



Kindergartens
Capital
Assistance
**Conditions of
Compliance**

2024

These conditions apply to projects funded in
the 2024 Kindergartens Capital Assistance
Round.

Endorsed by Commission: 13 August 2024

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1 Introduction

- 1 Delegated Catholic Agencies are advised that giving false or misleading information related to a Capital Grant application or agreement is a serious offence under the Criminal Code Act 1995.
- 2 Consultants and contractors engaged by Delegated Catholic Agencies are advised that giving false or misleading information related to a Capital Grant application or agreement is a serious offence under the Criminal Code Act 1995.
- 3 Delegated Catholic Agencies accepting Government capital funding assistance must comply with these conditions.
- 4 Delegated Catholic Agencies that are found to have breached these conditions of compliance will be responsible for the costs incurred by the Commission in investigating the compliance breach.
- 5 Delegated Catholic Agencies must ensure that the approved project is completed:
 - a) To a satisfactory standard;
 - b) Within a reasonable time;
 - c) As described in the approval/offer of grant letter; and
 - d) In accordance with all relevant Local Government requirements.
- 6 By accepting the offer of a grant, Delegated Catholic Agencies are bound to comply with any additional conditions specifically imposed by the Central Governing Body in relation to the approved grant.
- 7 The use to which Queensland Government capital grants can be allocated is stipulated in the relevant legislation and relevant QCEC Guidelines. Capital grants received from the Government must be expended on projects that are for sessional kindergarten purposes only. Income from Government capital grants must not be expended on facilities that are for other than sessional kindergarten purposes, regardless of whether or not the facility is located on the sessional kindergarten site. For example, Government capital grants must not be expended on facilities that are for the use of the parish.
- 8 It is critical that a non-government sessional kindergarten does not enter into a prohibited agreement in relation to the operation of the sessional kindergarten. There must be no direct or indirect connection between the recipient of Government funding and a for-profit entity. Further, when the sessional kindergarten is established, there must be no direct or indirect connection between the recipient of Government funding and any for-profit entity that could reasonably be expected to compromise the independence of the recipient of a grant when making financial decisions.

2 Agreement and Affiliation

- 9 Prior to any offer of capital assistance being considered, Delegated Catholic Agencies must have entered into an affiliation agreement with the Queensland Catholic Education Commission (QCEC) as the Central Governing Body.
- 10 Delegated Catholic Agencies must agree to identify any perceived or actual conflict of interest

to the QCEC at the stage when it first occurs. The Delegated Catholic Agency, with the possible assistance of the QCEC Secretariat, must then ensure that the conflict is resolved with written advice provided to the QCEC on the nature of the conflict and how it has been resolved.

- 11 Delegated Catholic Agencies are to specifically identify to the QCEC Secretariat any contract provision to make an incentive payment to any person involved in the development and construction of the project which is designed to reward completion of the project at a cost under budget or ahead of time.

3 Offer of Capital Funding Assistance

- 12 Delegated Catholic Agencies are not to make any public announcements regarding project funding assistance until they are in receipt of the above-mentioned advice.
- 13 In extenuating circumstances, tenders may be sought, but a contract cannot be entered into by Delegated Catholic Agencies until a written OFFER of capital funding assistance is received from the QCEC and that offer is accepted by the Delegated Catholic Agency.

4 Tendering and Quotation Process

- 14 Full details of tender/quotation procedures are contained in Attachment 1 – Tender Procedures for Major Projects (over \$100,000) and Attachment 2 – Quotation Procedure for Minor Capital Projects (below \$100,000) of this document. Grant recipients are to ensure that their Architects/Project Supervisors are fully aware of and follow these procedures.
- 15 Delegated Catholic Agencies are to enter into a legally binding commitment with successful contractors (e.g. sign a contract with a builder) to proceed with the project.
- 16 Delegated Catholic Agencies are to send a copy of site and floor plans from the proposed tender documents prior to the project going out to tender, for the QCEC Secretariat to review. The Secretariat will review and seek to provide a response to Delegated Catholic Agencies within 5 business days.
- 17 Where applicable, Delegated Catholic Agencies must implement projects in accordance with the requirements contained in the [National Construction Code 2022](#) and the [Australian Government Building and Construction WHS Accreditation Scheme](#).

