

TNC POLICY

Policy Details

Title:	Procurement
Effective Date:	17-Jun-2024
Policy Owner:	Chairperson, Board of Management
Applies To:	All staff and volunteers
Next Review Date:	30-Jun-2025

Purpose

This policy sets out to:

- Establish principles for the acquisition of all goods and services by TNC
- Establishes the standards of behaviour for every person undertaking procurement activities
- Establishes procurement requirements which adhere to probity and value for money
- Provides for strategies and programs to develop and support purchasing in an ethical and sustainable manner, including opportunities for local and Indigenous-owned businesses.

Context

This policy has been developed in alignment with the [TNC Policy Framework](#).

TNC Policy Documents are developed to:

- Assist TNC to meet the objects of the organisation and manage risk effectively
- Assist TNC staff and volunteers in performing their duties
- Outline how TCNC will meet governance expectations
- Provide transparency and clarity to TNC staff and volunteers.

TNC is bound by the [Australian Charities and Not-for-profits Commission Act 2012 \(Cth\)](#) and regulated by the [ACNC](#).

Definitions

Term	Explanation
ACNC	Australian Charities and Not-for-profits Commission
BoM	Board of Management
TNC	Toukley Neighbourhood Centre

Principles

Policies always contain a set of principles that provide information relating to the rationale for the document. Staff and volunteers must consider and comply with these guiding principles when performing their duties.

Principle 1: Procurement must follow a structured decision-making process

Each procurement decision must be supported by a recommendation that describes:

- The business requirement – why do we need this?
- Selection criteria – what is important to us?
- Options considered – what alternatives are there and how do they fit with the selection criteria?
- Risk analysis – what do we need to mitigate against?
- Recommended solution and rationale – why did we pick this supplier?
- Cost benefit analysis – how will this help us?

The TNC Recommendation Template provides a structured means to detail this information.

Measurement Criteria

The measurement criteria to validate that this principle has achieved the desired outcomes are:

- All procurement decisions are supported by a recommendation.

Principle 2: Procurement decisions must consider value for money

When making purchasing decisions, consideration must be given to the benefit derived against the total cost of acquisition when assessed over the period of use of the goods or services.

Measurement Criteria

The measurement criteria to validate that this principle has achieved the desired outcomes are:

- An analysis showing the projected costs against benefits to be derived from the acquisition is included in the purchase recommendation.

Principle 3: Risk management is incorporated into the procurement process

All procurements are to consider safety and other risks associated with any goods or services as part of the selection criteria.

Measurement Criteria

The measurement criteria to validate that this principle has achieved the desired outcomes are:

- Any risks associated with a procurement are recorded in the Risk Register with appropriate Controls and Treatments developed as well as being detailed in the purchase recommendation.

Principle 4: Purchasers must deal fairly, impartially, and consistently with all suppliers

All procurements are to be conducted in a way that is transparent, accountable, and ethical.

Formal selection criteria must be determined before initiating procurement and all proposals / quotations assessed against these.

Conflicts of interest, whether real or perceived, are to be avoided – in such situations, a person involved in a conflict of interest must remove themselves from all parts of the purchasing process.

Measurement Criteria

The measurement criteria to validate that this principle has achieved the desired outcomes are:

- Purchasing decisions must be substantiated with a documented recommendation (using the Recommendation template).
- Any real or perceived conflicts of interest in a procurement are documented in the Conflict-of-Interest Register and the relevant parties excluded from any associated commercial-in-confidence information and decision making.

Principle 5: All things being equal, preference is to be given to local and/or Indigenous-owned businesses

Where assessment of proposals / quotations results in equivalent solutions, TNC will prefer to support local and/or Indigenous-owned businesses.

Measurement Criteria

The measurement criteria to validate that this principle has achieved the desired outcomes are:

- Selection criteria to include consideration of local and/or Indigenous business ownership.

Principle 6: Procurement of goods and services with a value greater than \$1,000 must be referred to BoM for approval

The Executive Officer is authorised to manage and approve procurements with a value up to \$1,000 so long as the structured decision-making process referred to above is followed and the recommendation is reviewed by one BoM member.

For procurements with a value greater the \$1,000 the procurement recommendation must be presented to the BoM for approval. This can be done at a formal BoM meeting, or by circular, depending on the urgency of the procurement.

Measurement Criteria

The measurement criteria to validate that this principle has achieved the desired outcomes are:

- Compliance with this principle.

Change Control

Effective Date	Author	Approver	Comments
17-Apr-2023	Bronwyn Evans	BoM	Initial document



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