University Policy

Commercial Activities (TAFE) Procedure

Policy Code: CG1019

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Purpose

This procedure describes the TAFE process for entering into a contract to deliver commercial services.

Scope

This procedure applies to all TAFE domestic commercial activities. It defines and explains the processes relating to:

Identification of an Opportunity

Development of Tender/Proposal

Contract Finalisation

Budget Preparation

Implementation of Contract or Project

Amendment/Variation to a Contract

Project Review and Evaluation

Definitions

Commercial Activities:	includes any project funded by non-Profile income.
Competitive Advantage and Infrastructure Factor:	means the percentage mark up, representing the infrastructure costs and the uplift factor necessary to comply with the Victorian Government's competitive neutrality principles. This percentage may vary depending on the nature of the activity and the resources of the University applied to the activity.
Direct Costs:	are those costs directly involved with the commercial activity.
Indirect Costs:	are those costs associated with the functioning of the University and which cannot be specifically or easily identified within an individual activity. These costs include, but are not confined to: • Accounting and Administration. • Facilities Maintenance. • Student Records/Services. • Utilities (telephone, gas, water, electricity). • Computing. • Library and Information Services. • Technical Support.
Pricing:	means calculating the price for a program to be quoted to a client that covers total costs (the sum of all direct and indirect costs). It will include a profit mark up.

Actions

Identification of an Opportunity

	STEPS	WHO IS RESPONSIBLE?	COMMENTS
1.	Refer all opportunities for commercial activities identified through Commercial Services (CS) or any other source to the relevant Head of School/Head of Program.	School & CS	
2.	Heads of School/Heads of Department consult with CS about these or any other opportunities they would like CS to investigate.	School	
3.	The relevant Head of School/Head of Department or CS consultants ensure the client's requirements are adequately defined and documented.	School & CS	

4.	The relevant Head of School/Head of Department (with CS staff as appropriate), review the client's requirements and determine whether to proceed with the development of a tender proposal.	School	

Development of Tender/Proposal

	STEPS	WHO IS RESPONSIBLE?	COMMENTS
1.	Develop the tender/proposal	School & CS	The Tender/Proposal Checklist and the Roles and | Responsibilities Checklists may be useful guides to development, but is not mandatory. Where the proposal involves issuing an AQF qualification and/or Statements of Attainment, the Roles and Responsibilities Checklist must be completed to ensure AQTF compliance. This checklist can double as the Department Delivery and Assessment Management Plan (DDAMP) for commercial projects.
2.	Develop a draft budget for the service including the determination of GST if applicable.	School	When developing the draft budget ensure that: • The client's requirements are referred to and are adequately costed. • The general costing/budget or Traineeship costing/budget proforma is used, as appropriate, and • Officers nominated on the costing/budget proforma, review or approve the financial detail relating to the commercial activity.
3.	Forward tender/proposals to the University Legal Office for review, if submission of the tender/ proposal will **automatically result** in the acceptance of a contract provided by the client.	CS	

4.	Forward tender/proposals to the delegated University officer for approval.	School	Refer to the Delegations - Contract, Financial, Staffing and Tender Policy.
5.	Forward tender/proposal to the client for consideration.	CS	
6.	Advise the authorising officer of any subsequent variations to the tender/proposal.	CS	

Contract Finalisation

	STEPS	WHO IS RESPONSIBLE?	COMMENTS
1.	Instruct the legal office to prepare a contract to deliver the service upon formal receipt of the client's acceptance of the tender/proposal. If the service is standard training or consultancy work, prepare contract using the standard contract templates.	CS	Refer: Approved Training Agreement Template and Consultancy Agreement Template (available from Legal Services or Commercial Services).
2.	Complete Request for Legal Services and Finance Checklist for Agreements and forward completed forms with the proposed contract to the University's legal office for review.	CS	
3.	All proposed contracts exceeding $250,000 must be presented to the Risk and Earned Income Committee before the contract is signed.	CS	Contact the Manager, Business Development – Finance who will coordinate the timing and format of the presentation to be made.
4.	Contract is signed by the client and the delegated University officer.	CS	Refer to the Delegations - Contract, Financial, Staffing and Tender Policy.
5.	Forward all signed contracts to the Legal Office for entry onto the Contract Register and secure filing.	CS	
6.	Retain a copy of the contract, in the relevant School and Commercial Services for reference throughout the life of the project.	CS	

