed is the underpinning knowledge you will be questioned on either by written or verbal assessment.

Included is the evidence you may bring forward to show that your competencies (that is, your skills and knowledge as they are applied in your workplace) match the desired standards. This evidence will be assessed and judged and any recommendations made from this.

There are only two recommendations that will be made as a result of your assessment – the evidence you have brought forward shows that you are:

- competent against the national standards and need produce no more evidence, or
- you are not yet competent, in that evidence you have provided doesn't yet show your skills and knowledge to be equivalent to the national standards – you will be asked to bring forward other evidence

Please Note: You may find that as a result of your assessment you are 'competent' in some areas but 'not yet competent' in others. This is okay. Where you have been assessed as 'competent', these areas need not required any further production of evidence leaving you free to concentrate on the others. Your assessor will explain this to you further at the time of you assessment.

Evidence

Evidence of competency can be shown in any one, of a number of ways:

- Direct examination of evidence – either by written exam to ascertain your underpinning knowledge or by observation of you carrying out the task
- Oral or written questions – these help the assessor get a better understanding of why you do, or have done, certain things in the manner shown
- Supporting evidence – from workmates, current or former employers and supervisors, or others who have worked with you and know the quality and degree of skills and knowledge you possess. Such evidence doesn't necessarily have to come from formal or full-time work you've done in the past – it might be voluntary or part-time work, or it might even be from a different area altogether such as sports, home duties or hobbies
- Historical evidence – such things as qualifications, certificates, reports etc. These will show that you were capable of demonstrating the required level of competence in the past. In some cases historical evidence might have to be supported by direct evidence that shows your skill and knowledge is still current.

Any of these can be presented as written evidence, video-taped performance or audio tapes of such things as interviews, counselling sessions etc, or supporting evidence given verbally by friends or workmates.

Your evidence will be assessed against the Element and the Performance Criteria of the Units of Competency you nominate. Don't be put off if you can only find, for example, Direct Evidence for one part of the Element and Performance Criteria and Historical Evidence for the rest – this is okay. The assessor will decide whether or not it meets the Rules of Evidence and that is all that matters.

What is important is that your evidence satisfied your assessor as to the level and degree of your skills and knowledge when measure against the competency standards.

How the Assessment is Carried Out

When you feel that you are ready to have your skills and knowledge assessed, you should arrange for the assessor to observe the activity you are claiming competency in. If you do not have the time or resources to provide direct observation of your skills and knowledge you can provide written or other evidence and this is known as a Portfolio of Evidence. The majority of your assessment for this qualification will be through a 'Portfolio of Evidence'.

A Portfolio of Evidence is simply a compilation of all of your evidence into a manageable and easily handled folder. Once you have sufficient evidence to support your claim for competency you should submit this folder for assessment. **Don't forget to clearly mark which piece of evidence related to which Element of Competency and Performance Criteria.**

During the assessment, the assessor will first of all scan the evidence you bring forward or are demonstrating to ensure that it meets the broad requirements of the competency standards, and that:

- the activity is being or has been performance safely (whether the standards specify this or not);
- the evidence appears to meet the criteria and range of variables;
- there are no legislative or legal issues arising out of the evidence (for example, there are no obvious commercially confidential items or information being brought forward, or that there are no breaches of such things as EEO or OS&H legislation);
- the evidence appears to meet the Rules of Evidence (see below); and
- whether or not the evidence being brought forward covers the entire range of competencies or only certain performance criteria or elements

The evidence will then be judged against the competency standards.

The Rules of Evidence

When making a judgement about your evidence, the assessor will be looking for:

- Validity – does your evidence relate to the standards you are seeking assessment against or are they more closely related to something else?
- Authenticity – does your evidence reflect something you have actually done either in full or in part?
- Currency – does your evidence show that you can perform this activity now or in the future, including you having up to date knowledge?
- Reliability – will your evidence be capable of showing the same outcomes no matter how many times it is assessed or how many assessors carry out the assessment?
- Sufficiency – is there sufficient evidence to show you competency or will there need to be more (or supporting) evidence brought forward?

These are the questions the assessor will ask themselves when assessing and judging your evidence. It will be very helpful to them if you ask yourself these questions before selecting and presenting the evidence – time, and a lot of frustration and heartache, may be saved if you do.

