

Alfalfa House Members Council Meeting - minutes

Date: 26 September 2017

Time: 7pm

Location: Meeting Space, 8-10 Brown Street, Newtown

Facilitator: Katherine Lustig

Minutes: Matt McMillan

Meeting opened at: 7:05pm

Acknowledgement of Country: Before we begin the meeting, I would like to acknowledge and pay respect to the traditional owners, both past and present, of the land we occupy and upon which we meet — the Gadigal people of the Eora Nation. It is also upon their ancestral lands that Alfalfa House is built.

1. Attendance and Apologies

Attendance: Katherine Lustig, Matt McMillan, Jonny Green, Renata Field, Catherine O’Keefe, Nathan Wrattan, Maurice Cabrera, Bruce Diekman, Julia Gove, Stevie Bee, Jann French, Paul Domicone, Janne King (arrived 7:20pm).

Apologies: Victoria Taylor, David Winterton, Nicole Barakat

Absent:

2. Approval of Agenda

Proposal: That the agenda be approved.

Moved: Catherine O’Keefe. Seconded Jonny Green. Carried by consensus.

3. Consent Agenda

3.1. Adoption of Previous Minutes

That the minutes of the August meeting be adopted.

3.2. New Members and Cancellations

That members with the following membership numbers: 12459 to 12558 with 7 skipped/blank records (12463, 12472, 12473, 12481, 12492, 12502, 12536) be accepted as new members.

That members with the following membership numbers be cancelled: 5258, 5396, 5411, 6891, 6982, 7939, 7970, 8110, 8311, 8524, 9014, 9127, 9380, 9424, 9570, 9626, 9665, 9882, 10046, 10115, 10544, 10551, 10780, 10834, 10859, 10870, 10871, 10875, 10882, 10886, 10889, 10890, 10893, 10894, 10896, 10897

3.3. Out-of-session Decisions/Proposals

NIL

3.4. Reports from Working Groups

3.4.1. Governance

The Alfalfa House governance working group met on Saturday 2 September 2017, at 10.30am, upstairs at Lentil as Anything, 391 King Street.

We reviewed the previous failure to update the Rules, and commenced work to align current Alfalfa House Rules content with the new Model Rules.

3.4.2. Premises Solutions, Shop Development and Affordability

NIL

3.4.3. Sustainability

NIL

3.4.4. Volunteer Engagement

NIL

3.4.5. Community Outreach

MC Meeting report, for 21st September

Food Grant - No applications yet - We will discuss where else we can advertise next meeting

Workshops - Workshops program is up and successfully running. Upcoming workshops we are looking at include vegan cooking, pickling and bees wax wraps.

Grants - Applications for the City of Sydney matching grants close 20th of November and we are looking at possible projects.

3.4.6. Staff Liaison

Manager's 6 month review was conducted August 22nd 2017. A follow up check in was also offered to the Manager by SLWG. SLWG met with Produce and Groceries coordinators to hear their concerns regarding hours required by MC for additional work.

3.4.7. Marketing

[Marketing WG Report](#)

3.4.8. Website

[Website WG Report](#)

3.4.9. Finance

[August 2017 Treasurer's report](#)

[August 2017 Dashboard](#)

3.5. Staffing (appointments and resignations)

NIL

3.6. Deferred Matters / Business Arising

Item	When expected	Status
Catherine: Provide contact details to Maurice for Bass Floors		Closed
Maurice: Confirm with FTD if there will be shelf space for groceries to be put at the till to make checkout easier.	This was included in the Shop Development proposal presented at Aug MC	Closed
Maurice: Ensure that freezer running costs are included in the costed proposal.	This was included in the Shop Development proposal presented at Aug MC	Closed
Marketing Working Group: Present alternative sign wording to MC for approval.		Closed
Victoria: Investigate specific case of member organisation which has a single membership number used by multiple staff for shopping.		Email to MC - 26.9.17. Proposed - checking numbers on membership number, then no further action
Community Outreach Working Group: Review opportunity to bring in an organisational membership / subscription fee for corporates and not-for-profits, and bring a proposal back to MC.		Open
Maurice will work with Catherine, Jonny and Finance working group to add details to Shop Strategy document. VWG will add the detail to the volunteer engagement strategy.		Open
Vanessa to get figures on the return on shelf space to Catherine (Shop Development).	Vanessa working on providing shelf space comparison	In-progress
Katherine: Collate a set of questions for Shop Development		Open

3.7. Food Grants

NIL

3.8. Workplace Health and Safety

A volunteer has rolled her ankle in the shop. An incident report has been completed. See detail in Manager's Report.

Proposal: That the Consent Agenda Items be approved.

