

PROCUREMENT AND RESOURCE MANAGEMENT POLICY

Purpose

This policy sets out the Manufacturing Industry Skills Alliance's (Manufacturing Alliance) approach to procurement to ensure it is managed in accordance with business needs, is objective and meets all compliance and legal obligations.

Scope

This policy applies all employees, Board Directors, Strategic Industry Taskforce, sub-committees, and any other person undertaking work for the Manufacturing Alliance.

Definitions

Goods and Services	The supply of equipment, consumables and like items, or the provision of services that enable work to be undertaken and objectives to be met.
Procurement	The process for obtaining goods and services from external parties that are required for business purposes.
Value for Money	A balanced judgement of financial and non-financial factors including timing, fit for purpose, whole-of-life costs, risk, environmental and sustainability issues, and price.

Policy Statement

The procurement of all goods and services for the Manufacturing Alliance is to be conducted in an honest, competitive, fair, and transparent manner with consideration for quality, service, social impacts, and value for money.

All procurement is to align with the Manufacturing Alliance's strategic objectives and business needs and considers financial and non-financial factors including price, the total life cost of the good or service, and social and economic factors, all of which should deliver value for money.

All procurement is to be undertaken in accordance with the Manufacturing Alliance's policies, including but not limited to the

- *Delegations of Authority Policy and Schedule*
- *Contract Management Procedure*
- *Gifts, Benefits and Hospitality Policy*
- *Conflict of Interest Policy*
- *Jobs and Skills Councils Code of Conduct*

In addition, procurement must also be undertaken in accordance with all relevant policies of and agreements with the Department of Employment and Workplace Relations.

The Manufacturing Alliance will make a conscious effort to maximise opportunities for Australian manufacturers and suppliers and with best endeavours to support Indigenous organisations where this is practicable and cost-effective.

Procurement Principles

Probity and Ethical Behaviour

All Manufacturing Alliance employees with authority to purchase goods and services must comply with high standards of integrity, probity, professional conduct, and ethical behaviour.

Value for Money

Value for money, as defined above, is a core principle underpinning the Manufacturing Alliance procurement in assessing the financial and non-financial costs and benefits.

Value for money can be demonstrated in part by ensuring that the procurement is compliant with the *Jobs and Skills Councils Code of Conduct* and the policies mentioned in the Policy Statement above.

A further key element of ensuring value for money is captured as part of the procurement process is by seeking quotations as set out in the table below.

Procurement \$ (inc GST)	# Quotations	Comments
\$0 to \$999	1 verbal	The number of quotations required, compliance with the abovementioned policies, and the additional elements included in the Value for Money definition above, are all to be considered when deciding on the most appropriate supplier to procure from.
\$1,000 to \$4,999	1 written	
\$5,000 to \$79,999	2 written	
\$80,000 to \$99,999	3 written	
\$100,000 +	Business Case	3 quotes and a formal business case, approved in accordance with the Delegations Policy, are required. Dependent upon the nature of the purchase, a formal tender process may be more appropriate than receiving 3 written quotes.

Exemptions from the Procurement Process

Procurement in line with the process is not required for the following purchase types:

- Engagement of audit and legal services as part of a provider agreement
- Utilities, Rates & Taxes, Government charges, Bank Fees
- Travel and accommodation
- The engagement of an employee
- Critical incidents that necessitate urgent procurement needs to ensure Workplace Health and Safety compliance

All procurements of \$1000 or more must be documented with the required number of quotes, the reasons for the procurement, why the supplier selection was made and how value for money was ensured.

In the event that it is not possible to secure the required number of quotations, a written justification needs to be provided to and approved by the Executive Manager Finance & Operations prior to any purchase commitment being made to a supplier.

Resource Management

Manufacturing Alliance ensures appropriate planning, allocating and monitoring of employees to achieve quality project outcomes efficiently and effectively. Consideration is given to the mix of procured services and employee task allocation to ensure the appropriate range of capabilities and skills to deliver projects and core services and to ensure development of employees.

Manufacturing Alliance uses Monday.com as our project management tool to provide clear visibility of workloads and resourcing across any given week, month or quarter. Executive leadership provide oversight and track deliverables, key dates and resource allocation using agile approaches to resource management.

Manufacturing Alliance's organisational values include collaboration, inclusiveness and responsiveness. Employees:

- are responsive to changing priorities, timelines and stakeholder expectations
- share information, escalate issues and support each other as an adaptable and approachable team that is open, honest and respectful
- communicate and are accountable