Notes on Completing this Book

Under the National Framework for the Recognition of Training, the smallest part of the standards for which you can gain a full qualification is the Unit. To make the achievement of this easier for you, each Unit is broken down into individual Elements against which you will be assessed.

Each element is accompanied by a set of Assessment Criteria. These show the standard to which you should be displaying your skills and knowledge. Where and how you display these is detailed in the Assessment Requirements.

Please take careful note of the **Assessment Requirements**. In this section will be found details of the type of evidence you will be expected to bring forward to demonstrate your competency. This evidence will be sought either through a formal (written or demonstrated) examination or from work you are currently doing or have done in the past. (This is known as Recognition of Prior Learning – RPL – and, in most cases, can provide you with all the evidence you may need to gain the qualification. Speak to your assessor about this.)

When completing your assessment, you will be asked a number of questions in relation to the assessment. Explanations of these questions are as follows:

Question 1: How was the achievement of this element demonstrated?

In order to be assessed as competent at an Element, you must have convinced your assessor that you are able to meet all of the Assessment Criteria across the Evidence Requirements. You will probably have carried out many tasks counting towards a particular Element over a period of time, but you don't have to list everything you've done – only those that may provide the strongest source of evidence to support your claim.

Be sure to include sufficient details to show competence across all of the Assessment Criteria.

Question 2: Over what period of time/number of occasions?

Here you will need to provide details of the period of time over which you were assessed for this Element and/or the number of occasions on which the task was carried out for assessment purposes. For example, if you were assessed three times over a period of four weeks this information would be put in here.

This helps the assessor see that the competency you have claimed isn't a 'flash in the pan' and that you can actually perform consistently at the desired level.

Question 3: In what situation/locations?

Some candidates will do everything in one place, usually their normal workplace, and in that case will put the name of their office/workshop here. Others, however, may do some of the work at clients' premises or out in the field.

Where the activity was carried out isn't as important as the fact that you record it. The assessor will need this information to help them make an informed judgement about the conditions and situations in which you are applying your skills and knowledge. The quality of evidence can then be judged along with any special circumstances surrounding how the evidence was gained.

Question 4: What is the evidence and where can it be found?

The Assessment will provide a record of what you have achieved. To maintain proof of this achievement it is important that you keep an up to date record of what it is and where it can be found. This will be especially important if you are thinking of applying for assessment against a higher level of competency standards where the evidence you are developing may be usable then.

Evidence may be provided by a whole variety of things depending on your particular circumstances and the Elements against which you are seeking assessment. Some of these Elements state what is required, and this must be followed, but others may not be as specific and this is where common sense must be used.

Where possible, you should seek advice from your assessor or RPL advisor to make sure what you're thinking is in line with the needs of the standards.

Throughout your initial interview or training session you will have discussed what may or may not be useful or sufficient evidence of competency against the standards. You should refer to your notes for ideas on where to start collecting evidence or talk to your assessor.

Common Range of Variables

The Range of Variables used to relate to the context and conditions under which or through which the Element and Assessment Criteria are to be performed for the purposes of the assessment.

There are a number of Ranges that are common to all Units. To reduce unnecessary duplication, these are listed below:

Higher project authorities may be:

- the client/customer
- the manager (in larger projects where the individual is section head or sub-project leader)
- other personnel within the project/organisation designated specific authority over certain aspects of the project
- the program/maintenance managers
- higher management within the organisation

Stakeholders may be from: within the project, other activities affected by this project, the client/customer, suppliers/contractors and/or the parent organisation.

The Client is the authority, or authorities, for whom the task is being undertaken. The client may be internal or external to the organisation. The client may be the customer, the owner, the sponsoring authority in the case of projects where a contract does not exist, or it may be an authority specifically designated as the client.