Moved: Jonny Green. Seconded: Catherine O'Keefe. Carried by consensus.

4. Manager's Report

[Manager's report](#)

We will move the Tonicka Kombucha from the *Edible Liquids* category into the *Fridge* category.

Veggie box delivery is averaging \$15 profit per box. We will now go live with deliveries. We probably will be adding a bigger box, rather than replacing the current size.

5. Products from Israel (Nicole Barakat, member)

Proposal: That Alfalfa House Community Food Co-operative ceases to sell products originating from the State of Israel.

REPORT [HERE](#)

Stevie raised the issue that other products we purchase come from other countries with human rights concerns, and suggested it could be discussed at the AGM by members. Maurice said that after discussion with Lucy (Groceries Co-ordinator), it was felt that there wasn't yet enough information to make a decision. Staff are currently working with Honest to Goodness (supplier) to get more info. With the five products we sell from Palestine, it's clear we are considering the ethics of the region. In the meantime, Californian dates have been sourced as an alternative, to give customers the choice at this time.

Jann said she would also like to look more at the existing supplier.

Renata pointed out that it's not just the farm that benefits from the purchase. The goal of boycotting Israel is to affect all the parts of the supply chain.

Amended proposal: That Alfalfa House Community Food Co-operative ceases to source products originating from the State of Israel until concerns about Palestinian human rights abuses are no longer an international concern. Further, that members be invited to discuss the merits of ceasing to source products from countries where human rights are a concern (including reviewing the decision on the State of Israel) at the 2017 AGM.

Moved: Katherine Lustig. Seconded: Renata Field. Carried by quorum. (Jonny Green stood aside.)

6. Annual Reports (Renata)

Proposal: That we write and publish an annual report at the end of the 2017/18 financial year and every year.

Moved: --

Withdrawn. This is already standard practice. One for this year will be forthcoming.

7. AGM (Renata)

7.1. AGM pot luck

Proposal: That we host a potluck dinner in conjunction with the AGM.

Moved: Katherine Lustig. Seconded: Catherine O'Keefe. Carried by consensus.

7.2. Date

Proposal: That the 2017 AGM be held on Sunday 12 November, subject to discussion over the next two weeks.

Moved: Catherine O'Keefe. Seconded: Jonny Green. Carried by consensus.

8. NCOSS innovating for good conference (Renata)

Proposal: That AH present a pitch for the NCOSS innovating for good conference. Note: we would need to find an auspicing body with DGR status for charity donations.

<https://launch.innovation.nsw.gov.au/I4GPitchEvent>

Moved: --

Katherine: This falls fairly close to what we do with grants, so we don't necessarily need to approve it here.

Withdrawn. To be pursued at the discretion of the Community Outreach WG, in line with their strategy.

9. Template for Proposals to MC (Catherine O'Keefe)

Proposal: That the template for putting a proposal to MC.

TEMPLATE [HERE](#). The template is intended to be used by staff, MC, volunteers and other members to help ensure that all necessary information is provided to enable an informed decision by the Members' Council.

Amended proposal: That the template for putting a proposal to MC be made available (with changes to come: a two-page maximum length be suggested; attachments be invited); and that it be provided on the website.

Moved: Matt McMillan. Seconded: Catherine O'Keefe. Carried by consensus.

10. Purchasing Policy (Catherine O'Keefe)

Proposal: That the revised Purchasing Policy be adopted. Further, that the previously adopted Project Tendering Policy (2015) and the Purchasing Goods and Services Policy (2015) be rescinded.

[Draft Purchasing Policy](#)

Background: The purchasing policy is to replace the [Project Tendering Policy \(2015\)](#) and [Purchasing Goods and Services Policy \(2015\)](#). The audience for this policy is the Manager and MC. The reason for this policy update is to ensure all decision-makers understand the full impact of the purchasing proposals. It is also designed to be simple for small things and

more involved for larger projects that have a more financial impact on the co-op. Examples of these include the shop refit and the shed. I have collaborated with Victoria and David.

Withdrawn.

ACTION ITEM: Comments to be sent to Katherine by 4 October 2017. Decision to be made by MC by 11 October 2017 out of session.