5 Payment of Grants

- 18 All capital grants received by Delegated Catholic Agencies are to be deposited into an account with an Australian-recognised financial institution, e.g. Archdiocesan/Diocesan Development Fund, a bank, building society or credit union. The Delegated Catholic Agency must identify the receipt and expenditure of those monies separately from other funds.
- 19 Grant payments will be made to Delegated Catholic Agencies as follows:
- i. **First Payment**
 - (a) Payment of 25% of the grant amount when the CGB approves the project.

- (b) A signed agreement from the DCA to the conditions of the grant offer will be required before payment is released.
- ii. **Second Payment**
 - (a) Payment of 25% of the grant amount at 50% project completion (in terms of value).
 - (b) Where necessitated by the proposed works, a complete set of tender issue site plans and floor plans are to be provided (electronically) to the Secretariat for review before the approved project is put out to tender.
 - (c) Where necessitated by the proposed works, the results of tender/quotation bids must be approved by the QCEC Secretariat before releasing payment.
 - (d) A completed Capital Assistance Claim Form including the percentage complete (milestone) progress of works. This form is to be prepared by the Architect/Project Supervisor and approved by the Delegated Catholic Agency. It must be based on a builder's claim for work completed and other costs incurred and reports on the expenditure status of the total project cost.
- iii. **Third Payment**
 - (a) Payment of 50% of the grant amount at project practical completion
 - (b) A completed Capital Assistance Claim Form including the percentage complete (milestone) progress of works. This form is to be prepared by the Architect/Project Supervisor and approved by the Delegated Catholic Agency. It should be based on a builder's claim for work completed and other costs incurred and reports on the expenditure status of the total project cost.
 - (c) A completed Practical Completion Statement prepared by the architect/Project Supervisor and approved by the Delegated Catholic Agency. This statement verifies that all work has been completed in accordance with the approved project description and approved tendered documents (including approved project variations).

20 Capital grants received by Delegated Catholic Agencies must only be spent on the project as approved by the CGB. Furthermore, such grants must be spent as soon as possible and not later than six (6) months after the date of receipt by the Delegated Catholic Agency.

21 All capital payments to a Delegated Catholic Agency for all existing projects may be suspended if the Project Completion Statement and the Accountant's Statement have not been provided to the QCEC Secretariat within fifteen (15) months of the last grant payment.

6 Compliance Requirements

For QCEC to comply with its legal obligations as a Central Governing Body (CGB), it is required to ensure that sessional kindergartens comply with grant conditions. Accordingly, recipients of Government grants are required to:

- 22 Spend the grant only on the approved project as described in the grant offer.
- 23 Obtain prior approval from the QCEC for any amendments to the approved project description.
- 24 Where required, provide evidence of a Development Approval for the project from the Local Government Authority.
- 25 Enter into a legally binding contractual arrangement (for example, sign a contract with a

- builder) to proceed with the project before the end of the year (2024) in which the first instalment of the grant is payable unless, in exceptional circumstances, the State Government gives prior approval for a later commitment date.
- 26 Contribute at least the amount specified as the sessional kindergarten contribution in the grant offer.
 - 27 Spend grant payments, including any interest earned on grant payments on the approved project as soon as possible during the program year in which the funds are provided.
 - 28 Ensure that the project is completed to a satisfactory standard, and within a reasonable time in accordance with the approved project description and with all relevant local Government requirements.
 - 29 Provide to the QCEC Secretariat within a specified period after the completion of the project, accountability information including documentation on practical completion (e.g. Certificate) prepared by architects and accountants which certifies:
 - (a) the total expenditure and grant received for the project;
 - (b) that the project is completed in accordance with the approved project description; and
 - (c) that the grant monies were spent only on the approved project.
 - 30 Allow the QCEC to inspect the project at all stages of the works as required.
 - 31 Meet Government recognition requirements for capital funding.
 - 32 Use the funded facilities for the purpose of providing sessional kindergarten services for locations, levels of education and students that have been recognised by the State Government.
 - 33 Ensure grant funds are not used to meet expenditure relating to facilities which have religious worship or usage as the sole or principal function.
 - 34 Notify and, upon request, repay to QCEC all or part of the grant monies if the sessional kindergarten ceases to use the funded facilities principally for the purpose specified (and approved) in the grant offer, or ceases to provide sessional kindergarten services or sells or otherwise disposes of the facilities on or before 31 December 2025.
 - 35 Acknowledge and agree that if repayment is requested following a change in use, closure, sale or disposal of part or all of the facilities on or before 31 December 2025 or a failure to comply with other relevant conditions of compliance referred to above, then the QCEC may recover that specified amount from the Delegated Catholic Agency as a debt due. The Delegated Catholic Agency must also acknowledge that the QCEC may assign its right to recover the specified amount to the Queensland Government.
 - 36 Comply with any other conditions under which the grant is made, including (but not limited to) additional grant conditions required by the QCEC as contained in any correspondence providing the offer of grant, relevant QCEC guidelines or in any Member Agreements.
 - 37 Make an application to the QCEC for payment within six (6) months of the date of approval, or the original grant for the project will be revoked, unless an extension is approved by the CGB.