Further Information

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QUALIFICATION: *Certificate IV in Purchasing AQF Level 4*

WORKSHOP TITLE: *CP01 Principles of Contract Management*

UNITS OF COMPETENCIES:

BSBPMG408A Apply Contract and Procurement Techniques
BSBPUR402B Negotiate Contracts

ELEMENTS OF COMPETENCY AND PERFORMANCE CRITERIA:

BSBPMG408A Apply Contract and Procurement Techniques

BSBPMG408A/01 Assist with Contract and Procurement Planning

- 1.1 Contribution to the establishment of procurement requirements
- 1.2 Act under **delegated authority** to contribute to the development of the procurement management plan
- 1.3 Contribute to the development of project documentation for contract definition and formation

BSBPMG408A/02 Contribute to Contractor Selection Process

- 2.1 Gather and evaluate information on potential suppliers
- 2.2 Make recommendations to assist in selection of preferred contractors
- 2.3 Provide contribution to the definition of agreed terms and conditions with preferred contractor
- 2.4 Assist with the development of the final tendering and contractual documentation

BSBPMG408A/03 Conduct Contracting and Procurement Activities

- 3.1 Undertake **procurement activities** and maintain information so that reporting, confidentiality and audit requirements are met
- 3.2 Receive, reconcile and register supplies in accordance with established procedures to facilitate payment throughout project
- 3.3 Monitor and control contractors and suppliers and their activities for compliance with designated responsibilities, deliverables, time/cost and quality conformance, and other requirements

BSBPMG408A/04 Conduct Finalisation Activities

- 4.1 Test and accept supplies to ensure quality and suitability for purpose
- 4.2 Provide assistance in the ongoing **review** of project outcomes using available **records** and information to determine the effectiveness of contracting and procurement activities
- 4.3 Report contracting and procurement management issues and responses to **others** for application in future projects

EVIDENCE OF THE FOLLOWING IS ESSENTIAL:

- application of procurement and contract management techniques in relation to multiple complex projects
- knowledge of the place and role of procurement in the project life cycle.

ASSESSMENT MUST ENSURE:

- access to examples of project contract and procurement documentation
- access to records of project team participation in procurement tasks and activities.

ELEMENTS OF COMPETENCY AND PERFORMANCE CRITERIA:

BSBPUR402B Negotiate Contracts

BSBPUR402B/01 Negotiate Terms of Contracts with Suppliers

- 1.1 Offer advice and undertake negotiations without prejudice
- 1.2 Advise suppliers of the organisation's intent to accept their offers
- 1.3 Negotiate **issues** with suppliers
- 1.4 Determine desired outcomes, negotiation plans and schedules for negotiations
- 1.5 Undertake negotiations and reach agreements with suppliers in accordance with plans
- 1.6 Negotiate and document contract requirements to the satisfaction of the organisation and suppliers

BSBPUR402B/02 Prepare Contracts

- 2.1 Draft required **contracts** using legal expertise as required
- 2.2 Distribute draft contracts to **relevant personnel** and suppliers
- 2.3 Ensure any discrepancies or disagreements are clarified and resolved to the satisfaction of all parties.
- 2.4 Ensure **checks** of the legality and validity of draft contracts are made
- 2.5 Obtain approvals to sign contracts

BSBPUR402B/03 Finalise Contracts

- 3.1 Ensure contracts are signed and exchanged between the organisation and suppliers
- 3.2 Ensure contracts and related documents are stored and safeguarded
- 3.3 Advise relevant personnel of contract requirements
- 3.4 Advise unsuccessful suppliers of non-acceptance of offers

EVIDENCE OF THE FOLLOWING IS ESSENTIAL:

- documented agreement of terms with suppliers
- drafting and completion of a contract with a supplier for goods and services
- informing of successful and unsuccessful suppliers.

ASSESSMENT MUST ENSURE:

- access to an actual workplace or simulated environment
- access to office equipment and resources
- organisation's purchasing strategies and relevant purchasing records.

QUALIFICATION: *Certificate IV in Purchasing AQF Level 4*

WORKSHOP TITLE: *CP02 Workplace Communications 1*

UNITS OF COMPETENCIES:

BSBWRT401A Write Complex Documents
BSBITU305A Conduct Online Transactions

ELEMENTS OF COMPETENCY AND PERFORMANCE CRITERIA:

BSBWRT401A Write Complex Documents

BSBWRT401A/01 Plan Documents

- 1.1 Determine the *purposes* of documents
- 1.2 Choose *appropriate formats* for documents
- 1.3 Establish *means of communication*
- 1.4 Determine *requirements of documents*
- 1.5 Determine *categories and logical sequences of data, information and knowledge* to achieve document objectives
- 1.6 Develop overview of structure and content of documents