Meeting closed at: 9:10pm

Post-meeting check-in

Next meeting date: Tuesday 24 October 2017

Marketing Working Group Report - Sept 2017

The Marketing Working Group (MWG) current activities being undertaken include:

Activity	Status
Development of PR plan	Drafted & under review
Development of Social Media content calendar	Drafted & under review
New social media posters, social media analyst and blog writer appointed	Complete
Distributing press releases for upcoming events	Pending finalisation of PR plan
Photography requirements (War on Waste day, new outdoor signs, new staff member (Mariko))	Complete
Producing the 'Faces of Alfalfa' photo project for use across all media	Next shoot TBA
Creation of new How To Shop artwork for above fridges	Drafted and reviewed by Mgr. Awaiting final artwork.
Creation of new artwork for Phillip St window	In progress with designer
Developing a radio advertisement to air on 2SER radio in October	Drafted and pending review by Mgr

Google Analytics report (website)

Points of interest: High traffic to veggie boxes page; duration and number of pages per session increased indicating the website is engaging people for longer.

Top 5 pages

/home page	3414
/veggie-box/	818
/what-we-sell/	568
/how-to-join/	290
/contact-us/	286

Traffic stats

	Aug	Jul	Jun
Sessions	1400	1798	1424
Users	1077	1355	1097
Page views	10642	10488	8330
Pages per session	7.32	5.83	5.85
Session duration	3.19m	2.58m	3.08m
New visitor vs returning	66/33	70/30	71/29

Social media report: New MWG members have been appointed to optimise our social media tools. They will provide greater variety and quality content, better planning and more rigorous analysis.

Snapshot of Social Media interactions January - Aug 2017

Facebook			
	Page likes (unique page followers at the first of each month)	Page engagement (clicks) at the end of month	Impressions (unique people who have seen content associated with page)
January	2467	204	5788
February	2490	64	2357
March	2492	489	8176
April	2504	835	16406
May	2523	647	15474
June	2531	899	21674
July	2571	989	22800
Aug	2723		
Instagram followers			

March	500+		
April	604		
May	685		
June	820		
July	1010		
Aug	1100		

Website working group

September 2017 report

Veggie box scheme

- We will be going live with our new online ordering system on Wednesday September 27th. On this date, the veggie box link in our menu will redirect users to our new system.
- Unfortunately, at this point customers will only be able to place orders for one week at a time. This is to ensure they get charged the correct delivery fee (one charge per date, regardless of the number of boxes ordered).
 - In future, we will be looking to implement a subscription process for veggie boxes
- To get a sneak preview of the ordering system, visit:
<http://www.alfalfahouse.org/product-category/veggie-boxes/>

Blog

- We now have a regular blogger – Steven Sobolewski. He will be writing monthly blogs for us (possibly more regularly if time permits)
- His first blog will be available to view on the website from Saturday 23rd September. Please contact Jenny if the blog contains any content you're concerned about.
- Other members are more than welcome to also contribute to the blog, should they wish

Meeting agenda

- The agenda for the MC meeting will now be available on the website. Visit:
<http://www.alfalfahouse.org/members-council-minutes-agenda/>

MINUTES Finance Working Group

Meeting on Tuesday 19th September 2017 at 7:15 pm, at Alfalfa House

1. Attendance: Stevie, Matt, and Maurice. Apologies: Jonny
2. Approval of agenda – Matt/Maurice
3. That the minutes of August 2017 meeting be approved -- Matt/Maurice.

4. FY2017 NUMBERS

Our YTD numbers look like this with comparables for the last two years:

	2017	2016	2015
Revenue	208,576	198,450	217,779
Cost of Goods	(136,362)	(130,015)	(146,046)
Operating Expenses	(88,420)	(90,044)	(76,652)
Non-operating Expenses	0	0	(222)
Donations/Grants/Interest Income	182	97	204
Annual Subscription Fees	1,067	0	0
Joining Fees	2,679	1,960	2,420
Workshop Fees	1,180	0	0
Profit (Loss)	(11,097)	(19,552)	(2,518)

So, as we have discussed, revenue is up from last year. Revenue is below 2015, but Gross profit is slightly up on both years.

5. AUGUST NUMBERS / Dashboard

We recorded \$104,881 in sales (vs. \$97,501 last year vs. \$107,340 the year before).

We show a net loss of \$11,891 for the month. Note that (i) August's payroll was higher than our year's average (\$41.2k vs \$26.2k a month for the current fiscal year) due to having 3 payrolls.

So, in actuality, we are looking at, maybe, a \$3.1k profit for the month.

Maurice's overall take is: August was a good month. We had a record number of new members (93). We're now seeing improvements in groceries (2% increase vs August 2016), as well as produce (3%). We're now seeing a consistency in the number of transactions per day (at around 106), and that the average spend per transaction is above earlier years.

Sales Variance (POS v. bank) is at \$1,944 for the month, and \$1,328 for the current year to date. Note that while workshop fees, and veggie box revenue, is banked, it is not recorded in POS as yet.

