



Title	Finance and Procurement Policy
Policy Version	1
Commencement Date	1 January 2024
Responsible Director	Director, Finance

1. Purpose

1.1. The purpose of this policy is to ensure that processes of budgeting and procurement of goods and/or services are conducted in an honest, competitive, fair and transparent manner and provides considerations of financial value, quality, service, environmental and social impacts.

2. Commencement

2.1. This Finance and Procurement Policy will come into effect from 1 January 2024 and will supersede all previous Finance and Procurement policies and procedures.

3. Application

3.1. The Policy applies to anyone undertaking financial and procurement activities on behalf of Surf Life Saving Sydney (SLSS), or with SLSS funds. This includes but is not limited to the following:

- a. Officers of SLSS (the Board of Management (BOM)) as per Clause 17 of the Constitution,
- b. Standing Committee Members, as per Clause 35 of the Constitution,
- c. The CEO or other employees, as per clause 33 of the Constitution,
- d. Delegated authorities, as per clause 34 of the Constitution,
- e. any other person or group.

4. Approved Budget

- 4.1. The Consolidated Annual Operational and Capital Budgets of SLSS must be approved by a resolution of the SLSS Board of Management (BOM) at the AGM for the ongoing financial year.
- 4.2. The SLSS President shall be responsible for the allocation of the Annual Operational and Capital Budgets across Portfolios, in consultation with each Portfolio's Director.
- 4.3. The Portfolio Directors are responsible to the BOM for the monitoring and compliance of Portfolio Budgets.

5. Approvals

5.1. Individuals who have been delegated financial responsibility will have the power to approve expenditures and commitments made on behalf of SLSS, in line with their position.

5.2. Approvals are intended to achieve three objectives:

- a. To ensure the efficiency and effectiveness in SLSS's administrative processes; and
- b. to ensure the appropriate officers have been provided with the level of authority necessary to discharge their responsibilities, and;
- c. to ensure internal controls are effective.

6. Procurement Principles

6.1. The procurement of goods and services will:

- a. Align with SLSS's strategic objectives and business needs.
- b. Be conducted with honesty, integrity, probity, diligence, fairness and consistency.
- c. Consider financial and non-financial factors including price, the total life cycle consideration, environmental impacts, social impacts, availability and location of supply, in-sales and after sales service and social and economic factors that will deliver value for money.
- d. Be conducted by an appropriate market approach that encourages the market to be innovative, to generate benefits and to improve performance.
- e. Be conducted in a transparent manner, ensuring all record-keeping, reporting and other requirements are documented with all relevant approvals.
- f. Prohibits a single person having oversight over procurement. Duties must be segregated so control cannot be overridden by any individual.

6.2. Where a requirement meets or is above a threshold specified in Table A, a Market Approach must be taken. The corresponding procurement process and minimum requirements must be followed unless an exemption is approved.

Table A: Procurement Thresholds

Threshold	Procurement Process	Minimum Requirement	Endorsement	Procurement
\$0-\$1,000	Request for Quotation	One written quotation	Director	Credit Card or Direct Debit
\$1,001-\$2,000	Request for Quotation	At least one written quotation	BOM	Credit Card, or Purchase Order
\$2,001-\$5,000	Request for Quotation	At least one written quotation	BOM	Purchase Order
\$5,001-\$50,000	Request for Quotation	At least three written quotations	BOM	Purchase Order or Contract
\$50,000+	Request for Tender (RFT) or equivalent	Open RFT approved process.	BOM	Contract

7. Exemption from a Market Approach

7.1. A market approach is not required for:

- a. The purchase of goods and/or services from Commonwealth or State public sector entities (including statutory authorities and government business enterprises).
- b. The procurement of legal services, including engaging counsel or barristers for any current or anticipated litigation or dispute.
- c. Procurement funded by grants, loans or other assistance, where the funding contract sets conditions which do not comply with this Policy.
- d. The engagement of an expert or natural person under an employment agreement.
- e. Critical incidents that require urgent procurement needs or remedial works.
- f. The procurement of goods and/or services provided by Surf Life Saving entities.

7.2. All other requests for exemption from a market approach must be approved by not less than three (3) Branch Executive members.

8. Contracts

8.1. Any contract or agreement SLSS engages in must:

- a. Be in the best interest of SLSS;
- b. Comply with all SLSS policies and procedures;
- c. Comply with all NSW and Commonwealth legislation;
- d. Be negotiated fairly and transparently; and
- e. Be free from any conflict of interest.

8.2. SLSS may only enter into a Contract if it has been assessed that SLSS and the other parties to the Contract have the financial and non-financial resources to fulfill their obligations under the Contract.

8.3. SLSS Contracts must be correctly valued and not be structured to avoid required approvals.

8.4. Execution of any instrument binding SLSS must be in accordance with Clause 20.3 of the Constitution.

9. Credit and Debit Cards

9.1. The allocation of Credit Cards must be authorised by the Board of Management.

9.2. An Individual is authorised to enter financial commitments up to the level of the credit card limit they have been allocated.