BSBWRT401A/02 Draft Text

- 2.1 Review and organise available data, information and knowledge according to proposed structure and content
- 2.2 Ensure data, information and knowledge is aggregated, interpreted and summarised to prepare text that satisfies document purposes and objectives
- 2.3 Include graphics as appropriate
- 2.4 Identify gaps in required data and information, and collect additional material from *relevant enterprise personnel*
- 2.5 Draft text according to document requirements and genre
- 2.6 Use language appropriate to the audience

BSBWRT401A/03 Prepare Final Text

- 3.1 Review and draft text to ensure document objectives are achieved and requirements are met
- 3.2 Check grammar, spelling and style for accuracy and punctuation
- 3.3** Ensure draft text is approved by *relevant enterprise personnel*
- 3.4 Process text amendments as required

BSBWRT401A/04 Produce Document

- 4.1 Choose basic *design elements* for documents appropriate to audience and purpose
- 4.2 Use word processing software to apply basic design elements to texts
- 4.3 Check documents to ensure all requirements are met

EVIDENCE OF THE FOLLOWING IS ESSENTIAL:

- production of documents
- editing draft text to ensure accuracy and clarity of information
- knowledge of enterprise style guide/house style.

ASSESSMENT MUST ENSURE:

- access to an actual workplace or simulated environment
- access to office equipment and resources
- examples of documents and style guides.

ELEMENTS OF COMPETENCY AND PERFORMANCE CRITERIA:

BSBITU305A Conduct Online Transactions

BSBITU305A/01 Identify and investigate online service provider

- 1.1 Undertake online research to identify **suppliers** of required **products/services**
- 1.2 Assess service provider **confidentiality, security** and **privacy** facilities in accordance with individual and organisational requirements
- 1.3 Assess potential products/services for authenticity

BSBITU305A/02 Perform online transactions

- 2.1 Confirm organisational requirements for products/services to be obtained
- 2.2 Ensure authentication information is secured in accordance with organisational requirements
- 2.3 Use appropriate online functions to obtain required products/services
- 2.4 Report any difficulties in accessing or using online facilities to the service provider
- 2.5 Complete transaction and ensure that products/services are received in accordance with terms of online transaction

BSBITU305A/03 Maintain records of online transactions

- 3.1 Maintain records of transactions in accordance with organisational policy, procedures and level of authority
- 3.2 Compare organisational records with online records and deal with irregularities according to organisational policy and procedures

BSBITU305A/04 Review online transactions

- 4.1 Review obtained products/services rendered to determine quality, timeliness and level of customer service in relation to advertised profile
- 4.2 Make recommendations regarding continued or future use of online service provider, as supported by transaction history

EVIDENCE OF THE FOLLOWING IS ESSENTIAL:

- Identification and selection of appropriate services to meet defined needs
- Use of appropriate security considerations
- Knowledge of policies and procedures relating to the use of the internet and online purchasing.

ASSESSMENT MUST ENSURE:

- Access to an actual workplace or simulated environment
- Access to office equipment and resources.

QUALIFICATION: *Certificate IV in Purchasing AQF Level 4*

WORKSHOP TITLE: *FM04 Developing and Managing the Team*

UNITS OF COMPETENCIES:

BSBWOR402A Promote Team Effectiveness

ELEMENTS OF COMPETENCY AND PERFORMANCE CRITERIA:

BSBWOR402A Promote Team Effectiveness

BSBWOR402A/01 Plan to Achieve Team Outcomes

- 1.1 Identify, establish and document **team purpose, roles, responsibilities, goals, plans and objectives** in **consultation** with team members.
- 1.2 Support team members in meeting expected outcomes.

BSBWOR402A/02 Develop Team Cohesion

- 2.1 Provide opportunities for input of team members into planning, decision making and operational aspects of work team
- 2.2 Encourage and support team members to take **responsibility for own work** and to assist each other in undertaking required roles and responsibilities.
- 2.3 Provide **feedback** to team members to encourage, value and reward individual and team efforts and contributions
- 2.4 Recognise and address issues, concerns and problems identified by team members or refer to **relevant persons** as required.

