



Anglesea SLSC Policy

Reference: 025

Reviewed: 06/2017

TITLE: Procurement Policy

Purpose

This policy outlines the ASLSC's requirements for the procurement of goods and services.

General Principles

The policy is intended to ensure that the procurement of goods and services:

- Is conducted in an ethical, honest, fair and transparent manner;
- Delivers the best value-for-money outcome (e.g. price, quality, reliability, service, delivery, payment terms and participation of Strategic Suppliers);
- Is performed in a way that manages procurement risk; and
- Follows a process that is intended to protect the reputation of the ASLSC.

Scope

This policy covers all ASLSC's expenditures whether directly or via a third party, irrespective of the funding source, and commitments such as:

- Letters of intent;
- Memorandum of understanding;
- Purchase orders;
- Oral commitments; and
- Formal contracts

Policy Statement

Procurement by ASLSC requires accountability, justification for the purchase and confirmation of funding prior to engaging with suppliers. The value of the order or agreement will dictate the process that needs to be adhered to by officers, employees or representatives of ASLSC and these requirements are outlined in Table 1 Quotation & Tender Requirements for items included in the approved budget.

Table 1: Quotation & Tender Requirements for Items Included in Approved Budget

Value of Order/Agreement	Minimum Requirement	Approval
Less than \$5,000	Optional requirement for quote ASLSC purchase order if order is greater than \$250	ASLSC Director responsible.
\$5,001 to \$20,000	1 quote ASLSC purchase order	ASLSC Directors responsible,



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		Director of Finance and ASLSC President
\$20,001 to \$100,000	3 quotes, with at least one quote from a Strategic Supplier where possible ASLSC purchase order	ASLSC Board
Greater than \$100,000	Tender Process, with at least one bid from a Strategic Supplier where possible	ASLSC Board

For procurement of items not included in the approved ASLSC budget the following process must be adhered to:

- Less than \$5,000 – Approval required from ASLSC Directors responsible, Director of Finance and ASLSC President; and
- Greater than \$5,000 – Approval required from ASLSC Board.

Purchases from all service providers and suppliers must be covered by an ASLSC purchase order. Comprehensive and well documented records must be maintained on all acquisitions of goods or services made by ASLSC.

Risks associated with the procurement of goods or services greater than \$20,000 must be documented and include the key identified risks, likelihood of risks occurring, the potential impact of the risks and the proposed mitigation plan, and be completed as part of the annual budgetary process. A similar risk assessment will be provided to the ASLSC board before it considers approval of items greater than \$20,000, which have not been included in the approved ASLSC budget

ASLSC aims to promote socially responsible procurement practices. Members of the ASLSC Board, the club's office bearers, its employees, its members and representatives of the ASLSC that are involved in the procurement of goods and services by ASLSC must be free from corruption, fraud or conflict of interest.

Behaviour

Parties representing ASLSC in procurement activities or decision making shall conduct themselves ethically and with the highest integrity. They will Treat potential and existing contractors and suppliers with impartiality, equality and fairness;

- Not seek or receive personal gain from their procurement activities;
- Avoid or declare conflicts of interest;
- Maintain confidentiality of Commercial in Confidence information;



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- Protect the commercial interests of existing and potential suppliers;
- Demonstrate high standards of professionalism and probity; and
- Be able to account for their procurement decisions.

Strategic Suppliers

Where possible, ASLSC will make positive efforts to utilise the following groups of Strategic Suppliers:

- Surf Coast and regional businesses;
- ASLSC members who are able to provide relevant goods or services; and
- Contractors who foster sound environmental practices and ecological sustainability.

To further this goal, ASLSC will:

- Draw on resources such as the Surf Coast Shire to help identify qualified, reputable, and socially responsible local contractors that could provide goods or services to ASLSC;
- Make information available to Strategic Suppliers to encourage and facilitate their participation with ASLSC;
- Consider whether firms competing for larger contracts intend to subcontract with parties that ASLSC would identify as Strategic Suppliers; and
- Encourage contracting with a consortium of ASLSC's Strategic Suppliers when a contract is too large for one of them to undertake independently.

Tender Processes

When required, all tender processes shall be conducted in accordance with the requirements of this policy and any associated procedures, relevant legislation and the Australian Standards *Code of Tendering*. If the ASLSC board decides that it needs to undertake a tender process it will determine the composition of the tender committee.