38 Insure the approved project (all normal risks) for not less than its full value.

7 Variations to Projects

Fixed Grants

39 Grants are calculated at the time of application without provision for subsequent upwards revisions. No additional funding is available for project or cost variation or special circumstances.

40 If the approved project tender is lower than the project cost, the level of Government funding is reduced.

41 If the project is completed at a total cost lower than the approved project tender, Government funding is reduced.

Variations that do not involve an increase to grant funding

42 A sessional kindergarten cannot vary the scope/description of the approved project without PRIOR written approval from the QCEC. Full details of the variation process can be found at Attachment 3.

43 A change of circumstances after the approval of a project may require a variation to the project. Aspects of the project that may be varied include, but are not limited to:

- (a) total project cost increase or decrease;
- (b) sessional kindergarten contribution increase or decrease;
- (c) grant costs may decrease;
- (d) the start or end date being moved by more than one year;
- (e) changes to the scope or project category, facility category or other descriptor of the project;
- (f) changing the design solution for specifically funded components of works;
- (g) a request to vary the date for commitment if the sessional kindergarten cannot enter into a commitment (sign a contract with a builder) for the project within six (6) months of project approval;
- (h) moving an amount of funding to an earlier or later program year; and
- (i) cancelling (withdrawing) a project.
- (j) clarification on variations may be obtained by contacting the capital unit of the QCEC at email address capital@qcec.catholic.edu.au

44 If the project is completed at a total cost lower than the approved project tender, Government funding is reduced.

45 All variation requests must be submitted to the QCEC for approval prior to the variation taking place.

46 The QCEC has delegated variation approvals as follows (for variations involving a reduction in grant funds or an increase in a local contribution):

- The Chief Financial Officer to approve grant variations up to \$250,000
- The Chief Financial Officer and the Executive Director QCEC to jointly approve grant variations from \$250,001 up to \$500,000

- Project variations requesting additional grant funds greater than \$500,000 must be referred to the Commission for approval.
- Project variations because of increases in Delegated Catholic Agency Contributions are noted by the Chief Financial Officer and the Executive Director QCEC and tabled with the Commission quarterly.

Variations to Grants

- 47 If tender/quotation results are BELOW the approved project cost, the initial approved contribution level remains the same and the grant is reduced accordingly.
- 48 If accountability documentation reveals that the final project cost is BELOW the tender/quotation result, then the grant will be reduced.
- 49 There is an expectation that any project cost over-run (because of unfavourable tender/quotation results or because of unforeseen variations) will be borne by that particular Kindergarten or the Delegated Catholic Agency.

8 Recognition of Government Funding

State Government Funding

- 50 Delegated Catholic Agencies which receive funding through the State Government are required to provide public recognition as follows:
- (a) Projects assisted with State Government funds; recognition of the source of the funding is to be provided in any publicity associated with the project including any plaque recording the event.
 - (b) Unless otherwise agreed by the State Government:
There must be acknowledgement of State Government funding on building plaques where the State has contributed \$100,000 or more to a project; and there must be an official opening ceremony of funded facilities where the State Government has contributed \$500,000 or more to a project.
 - (c) All Delegated Catholic Agencies are required to advise the QCEC Secretariat of opening ceremony dates as soon as they are confirmed.