BSBWOR402A/03 Participate In and Facilitate Work Team

- 3.1 Actively encourage team members to participate in and take responsibility for team activities and communication processes
- 3.2 Give the team support to identify and resolve problems which impede its performance.
- 3.3 Ensure own contribution to work team serves as a role model for others and enhances the organisation's image within the work team, the organisation and with clients/customers.

BSBWOR402A/04 Liaise with Management

- 4.1 Maintain open **communication** with **line manager/management** at all times.
- 4.2 Communicate information from line manager/management to the team.
- 4.3 Communicate unresolved issues, concerns and problems raised by the team/team members to line manager/management and followed up to ensure action is taken.
- 4.4 Communicate unresolved issues, concerns and problems related to the team/team members raised by line managers/management to the team and followed up to ensure action is taken.

EVIDENCE OF THE FOLLOWING IS ESSENTIAL:

- Teamwork plan with details of how it was generated and how it will be monitored so that team goals can be met
- Techniques in communicating information, dealing with team conflict and resolving issues
- Knowledge of organisational goals, objectives and plans.

ASSESSMENT MUST ENSURE:

- Access to appropriate documentation and resources normally used in the workplace.

QUALIFICATION: *Certificate IV in Purchasing AQF Level 4*

WORKSHOP TITLE: *CP04 Tendering*

UNITS OF COMPETENCIES:

BSBPUR401B Plan Purchasing
LGACOM409A Prepare Tender Documentation
PSPPROC406A Procure Goods and Services

ELEMENTS OF COMPETENCY AND PERFORMANCE CRITERIA:

BSBPUR401B Plan purchasing

BSBPUR401B/01 Prepare invitations to offer

- 1.1 Obtain specifications for goods and services to be purchased from **relevant personnel** and clarify as required
- 1.2 Select **purchasing methods** most appropriate to particular purchases
- 1.3 Prepare **Invitations to offer**
- 1.4 Obtain approval of Invitations to offer

BSBPUR401B/02 Identify suppliers

- 2.1 Review organisation's records for potential suppliers
- 2.2 Identify sources of supply
- 2.3 Invite suppliers
- 2.4 Evaluate sources of supply against requirements of **purchasing strategies**

BSBPUR401B/03 Issue invitations to offer

- 3.1 Distribute invitations to offer
- 3.2 Conduct briefings are conducted
- 3.3 Clarify issues arising with suppliers in line with purchasing strategies

BSBPUR401B/04 Prepare recommendations to purchase

- 4.1 Receive offer documents from suppliers
- 4.2 Assess offer documents against requirements of purchasing strategies
- 4.3 Seek **further information** from suppliers as required
- 4.4 Obtain specialist expertise to assist with evaluation as required
- 4.5 Evaluate offers against requirements of purchasing strategies
- 4.6 Prepare shortlists of suppliers that make offers and who meet purchasing criteria
- 4.7 Select preferred offers
- 4.8 Make recommendations about preferred offers and seek approval by relevant personnel
- 4.9 Obtain approval for recommended offers

EVIDENCE OF THE FOLLOWING IS ESSENTIAL:

- Documents containing preparations to offer
- Evaluation of suppliers
- Issuing of an invitation to offer
- Formation of recommendation to purchase.

ASSESSMENT MUST ENSURE:

- Access to an actual workplace or simulated environment
- Access to office equipment and resources
- Organisation's purchasing strategies and relevant purchasing records.

ELEMENTS OF COMPETENCY AND PERFORMANCE CRITERIA:

LGACOM409A Prepare Tender Documentation

LGACOM409A/01 Identify the Extent and Nature of Services to be Contracted

- 1.1 Scope of the **services** is confirmed and reviewed to ensure parameters meet current requirements
- 1.2 Statutory and council requirements are identified to determine available options
- 1.3 Detailed parameters are specified to enable a complete brief to be prepared
- 1.4 The extent of the contract package is determined.

LGACOM409A/02 Select Appropriate Method for Tender

- 2.1 Area to be contracted is examined
- 2.2 Contract options are identified and analysed
- 2.3 Benefits, costs and opportunities of each option are identified
- 2.4 Appropriate contract option is selected.