Budget Preparation

	STEPS	WHO IS RESPONSIBLE?	COMMENTS
1.	Make final revisions to the original costing/budget proforma. Adjustments should only occur to the Cash Flow Spreadsheet, changes to the total values should not occur at this stage.	School	**Note:** Where the commercial activity extends over two or more calendar years a budget must be developed for each calendar year. This budget will include an expected rollover of income or expenditure at the end of each calendar year.
2.	Obtain a project code from the Finance system.	School	
3.	Submit to the Manager, Business Development – Finance, • the costing/budget proforma (signed and electronic copies) and Finance One import worksheet for projects with a value of less than $5,000; or • the costing/budget proforma (signed and electronic copies) and Cash Flow spreadsheet for projects with a value greater than $5,000.	School	
4.	Manager, Business Development – Finance to activate Finance code.	Finance	

Implementation of Contract or Project

	STEPS	WHO IS RESPONSIBLE?	COMMENTS
1.	Finalise the Department Delivery and Assessment Management Plan (DDAMP) for delivery-based projects using either the Roles and Responsibilities Checklist or the Department Delivery and Assessment Management Plan (DDAMP).	School	
2.	Complete Project Management Checklist and refer any issues arising to relevant Head of School/ Head of Program.	School	
3.	Confirm that: • an account code has been activated in Finance One and for delivery based projects; • participant numbers are viable;	School	

	• appropriate arrangements are in place for student enrolments, recording results and issuing of awards.		
4.	Ensure expenditure during project implementation is authorised in accordance with University Financial Delegations Policy.	School	

Amendment/Variation to a Contract

	STEPS	WHO IS RESPONSIBLE?	COMMENTS
1.	Report any proposed amendment/ variation to a contract initiated by the client or the University to the relevant Head of School/Head of Program.	CS	
2.	Negotiate the amendment/variation with the client. Refer significant changes to projects over $250,000 to the Risk and Earned Income Committee.	CS	
3.	Document and forward any significant amendments/variations to the contract to the relevant University officer and the client for authorisation.	CS	
4.	Record and communicate to relevant parties all amendments/ variations.	CS	
5.	Submit a revised costing/budget proforma to Finance if there are significant financial changes.	School	

Project Evaluation

	STEPS	WHO IS RESPONSIBLE?	COMMENTS
1.	The school delivering the project will conduct an evaluation of participants regarding content, delivery, materials and facilities, as appropriate.	School	
2.	The school should also contact the customer to ascertain their	School	

	satisfaction with the project arrangements and outcomes.		

Project Review

	STEPS	WHO IS RESPONSIBLE?	COMMENTS
1.	Commercial Services and the school will conduct a joint review of the project within 30 days of the projects completion.	School & CS	
2.	Review inputs shall include, participant, customer, and University delivery, organisational and support staff feedback.	School & CS	
3.	Records of reviews and resultant actions will be maintained by Commercial Services and the school.	School & CS	

Responsibilities

The Director, Commercial Services has the overall responsibility for this procedure.

The Head of School/Head of Program will allocate specific responsibility for each project as stated under Actions.

Policy Base

Not applicable

Associated Documents

- Contract Condition (TAFE) Guidelines.
- Standard Enrolment Form for the current year.
- Training Agreement.
- Consultancy Agreement.
- Costing & Pricing Proforma.
- Budget Proforma.
- Cash Flow Spreadsheet.
- Finance One Import Spreadsheet.
- Procedure for Award Ceremonies (in draft form from Student Services).
- Department Delivery and Assessment Management Plan (DDAMP).

Forms.

- Project Management Checklist (DOC 233.5kb)
- Roles and Responsibilities Checklist (can be used as commercial CIP) (DOC 152.0kb)
- Tender/Proposal Checklist (DOC 185.0kb)

Forms/Record Keeping

Title	Location	Responsible Officer	Minimum Retention Period
Costing/Budget Proforma	Finance Office	Manager, Business Development - Finance	7 years
Training Agreement	Legal Office	University Solicitor	7 years after contract has expired
Consultancy Agreement	Legal Office	University Solicitor	7 years after contrat has expired
Standard Enrolment Form	Student Centre	Team Leaders – Student Services SMB/Horsham	7 years after enrolment has expired
Roles and Responsibilities Checklist (Commercial CIP)	School	Heads of Program	2 years after completion of course

Implementation

The Commercial Activities (TAFE) Procedure will be implemented throughout the University via:

1. an Announcement Notice under ‘FedNews’ on the ‘FedUni’ website and through the University Policy - ‘Recently Approved Documents’ webpage to alert the University-wide community of the approved Procedure;
2. inclusion on the University's online Policy Library;
3. information forwarded to all Heads of Schools via e-mail regarding changes to procedure; and
4. a pilot program trialling the Student Evaluation Form and Commercial Program Review Report.