Accountability Requirements

- 51 To ensure that capital funding assistance is paid to Delegated Catholic Agencies in a timely and equitable manner, certain formal accountability requirements have to be complied with. The accountability requirements which have to be submitted to the QCEC Secretariat are:
- (a) Progressive Expenditure Statement
 - (b) Project Completion Statement
 - (c) Project Accountant's Statement
 - (d) Official Opening Advice.

Capital Assistance Claim Form

- 52 This form is to be prepared by the Architect/Project Supervisor and approved by the Delegated Catholic Agency. It should be based on a builder's claim for work completed and other costs incurred and reports on the expenditure status of the total project cost. The progress

completed bar chart (milestone) is required to be updated to indicate the percentage of project completed. Electronic versions of the Capital Assistance Claim form are available on the QCEC Capital Programs website.

- 53 The Delegated Catholic Agency must attach to the Claim form adequate documentation to support and substantiate the claim for payment.

Practical Completion Statement

- 54 This statement is to be prepared by the Architect/ Project Supervisor and approved by the Delegated Catholic Agency. This statement verifies that all work has been completed in accordance with the approved project description and approved tendered documents (including approved project variations).

- 55 The statement is to be submitted within 30 days after the project has reached practical completion. The statement must contain the detailed approved project description as reflected in the grant offer and agreement and is to include the drawing numbers as provided to the QCEC for review prior to tender and include all approved project variations.

Project Accountant's Statement

- 56 This statement verifies that all expenditure is in accordance with the approved project funding arrangements. This statement will be generated after the QCEC Secretariat has received the Project Completion Statement.

- 57 The auditor/accountant signing this declaration needs to be independent from the sessional kindergarten

- 58 The statement is to be submitted within 15 months following the project reaching practical completion.

Official Opening Advice

- 59 When Delegated Catholic Agencies have determined their official opening date, this advice must be forwarded to the QCEC Secretariat.

9 Retained Equity Interest in Projects

- 60 If grant monies are not expended on the purpose specified (and approved) in the grant offer, the QCEC can seek repayment of the relevant portion of this grant funding.

10 Right of Access

- 61 For Government funded projects, post occupancy reviews will be performed to ensure the project has been completed in accordance with these guidelines and conditions. Accordingly, Delegated Catholic Agencies must permit the QCEC or Government representatives to have access to:

- Records of assessment, tender/quotation results and payment/ accountability statements and building plans and associated works documents.
- The project site during and after construction and post occupancy of the approved project.

11 Summary

- 62 Unless otherwise specified, Delegated Catholic Agencies must use the facilities funded principally for the purpose stated in the grant offer and this should be directed at providing sessional kindergarten services for students that have received approval for government funding.
- 63 Failure by Delegated Catholic Agencies to comply with the conditions set out in this document or with other appropriate guidelines may result in:
- (a) Withdrawal of the grant offer; or
 - (b) Delay in grant payments; or
 - (c) Repayment of grant monies already paid.
- 64 Delegated Catholic Agencies must make Architects/Project Supervisors and Project Accountants aware of the Conditions of Compliance, approved project description, costs, conditions and guidelines pertaining to Government offers of capital assistance funding (particularly tender/ quotation procedures and accountability requirements).
- 65 Delegated Catholic Agencies must keep records of events, changes to situations or other details which may affect the performance of its obligations, regarding a capital grant offer.

THE SUBMISSION OF CAPITAL RETURN OF FUNDS, REPORTS AND ACCOUNTABILITY STATEMENTS ARE TO BE FORWARDED TO THE QCEC SECRETARIAT AS FOLLOWS:

EMAIL: capital@gcec.catholic.edu.au

ADDRESS: CAPITAL PROGRAMS
QUEENSLAND CATHOLIC EDUCATION COMMISSION
GPO BOX 2441
BRISBANE QLD 4001
PHONE: (07) 3316 5818

Attachment 1 - Tender Procedures for Major Projects (over \$100,000)

Introduction

- 66 This document specifically deals with projects whose total building works and associated costs exceed \$100,000. The Queensland Catholic Education Commission (QCEC) has separate guidelines covering quotation procedures for projects below \$100,000.
- 67 Delegated Catholic Agencies accepting Government capital funding assistance are bound to strictly comply with tendering procedures that:
- Encapsulate the principle of 'public invitation' and that are based on sound building industry practise (e.g. Australian Standard AS4120); and
 - Comply with and include in contracts with contractors for the performance of any construction or building activity, the requirements contained in the [National Construction Code 2022](https://ncc.abcb.gov.au/editions/ncc-2022) via the website (<https://ncc.abcb.gov.au/editions/ncc-2022>).
- 68 **If Delegated Catholic Agencies are in doubt on any aspect of the tendering procedures, they should contact the QCEC Secretariat beforehand.**