LGACOM409A/03 Prepare Tender Specification according to Council and Australian Standards

- 3.1 Complete and detailed service specifications are prepared consistent with council policy and Australian standards and based on service profile and review.
- 3.2 **Legislative**, occupational health and safety and risk management requirements are applied
- 3.3 Quality assurance methods are applied to the preparation of service specifications
- 3.4 Service specifications are prepared in consultation with relevant staff that complement required outcomes
- 3.5 Details on methods, standards, materials, products, contractors and performance period are provided by quality service specifications, as applicable.

LGACOM409A/04 Prepare Evaluation Criteria

- 4.1 A tender review panel or team is selected from appropriate personnel
- 4.2 Criteria are established based on the specifications, product and service required
- 4.3 Criteria are written clearly to enable bids to be compared
- 4.4 Criteria are ranked against council procedures.

LGACOM409A/05 Prepare Tender Document

- 5.1 **Tender documents** are prepared clearly and concisely
- 5.2 Tender documents are prepared that enable competitive pricing of products
- 5.3 Tender documents are designed to enable valid comparisons between tenders received

LGACOM409A/06 Invite Tenders

- 6.1 Invitations are prepared based on the type of **tendering method** used
- 6.2 Source list is prepared according to council procedures
- 6.3 **Advertisement** is prepared and placed according to the tender method.

CRITICAL ASPECTS OF EVIDENCE TO BE CONSIDERED:

- Contract authorisation process is undertaken
- Appropriate advertisement is placed
- Required specifications are produced
- Industry standard conditions of contract are applied
- Confidentiality and probity are observed for both in-house bids and/or external tenders

PRODUCTS THAT COULD BE USED AS EVIDENCE INCLUDE:

- relevant council policies, procedures and codes of conduct
- quality assurance systems
- relevant Australian and industry standards
- statutory and council tender requirements
- contractual processes
- industrial agreements
- statutory council requirements
- tendering codes of practice
- national competition policy

PROCESSES THAT COULD BE USED AS EVIDENCE INCLUDE:

- report and specification writing
- qualitative and quantitative research
- analytical
- consultation with relevant personnel
- specification interpretation
- negotiation with relevant internal and external people
- observation of protocol and probity policies

ELEMENTS OF COMPETENCY AND PERFORMANCE CRITERIA:

PSPPROC406A Procure Goods and Services

PSPPROC406A/01 Plan for procurement of goods or services

- 1.1 A **market assessment** is used to identify, evaluate and select options for **procuring** goods and services in accordance with business plan requirements, **legislation, policy and procedures**
- 1.2 A **commercial strategy** is identified to achieve the procurement outcome set out in the business plan, achieve value for money and meet legal and probity requirements
- 1.3 Risk planning is conducted for the procurement activity in accordance with procedures, delegations and guidelines
- 1.4 Process and criteria for evaluation of offers from suppliers or service providers are identified to meet public sector probity requirements, and are recorded in a tender evaluation plan
- 1.5 A procurement plan is developed to manage procurement process and **contractual arrangements** in accordance with legislation, policy and procedures

PSPPROC406A/02 Undertake procurement

- 2.1 **Method of requesting and receiving offers** is chosen to suit the procurement activity and comply with organisation policy and procedures
- 2.2 Specialist expertise is used to assist in evaluation of offers as required
- 2.3 Evaluation and selection of the offer are made in accordance with tender evaluation plan, organisational policy and procedures
- 2.4 Notification of successful and unsuccessful suppliers/providers is undertaken in accordance with procurement plan, organisational policy and procedures
- 2.5 No commitment or payment is made and contractors do not commence until contractual arrangements are formalised
- 2.6 Contractual arrangements are negotiated suitable to the procurement activity, are legally binding to all parties and are formalised and **reported** in accordance with policy and procedures

PSPPROC406A/03 Manage Contractors

- 3.1 Communication strategies are established to build and maintain relationship with contractor/s
- 3.2 Performance is monitored against contract performance indicators for quality assurance of the goods or services and to ensure compliance with contract specifications.
- 3.3 Contract performance indicators are regularly reviewed to ensure relevance
- 3.4 Approvals are obtained for any contract variations in accordance with organisational and contractual requirements
- 3.5 Disputes/complaints are investigated, documented and resolved or referred in accordance with contractual provisions
- 3.6 Contractual obligations to contractors are met
- 3.7 Records are maintained in accordance with organisational and legal requirements to provide an audit trail and for other **organisational purposes**.