Maurice continues to work with staff to reduce Sales Variances, and we are seeing positive results. Maurice is continuing to work with a volunteer (Bill Garvis) to create a process for resolving these variances at the end of day, and a redesign of the Daily Balance Sheet, so that staff are able to complete a full till reconciliation when they close. This will be implemented on 2 October.

6. FORENSIC ACCOUNTING

Sax has reviewed the historical financial data from MYOB and Xero, particularly focusing on cash reconciliation.

A potential next step is for the treasurer and Sax to reconcile Daily General Ledger journals with the POS Daily Balance Sheet. Depending on whether this step shows promise, FWG thinks MC should consider whether to withdraw our claim given recent events.

Improvements that have been made since December 2016 include:

- All staff double count cash.
- The daily balance sheet has been improved to reconcile daily variance.
- All daily cash deposits stubs reference both the POS date the bank date.
- The finance volunteer cross-checks deposit slips with end-of-day cash and safe drop slips, and initials the daily balance sheet.
- The FWG reviews, on a monthly basis, the total cash variance.
- (Upcoming change) A new lockable daily balance sheet that ensures fields cannot be edited once the daily balance sheet has been completed.

The efforts of the last seven months have reconciled the overwhelming majority of the unreconciled amounts.

From November: We continue to work with RGL Forensics in order to sort out the \$20K loss we recognized in 2016. Recently (with the help of Katherine Lustig's partner, Sax) we were able to access our historical financial data on MYOB (July 2013 - May 2014). This has been forwarded to RGL Forensics; and they have put together our monthly balance sheets (July 2013 to Present) which shows the Clearing Account - Cash line item. It is here for your perusal - <https://drive.google.com/open?id=0B2CzrZkqx6HpQjZtVlhaQ29xb2QzaURFZzlhdzNoR0JwWU1v>

At this time, RGL Forensics does not see any easily discernable pattern in this data which would reflect theft. The balance in the Clearing Account - Cash fluctuates in a manner which seems unrelated to staffing. We have asked Sax for additional help retrieving data from our historical financial data. When we get that information, Maurice is going to take a closer look at the daily revenues to see if we can get some clarification with respect to the movements in the Clearing Account.

We still need to pursue variances in the recent past; Maurice/Julia have done some good work on November's numbers which may prove helpful for July - October. Maurice will look at July - October over the holidays. Maurice has seen a lot continuing issues with the POS reporting and closing out of the tills. We continue to see issues with the doubling up of a day's sales (a mistake at the till). Maurice is addressing these issues with procedures for staff on till handling.

7. INSOLVENCY ALARM

UPDATE We discussed when we should be concerned about immediate insolvency. We all recognise the formal position that it is the point at which we would be unable to pay our debts as they come due. We looked at the current balance sheet, and we estimated that our current buffer is about \$63K. This figure is based upon the Current Assets less Liabilities; basing inventory value at cost; using the inventory figure from the stocktake.

7. CASH FLOW BUDGET/FORECAST

UPDATE Maurice still feels comfortable with his fortnightly budgeting at the moment. Maurice is budgeting about \$18K a week on stock purchases. We are comfortable with our cash position for the next month. We are looking at the following expenses in September: extra shed costs (\$790 for the carpenter).

8. POS WORK

This is subject to a current grant application.

Catherine O'Keefe is taking a lead on this. Catherine, Maurice and Jonny have met and are working together to figure out which POS would be the best fit for us.

9. INVENTORY TRACKING

UPDATE

We've hit a slight roadblock in entering sales price; we have three different sales prices; the template we were using does not allow for more than one sales price. Maurice is trying to resolve this; in the meantime, we continue to collect the data in a format that is easily uploadable to Xero, so that we should be ready to go when this is resolved.

Maurice is saying we should look at the inventory modules of the POSs we are considering. Jonny/Maurice will discuss with Catherine.

10. BIKE-RACKED ITEMS

2018 Budget/Forecast

(<https://drive.google.com/open?id=1byLkaCe4IEQ8qcn1nmCEZKxnWL0bz7rsNjlr90vUyk>)

POS Purchase Funding

Meeting ends at 9:10 p.m.