Call for Tenders

- 69 Tenders/Quotations SHOULD NOT be sought by Delegated Catholic Agencies until a written OFFER of capital funding assistance is received from the QCEC and that offer is accepted by the Delegated Catholic Agency in writing.
- 70 A full set of tender issue site plans and floor plans are to be provided (electronically) to the Secretariat for review before the approved project is put out to tender. In certain instances, the QCEC Secretariat may request additional documentation.
- 71 Delegated Catholic Agencies must have either commenced construction or entered into a legally binding commitment to commence construction (after tenders/quotes have been received) by 30 April 2025. A legal commitment is a signed contract or a letter of intent to sign a contract. Any request to vary the deadline must be submitted to the QCEC (for approval) at least three months in advance.
- 72 Delegated Catholic Agencies cannot vary the scope/description of the approved project without PRIOR written approval of the QCEC.

Tendering Methods

- 73 It is acknowledged project delivery may be provided through various tender processes such as the following.

Open Tender

- 74 The 'open' method is regarded as the traditional system of tendering and it is most commonly used and is considered to be the most appropriate method by Government. All interested parties are invited through open public advertisements to tender on a common basis.

Registration

- 75 Registration. The practice of publicly asking contractors to register their intention to bid for a project is an acceptable form of public tender provided that:
- At least five (5) conforming tenders are finally received unless exceptional circumstances exist; and
 - The registration period is not less than seven (7) days.
- 76 The objective of registration is to prequalify tenders in respect of their capacity and ability to undertake works and so avoid the time taken for investigation after tenders have closed (i.e. it can lead to a shorter tendering period).
- 77 Those firms regarded as unsuitable for being invited to submit a bid must be informed accordingly. It is not common practice for reasons to be given as to why a particular firm was not included on a tender list.

Other Methods

- 78 If a Delegated Catholic Agency does not wish to use an open tender or registration method, approval must be obtained from the QCEC Secretariat before undertaking any ALTERNATIVE ACTION such as the use of project/construction management or similar system. If approval is given by the QCEC Secretariat, it will be on the basis that there are exceptional circumstances and that there will be a public invitation to project or construction managers to register interest.

Seeking Tenders

- 79 Public tender means the invitation of tenders by way of advertisements in the capital city daily press or major regional newspapers.
- 80 **Tender Period.** The tender period should normally be not less than twenty-one (21) days. The approval of the QCEC Secretariat will be required in advance of placing the tender notice, if a shorter tender period is proposed. Tender documents should indicate that tenders are to remain active for a minimum period of thirty (30) working days from the date of closure of tenders.
- 81 **Tender Numbers.** If less than five (5) tenders are received it may be necessary to seek additional tenders or obtain the prior approval of the QCEC Secretariat to proceed with less than five (5) tenders. Each case will be considered on its merits.
- 82 **Contingency Sum.** A contingency sum to the value of two and one half (2.5) per cent of the contract price or the estimated tender price is permitted to be included in tender documents. The approval of the QCEC Secretariat is required before inclusion (in contract documents) of a contingency sum exceeding two and one half (2.5) per cent is proposed.
- 83 **Project Splitting.** The splitting of a project into two (2) or more separate contracts is not permitted without the prior approval of the QCEC Secretariat.