PSPPROC406A/04 Complete Contractual Arrangements

- 4.1 Goods and services received are confirmed as meeting contractual specification and required outcome, and accounts are processed for payment in accordance with organisational procedures
- 4.2 Contracts are finalised, cancelled or terminated in accordance with contractual arrangements
- 4.3 Contract performance, outcomes and management processes are evaluated, and lessons learnt are recorded and used to inform ongoing contract management practices.

QUALIFICATION: Certificate IV in Purchasing AQF Level 4

WORKSHOP TITLE: CP05 Managing the Contract

UNITS OF COMPETENCIES:

PSPPROC410A Administer Contracts

ELEMENTS OF COMPETENCY AND PERFORMANCE CRITERIA:

PSPPROC410A Administer Contracts

PSPPROC410A/01 Prepare to Administer a Contract

- 1.1 **Contract** requirements, approvals and funding arrangements are confirmed and clarified where necessary, and obligations and limits of authority as contract administrator are identified in line with contractual and organisational requirements
- 1.2 Operational elements of the contract are confirmed and contact is made with **specialists** to clarify and assist with contract administration issues
- 1.3 **Key contract clauses** are identified and their content is clarified as necessary to ensure contract requirements are understood
- 1.4 The process, timings, and key performance indicators are identified from the contract and confirmed with stakeholders
- 1.5 **Risks** are confirmed and a risk management plan is developed in line with contract requirements and organisational policy and procedures
- 1.6 A **contract administration strategy** is developed or **obtained** and key details are entered from the contract

PSPPROC410A/02 Establish and Maintain Contract Administration Arrangements

- 2.1 Start-up or transition arrangements are confirmed and implemented in accordance with contract requirements and organisational procedures
- 2.2 **Communication**/information strategies are established to meet contractor and organisational needs
- 2.3 Risks management plan is monitored for effectiveness and adapted as necessary during the life of the contract
- 2.4 Relationship with contractor is established and managed in accordance with organisational policy and procedures
- 2.5 Specialist expertise is obtained as necessary for progress meetings and for advice on/resolution of contract issues
- 2.6 Contract information/documentation is maintained for organisational purposes in accordance with organisational policy and procedures

PSPPROC410A/03 Monitor and Maintain the Performance of a Contract

- 3.1 Obligations to the contractor are met in accordance with contractual arrangements and the organisation's financial management requirements
- 3.2 Performance of the contract is monitored against performance indicators to ensure all obligations under the agreement are being met
- 3.3 Contract **variations** are managed in accordance with the contract and organisational policy and procedures
- 3.4 **Disputes**/complaints are investigated and **resolved** or referred in accordance with contractual requirements
- 3.5 **Negotiation** of issues relating to the contract is managed and approvals are obtained in accordance with stipulations in the contract proper
- 3.6 Communication/reporting on the performance of the contract is maintained with all stakeholders in accordance with organisational protocols and public sector standards

PSPPROC410A/04 Complete and Review Contract

- 4.1 Contracts are finalised, amended, cancelled or terminated in accordance with contractual arrangements
- 4.2 Strategies to manage close-out, renewal of the contract or transition to a new contract meet organisational guidelines and public sector standards
- 4.3 **Review** is undertaken of contract administration, contractor performance relevant to measures at each stage of the contract, user satisfaction and audit results, when necessary
- 4.4 Where measure or outcomes are not met in full, variances are documented and explained
- 4.5 Information from the review (and audit) is used to report on contractor performance, to review contract administration practice and make recommendations for improvement

PRODUCTS THAT COULD BE USED AS EVIDENCE INCLUDE:

- Commonwealth/State/Territory Government legislation, policies, practices and guidelines relating to contract administration, including environmental purchasing guidance
- contract performance management
- privacy and confidentiality issues
- probity principles and issues
- whole-of-life considerations
- equal employment opportunity, equity and diversity principles
- financial and accounting issues relevant to the contract
- public sector legislation including occupational health and safety and environment

