

Merri Creek Management Committee

Proposed revised policy on Contracts¹

Introduction

The City of Moreland's lawyer has pointed out an inadequacy in MCMC's policy in relation to authorisation of officers or office-bearers to sign contracts, and a suggestion has been made that it would be appropriate to consider increasing the authorisation level of the Manager.

Making, varying or discharging contracts

A person acting under the express or implied authority of an incorporated association may make, vary or discharge a contract in the name of or on behalf of the incorporated association in the same manner as if that contract were made, varied or discharged by a natural person (S19(1)).

A document or proceeding requiring authentication by an incorporated association may be authenticated by the signature of the public officer of the incorporated association and need not be authenticated under the common seal of the incorporated association (S19(6)). Authentication however is not interpreted as making a contract.

The Common Seal shall not be affixed to any instrument except by the authority of the Committee and the affixing of the Common Seal shall be attested by the signatures either of two members of the Committee or of one member of the Committee and the Public Officer of the Association (Rules S14(2))

Existing Policy

MCMC will only enter into contracts which fulfil or are ancillary to the principle purposes of the MCMC. This is interpreted to mean contracts which:

- have at least 90% of their monetary value within the geographic area of the Merri Creek and adjacent catchments, that is the Merri, Darebin and Moonee Ponds Creeks and nearby parts of the Yarra River; and
- which entail activities to promote and conduct programs and activities to achieve integrated catchment and parkland management, community education, resource sharing and information exchange on a regional basis involving the key stakeholders - municipal Councils, State Government agencies, community groups and landholders or which assist other organisations to achieve sustainable environmental development of the Merri Creek and adjacent catchments; or
- which are allowed by other sections of the statement of purposes.

Process:

If at all possible all contracts should be referred to the full committee or a subcommittee for approval.

The entering into individual contracts with a monetary value of over \$100,000² will be discussed and approved at MCMC full committee level. They will be authenticated with the common seal or the signature of the Public Officer. In the case of unexpected tenders a special MCMC meeting may have to be called.

¹ The policy was originally approved by the Committee in item 5.1.1 of 20/2/97

² The amount which the Executive Subcommittee could approve was increased from \$50,000 to \$100,000 in item 5.1.2 of 20/5/1999.

The entering into individual contracts with a monetary value between \$10,000 and \$100,000 will be discussed and approved at executive committee level, with a report going to the full committee. Such contracts will be authenticated by the signature of the Public Officer or the Manager or delegated by the Manager to the relevant program manager.

The entering into individual contracts with a monetary value less than \$9999 will be considered and approved by the Manager, with a report going to the next executive committee. Such contracts will be authenticated by the signature of the Manager or delegated by the Manager to the relevant program manager or coordinator.

Proposed Policy

MCMC will only enter into contracts which fulfil or are ancillary to the principle purposes of the MCMC. This is interpreted to mean contracts which:

- have at least 90% of their monetary value within the geographic area of the Merri Creek and adjacent catchments, that is the Merri, Darebin and Moonee Ponds Creeks and nearby parts of the Yarra River; and
- which entail activities to promote and conduct programs and activities to achieve integrated catchment and parkland management, community education, resource sharing and information exchange on a regional basis involving the key stakeholders - municipal Councils, State Government agencies, community groups and landholders or which assist other organisations to achieve sustainable environmental development of the Merri Creek and adjacent catchments; or
- which are allowed by other sections of the statement of purposes.

Process:

If at all possible all contracts should be referred to the MCMC Committee of Management for approval.

The entering into individual contracts with a monetary value of over \$150,000 will be discussed and approved at an MCMC Committee of Management meeting. They will be made by the affixing of the common seal or made, varied or discharged by the signature of the Public Officer. In the case of unexpected tenders a special MCMC meeting may have to be called.

The entering into individual contracts with a monetary value between \$50,000 and \$150,000 will be approved by the Public Officer or discussed and approved and minuted at an Executive subcommittee meeting, with a report going to the Committee of Management, or approved at an MCMC Committee of Management meeting. Such contracts will be made, varied or discharged by the signature of the Public Officer or the Manager or delegated by the Manager to the relevant program manager.

The entering into individual contracts with a monetary value less than \$50,000 will be considered and approved by the Manager, with a report going to the next executive subcommittee meeting. Such contracts will be made, varied or discharged by the signature of the Manager or delegated by the Manager to the relevant program manager or coordinator.