- 84 **Sub-Contracts.** Where sub-contracts estimated to cost \$100,000 or more are included in the head contract, public tenders for the individual subcontracts must be called. In the case where a sub-contract is estimated to cost between \$15,000 and \$100,000 (inclusive) at least three (3) comparable written quotations must be obtained.
- 85 **Provisional Sums/Prime Costs.** Any provisional sum item/or prime cost item estimated to cost \$100,000 or more is to be let on the basis of public tender. In the case where a provisional sum item or prime cost item is estimated to cost between \$15,000 and \$100,000 (inclusive) at least three (3) comparable written quotations must be obtained.
- 86 **Site Allowances.** Where site allowances for any project are agreed or awarded by arbitration and this is not provided for in the contract price then the meeting of the additional cost is a matter for the approved Delegated Catholic Agency and the builder. In accordance with Government policy (endorsed by the QCEC) builders are expected to make commercial judgements about the need to provide for site allowances in their tender price. The QCEC will not normally consider additional grants to meet site allowances. In the preparation of tender documentation therefore this matter should be considered carefully.
- 87 **Other Works.** Separate tenders must be obtained, where a Delegated Catholic Agency concurrently requests contractors to tender for work outside the approved project. The SEPARATE WORK is the responsibility for the Delegated Catholic Agency to administer and it cannot be considered by the QCEC as part of the tender for the approved project.

Capital Tender Process - Variation

- 88 The normal tender process may be varied in situations:
- when approval is given for a subsequent stage of a project while the builder is still on site and prior to practical completion of a previous stage, involving the same building, or
 - when exceptional circumstances exist, e.g. in isolated communities where builders/tradesmen are difficult to obtain or the future financial viability of a staged project is jeopardised.
- 89 Delegated Catholic Agencies wishing to vary the normal tender process by negotiating with a builder on site, for other approved capital work, are to use the following process:
- 90 Delegated Catholic Agencies must seek prior approval of the QCEC Secretariat before negotiations with the onsite builder can commence for any other work. The written request should detail the reasons and the advantages which can be achieved through negotiation with the onsite builder and thus, avoiding the normal open tender process.
- 91 Once the QCEC approval has been received, a letter should be written to the onsite builder from the Project Architect, detailing the following terms:
- the builder is being given the first opportunity to submit a price for another part of the project,
 - the builder's bid should be submitted on the basis of an 'open book tender' which should be validated by the Project Architect and the same should be available for inspection by the QCEC Secretariat,
 - the submitted bid does not necessarily mean that it will be accepted and depending on its result, this other work may still go to open tender,

- the submitted bid by the builder for the other work, must be forwarded to the QCEC Secretariat in accordance with normal tender results reporting format, and
- as per the conditions of Government grant offer, no contracts with the builder for the other work can be signed until written CGB approval is received.

Indigenous Australians

- 92 Delegated Catholic Agencies should maximise employment opportunities for Indigenous Australians where a project is undertaken specifically for an Indigenous Australian community or where a project is located in an area likely to provide employment or training opportunities for Indigenous Australians.

Opening Tenders

- 93 The Tender Opening Committee must include the Architect/Project Supervisor (or nominated representative) and at least two (2) other responsible and independent persons appointed by the Delegated Catholic Agency responsible for the project. Details of the Committee are to be included on the Tender Results Report.
- 94 It is important that Delegated Catholic Agencies use a tendering system which aims to protect the interest of all parties and ensures propriety and public accountability.

Reporting Tender Results

- 95 The submission of tender results to the QCEC is one of the compliance conditions Delegated Catholic Agencies receiving capital funding assistance must comply with. To ensure Delegated Catholic Agencies are not financially disadvantaged or that the tender validity period is not unnecessarily affected, Delegated Catholic Agencies should submit their tender results to the QCEC as soon as possible. The submission should include the standard QCEC form 'Results of Tender Process' and copies of the tender bids actually received by the sessional kindergarten from builders.
- 96 NO TENDERS CAN BE ACCEPTED OR CONTRACTS SIGNED UNTIL TENDER RESULTS ARE SUBMITTED TO AND APPROVED IN WRITING BY THE QCEC.

Acceptance of Tender

- 97 THE PREFERRED TENDER IS EXPECTED TO BE THE LOWEST TENDER. Approval must be sought from the QCEC if a tender other than the lowest is preferred, and the Delegated Catholic Agency must provide compelling reasons for their selection.
- 98 Delegated Catholic Agencies must take into account value for money when they undertake a tender process.
- 99 Reasons for a tender decision must be documented on the relevant project file including, where appropriate, reasons why the lowest tender is not being recommended for acceptance.
- 100 After the tender results are checked, the QCEC Secretariat will inform the Delegated Catholic Agency (in writing) of any project cost adjustments and that they are free to commence project work.
- 101 Each case will be assessed on its merits and it should not be assumed that approval will be given.