PROCESSES THAT COULD BE USED AS EVIDENCE INCLUDE:

- using communication and negotiation with contractors and other stakeholders involving oral and written exchanges
- networking with diverse clients, contractors and end users
- responding to diversity, including gender and disability
- reading and applying complex documents such as contracts, legislation and guidelines
- applying occupational health and safety and environmental requirements in the context of contract administration

QUALIFICATION: *Certificate IV in Purchasing AQF Level 4*

WORKSHOP TITLE: *CP07 Principles of Purchasing*

UNITS OF COMPETENCIES:

PSPPROC407A Establish Procurement Need

ELEMENTS OF COMPETENCY AND PERFORMANCE CRITERIA:

PSPPROC407A Establish procurement need

PSPPROC407A/01 Define and justify procurement need

- 1.1 Consultation is undertaken with **stakeholders** and experts to determine whether viable alternatives to procurement exist to address identified procurement need
- 1.2 A representative sampling of clients, experts and **suppliers** is consulted to define and clarify requirements
- 1.3 Procurement need is justified through consultation and negotiation with stakeholders and **experts**
- 1.4 Other issues and opportunities are investigated for integration into procurement activity

PSPPROC407A/02 Research potential procurement impact and risks

- 2.1 Options are developed and the impacts, risks and costs of each are determined
- 2.2 Recommendation is made and justified
- 2.3 Identification and assessment of risks are undertaken using risk analysis tools that meet policy guidelines
- 2.4 Stakeholder input is obtained and taken into account in the development of the procurement requirement
- 2.5 Procurement requirement is developed which contains risk analysis, outcome measures, responsibilities and timelines
- 2.6 Procurement requirement is outlined from transition to close-out, and meets legislative, policy and probity requirements**

PSPPROC407A/03 Secure organisational support for procurement

- 3.1 Constraints or limitations of authority and approval requirements are identified
- 3.2 Resource allocations **appropriation** are confirmed for whole-of-life
- 3.3 Approvals are obtained in accordance with procedures, guidelines and delegations
- 3.4 Procurement requirement is conveyed to procurement specialists for development of procurement planning and implementation
- 3.5 Value for money criteria are defined for assessment and measurement of performance

PRODUCTS THAT COULD BE USED AS EVIDENCE INCLUDE:

- Commonwealth/State/Territory Government legislation, policies, practices and guidelines relating to contract management, including environmental purchasing guidelines
- procurement policies, practices and approval processes
- probity principles and issues
- ethical issues relating to procurement
- life cycle costs
- whole-of-life considerations
- technical knowledge
- aspects of law of contract, laws of tort, trade practices law, commercial law and other legislation relating to receipt and evaluation of offers, negotiation and award of contracts
- equal employment opportunity, equity and diversity principles
- public sector legislation including occupational health and safety and environment

PROCESSES THAT COULD BE USED AS EVIDENCE INCLUDE:

- undertaking research, planning and analysis of issues relating to procurement need
- making comparisons, justifying a point of view and providing supporting evidence
- consulting with stakeholders involving oral and written exchanges of sometimes complex information
- responding to diversity, including gender and disability
- writing a procurement requirement that may require complexity of language and style, yet still be expressed in unambiguous terms
- applying occupational health and safety and environmental requirements in the context of establishing procurement needs

EVIDENCE CHECKLIST

I have the evidence required for assessment for the following units:

- | | | |
|-------------|---|--------------------------|
| BSBITU305A | Conduct Online Transactions | <input type="checkbox"/> |
| BSBPMG408A | Apply Contract and Procurement Techniques | <input type="checkbox"/> |
| BSBPUR401B | Plan Purchasing | <input type="checkbox"/> |
| BSBPUR402B | Negotiate Contracts | <input type="checkbox"/> |
| BSBWOR402A | Promote Team Effectiveness | <input type="checkbox"/> |
| BSBWRT401A | Write Complex Documents | <input type="checkbox"/> |
| LGACOM409A | Prepare Tender Documentation | <input type="checkbox"/> |
| PSPPROC406A | Procure Goods and Services | <input type="checkbox"/> |
| PSPPROC407A | Establish Procurement Need | <input type="checkbox"/> |
| PSPPROC410A | Administer Contracts | <input type="checkbox"/> |