

## PROCUREMENT POLICY

### **Purpose**

This policy outlines the District 9510's expectation on expending funds provided by the District to Clubs, District Committees and the District Leadership Board. The policy is created to ensure that funds collected by District 9510 and provided to Clubs/Committees are spent in a responsible, transparent manner, void of any conflicts of interest and in accordance with the Rotary four-way test.

### **Scope**

This policy applies to all Clubs and Committees in District 9510 and the District Board that receive monies from District funds. This policy does not apply to the Foundation as they have their own governance structure.

### **Legal requirements**

Under state law<sup>1</sup> all members must disclose any conflicts of interest they may have in relation to any decision being made by a club or committee in which they are a member of. In addition, members must not use their position or information gained as a member to act dishonestly or benefit themselves.

Where a member has a direct or indirect monetary interest in a contract, they must disclose the nature and extent of the conflict to the club/board/committee (as applicable) as soon as they become aware of it. The member then must not take part in any decision related to that contract.

### **Policy**

District 9510 will, from time to time, provide funds to Clubs or District Committees to undertake projects. It is the desire of the District Leadership Board to ensure that these funds and used responsibly, that there is transparency in the use of these funds, and that any conflicts that may be involved in the management of these funds be identified, documented, and managed appropriately.

It is acknowledged that Clubs and their individual members may have existing arrangements with certain organisations. This includes organisations that members (or their friends or family) may own or work for. These individuals or organisation may provide sponsorship for club activities and/or provide free or subsidies services to the club.

Clubs/committees shall, when spending funds provided by District 9510, identified, documented and managed appropriately any relationships it may have with suppliers and any conflict of interest that may arise during the procurement process. It is expected that the person that has the conflict will disclose the conflict and that they will not participate in the decision-making process relating to that conflict.

In managing any conflict of interest clubs/committees must demonstrate transparency in decision making and be able to exhibit how they have ensured that they are providing value for money in their procurement.

The District Treasurer should be advised of any conflict of interest or related party transaction involving district funds, as well as details of how the conflict was managed by the Club/ District Board/District committee

Failure to abide by this policy may require funds to be returned to the District.

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<sup>1</sup> [Dept of Consumer and Business Services Website](#)