Tenders above Approved Project Cost

- 102 Where the LOWEST conforming tender is ABOVE the approved project cost, the Delegated Catholic Agency must submit the tender results to the QCEC Secretariat as soon as possible and provide details of how it proposes to deal with the higher tender results.
- 103 The QCEC Secretariat will advise the Delegated Catholic Agency (in writing) of action to be taken regarding the tender results.

Summary

- 104 It is essential that all Delegated Catholic Agencies receiving Government capital assistance comply with procedures which provide tenderers with an equal opportunity to compete and participate. If Delegated Catholic Agencies are unclear on any matters regarding the tender process, they should contact the QCEC Secretariat. Action at any stage after a project has been approved that will vary the scope or description of that project, must be referred to the QCEC for approval prior to implementation.

Attachment 2 - Quotation Procedure for Minor Capital Projects (below \$100,000)

Minor Capital Projects

105 Minor projects usually involve small additions/ extensions and/or the refurbishment/ renovation of existing facilities.

Obtaining Quotations

106 Once a capital grant OFFER has been made and accepted for the project, the Delegated Catholic Agency should proceed to obtain quotations as follows:

107 At least three (3) comparable written quotations must be obtained for the main part of the project (construction/refurbishment) and any associated works (i.e. services, site works, demolition etc).

108 For other elements of the project not included in the main part and valued greater than \$15,000 three (3) written quotations must also be obtained. (i.e. separate services, site and demolition work or large items of furniture/equipment). These other elements of the project are not to be divided into sub-elements of less than \$15,000 to avoid the need to call quotations.

109 In all cases it is expected that the lowest quotation received will be accepted for the project or element.

110 If the Delegated Catholic Agency wishes to vary any of the above conditions, a written submission must be made to the QCEC. Each case will be assessed on its merits and it should not be assumed that approval will be given.

Reporting Quotations

111 All quotation results must be submitted to the QCEC Secretariat as soon as possible. **No quotations can be accepted, or contracts signed until quotation results are submitted to and acknowledged in writing by the QCEC.**

112 If the total project cost (based on lowest quotations) has:

- Exceeded the Approved Project Cost and cannot be met from community resources; or
- Where the increase can be met but has increased by more than fifteen (15) per cent (compared to the Approved Project Cost)

The Delegated Catholic Agency must advise the QCEC Secretariat of the circumstances before entering into a legal commitment/contract. The submission of circumstances must also include the Results of Quotation Process Form.

113 Copies of written quotations received are to be submitted to the QCEC Secretariat together with the standard quotation results form.

Architect/Project Supervisor

114 **The above details must be provided to Architects and /or Project Supervisors before quotations are sought for the project.**

Attachment 3 - Variation Procedure (for variations that do not involve an increase to grant funding)

- 115 There is an expectation held by the Commission that all approved projects will be delivered without significant change. It is understood however that variations may occur during the delivery of a project, which do not involve an increase to grant funding. To address this possibility the following procedures have been established to assist Delegated Catholic Agencies.
- 116 A variation can be defined as any change or difference from the approved project (that does not involve an increase to grant funding). As variations from approved projects can vary from the less significant to the more substantial, guidance is provided regarding the process to have variations recognised.
- 117 With the introduction of a more refined audit process endorsed by the Commission the need for transparency and accountability is in keeping with Audit and Risk and sound governance considerations.

Process

- 118 Once a capital Grant Offer has been made and accepted for the project, the Delegated Catholic Agency should seek to deliver the project as approved. In the event a variation (which does not involve an increase to grant funding) is to be sought the following procedure is required to be undertaken:
- Notify QCEC of the proposed change in scope seeking approval for the varied works
 - Provide details of the requirement to change the scope of works
 - Provide the costs associated with the variation

Approvals

- 119 The QCEC has delegated variation approvals as follows (for variations involving a reduction in grant funds or an increase in a local contribution):
- The Chief Financial Officer to approve grant variations up to \$250,000
 - The Chief Financial Officer and the Executive Director QCEC to jointly approve grant variations from \$250,001 up to \$500,000
 - Project variations requesting additional grant funds greater than \$500,000 must be referred to the Commission for approval.
 - Project variations because of increases in Delegated Catholic Agency Contributions are noted by the Chief Financial Officer and the Executive Director QCEC and tabled with the Commission quarterly.