9.3. Limits for credit cards are determined by the BOM

10. Gifts

10.1. A gift or benefit is any item or service accepted from clients, customers (potential or current) or other associates in the course of conducting SLSS duties. Gifts from any entity which may enter into a financial agreement with SLSS may be seen as a conflict of interest.

10.2. Individuals involved in procurement activities must declare any material gifts or benefits from any entity which they may, on behalf of SLSS, enter into a procurement activity with. They individual must ensure the entity is aware that the gift or benefit will not influence their decision, and that the receipt is at the discretion of the BOM.

10.3. Any material gift or benefit received by an individual must be disclosed at the next BOM meeting, by the appropriate officer, to confirm if the gift can be accepted, thereafter logged in the interest register.

11. Bank

11.1. Bank accounts are only permitted to be established and closed with the approval of the BOM.

11.2. The BOM shall authorise the appointment and removal of authorised officers as bank signatories.

11.3. The BOM shall authorise the appointment and removal of authorised officers for effecting payment via electronic funds transfer.

12. General Requirements

12.1. Endorsements relating to expenditure of any kind can only be exercised within pre-approved operational or capital budgets.

12.2. No authority is granted to incur expenditure unless there is an identified source of sufficient funds.

12.3. The endorsement of spending must relate to the total financial commitment which may span across multiple financial years.

12.4. The splitting of the total financial commitment into multiple transactions to avoid or circumvent delegation limits is prohibited.

12.5. Individuals cannot approve any action in respect of, or for the benefit of themselves or any related person or entity.

13. Responsibilities

13.1. The Director of Finance is responsible for:

- a. Ensuring all staff and volunteers are provided with information and training in relation to their responsibilities under this Policy; and
- b. Monitoring practices and processes; and
- c. Assessing the procurement capability of the organisation.

13.2. Individuals involved in procurement must they comply with this Policy.

14. Non-compliance

14.1. SLSS requires all individuals acting on its behalf to conduct business in an honest, ethical and in professional manner, and will not tolerate fraud, corruption or any form of dishonesty in its transactions.

14.2. Subject to the severity of the non-compliance of this Policy as determined by the Executive, one or more of the following outcomes will apply:

- a. a formal warning issued by the DOF;
- b. any Director responsible for the breach being removed from the BOM;
- c. dismissal of any staff member or volunteer from SLSS; and/or
- d. reported as a criminal offence to the NSW Police.

15. Definitions

Capital Budget: The budgeted acquisitions and disposals of capital assets, which are recorded in the asset register and recognized as assets on the organisation's Statement of Financial Position.

Contract: an agreement between SLSS and another party or parties. This includes purchase orders, heads of agreement, memoranda of understanding, letters of intent, tenders, strategic partnerships, variations and extension to existing contract, grant funding agreements, partnership agreements.

Expenditure Limit: total of financial commitment, in Australian dollars, excluding GST, and including any other charges such as freight, taxes and duties.

Financial commitment: a transaction (or combination of transactions) that result in a cash outflow or in-kind outflow of SLSSB resources.

Goods and Services: the supply of equipment, consumables and like items (goods) or the provision of services or the execution of works (services).

Market approach: a process where SLSS approaches the market calling for offers for a particular good or service. A market approach may take the form of an expression of interest, request for quotation, request for information, request for proposal or request for tender.

Material Gifts: materiality represents a value that is considered important or significant to determine an issue. The total value of all gifts over a period of time would need to be determined to consider materiality. For the purpose of this Policy, materiality is determined at approximately \$20 AUD, thereby allowing a one-off beverage, or food item.

Operational Budget: The budgeted income and expenses of the organization, and budgeted net surplus or deficit, as recognized on the organisation's Statement of Profit or Loss and other Comprehensive Income.

Portfolios: distinct operational groups within the organisation.

Procurement: refers to all activities involved in the acquisition of goods and services either outright or by lease, this includes the process of:

- a. Identifying the need to purchase goods or services.
- b. Selecting suppliers for goods and services.
- c. Contracting for goods and services, and
- d. Managing the contracts and suppliers.

Procurement process: a process to conduct a market approach, for example a Request for Quotation, an Expression of Interest, a Request for Information, a Request for Proposal, a Request for Tender.

Purchase: the sum of all financial transactions of the procurement. For example, while a supplier may issue invoices for a deposit, or instalments, or separate invoices due to the supplier's internal processes, the purchase on behalf of SLSS is considered the whole financial commitment of the procurement.

Total life cycle considerations: a full consideration of the goods or services to be purchased including but not limited to planning, development, implementation, ongoing management, maintenance, transition, and asset disposing.

Value for money: a process for assessing the best outcome from a market approach activity that assesses the capabilities and competencies of each supplier against the price submitted by each supplier. It considers financial and non-financial factors including price, the total life cycle consideration, environmental, availability and location of supply, in-sales and after sales service and social and economic factors that will deliver value for money.

Unbudgeted expenditure: Expenditure that is not part of an Approved Budget.