Alfalfa House Community Food Co-op - Profit & Loss

New report available

Profit & Loss

ALFALFA HOUSE COMMUNITY FOOD CO-OPERATIVE 1 August 2017 to 31 August 2017

	31 Aug 17	31 Aug 16	31 Aug 15
Income			
Sales - Ex GST	86,181.16	86,098.27	93,039.22
Sales - GST	16,755.89	12,118.17	14,349.27
Sales variance - POS to bank	1,944.15	(715.61)	0.00
Till Variance - Cash	0.00	0.00	(48.81)
Total Income	104,881.20	97,500.83	107,339.68
Less Cost of Sales			
Groceries	44,566.92	45,077.60	44,217.05
Packaging	109.50	0.00	0.00
Produce	22,082.55	23,406.19	20,027.66
Total Cost of Sales	66,758.97	68,483.79	64,244.71
Gross Profit	38,122.23	29,017.04	43,094.97
Plus Other Income			
Annual Subscription Fees	430.87	0.00	0.00
Interest Income	96.78	22.64	101.35
Joining Fees	1,334.41	1,000.00	1,040.00
Workshop Fees	777.31	0.00	0.00
Total Other Income	2,639.37	1,022.64	1,141.35
Less Operating Expenses			
Workshop staffing costs	635.00	0.00	0.00
Administration Expenses			
Advertising & Marketing	564.02	0.00	0.00
Bookkeeping Fees	1,600.00	3,132.26	3,000.00
Computer & IT Maintenance	0.00	720.43	0.00
Computer Expenses	133.05	0.00	0.00

Depreciation	800.85	816.18	855.07
EFTPOS Fees	942.36	836.57	838.75
Equipment Hire	45.00	0.00	0.00
Licences	204.11	0.00	0.00
Pest Management	290.91	290.91	290.91
Printing	45.45	0.00	0.00
Repairs & Maintenance	468.97	0.00	137.14
Room Hire	0.00	84.55	84.52
Shop & Office Equip < \$1000	167.73	573.36	267.24
Software [62830]	0.00	85.00	0.00
Staff Amenities [62820]	96.82	0.00	0.00
Stationery & Office Supplies	345.02	0.00	195.94
Subscriptions	437.28	417.21	202.32
Travel Expenses	0.00	0.00	22.68
Total Administration Expenses	6,141.57	6,956.47	5,894.57
Communication Expenses			
Internet	88.99	63.63	63.63
Telephone Expenses	167.31	63.50	218.38
Total Communication Expenses	256.30	127.13	282.01
Employment Expenses			
Annual Leave - Movements	615.00	374.00	297.92
Contractor Expenses	0.00	0.00	837.00
Superannuation Expense	3,503.83	2,925.47	2,302.51
Wages & Salaries Expenses	37,113.97	33,990.61	24,480.94
Total Employment Expenses	41,232.80	37,290.08	27,918.37
Facility Expenses			
Cleaning Expenses	0.00	2,363.65	2,295.45
Recycling Fees	0.00	0.00	100.00
Rent	3,313.87	3,259.09	2,449.82
Rubbish Removal	251.45	276.36	100.00
Water Usage	0.00	178.70	0.00
Total Facility Expenses	3,565.32	6,077.80	4,945.27
Insurance Expenses			
Workers Comp Insurance	821.64	727.27	1,272.72
Total Insurance Expenses	821.64	727.27	1,272.72
Total Operating Expenses	52,652.63	51,178.75	40,312.94
Net Profit	(11,891.03)	(21,139.07)	3,923.38

Alfalfa House Community Food Co-op - Balance Sheet

New report available

Balance Sheet ALFALFA HOUSE COMMUNITY FOOD CO-OPERATIVE As at 31 August 2017

	31 Aug 2017	31 Aug 2016
Assets		
Current Assets		
Bank Accounts		
Bank Account - Debit Card 249	1,711.46	24,900.71
Bank Account - Expenses - 250	39,225.72	20,133.32
Community Access	24,049.96	0.00
Total Bank Accounts	64,987.14	45,034.03
Inventory		
Inventory year end	55,176.24	71,228.11
Total Inventory	55,176.24	71,228.11
Other Current Assets		
Bond on rental property	3,585.00	0.00
Total Other Current Assets	3,585.00	0.00
Till Box		
Float Till Drawer	300.00	300.00
Front Till Change box	518.15	466.00
Total Till Box	818.15	766.00
Undeposited Funds		
Clearing Cheque Deposit	0.00	0.15
Undeposited - Cash	1,041.40	1,483.27
Undeposited - Debit/Credit Card Funds	1,947.05	4,290.31
Total Undeposited Funds	2,988.45	5,773.73
Total Current Assets	127,554.98	122,801.87
Non-current Assets		

Containers & Scoops	3,839.07	4,516.47
Fixtures & Fittings	11,727.52	8,663.59
Improvements	8,509.92	10,694.58
Shop & Office Equipment	17,965.49	20,428.48
Software	1,099.06	1,465.18
Total Non-current Assets	43,141.06	45,768.30
Total Assets	170,696.04	168,570.17

Liabilities

Current Liabilities

ATO Liabilities

GST	1,662.65	(1,928.27)
PAYG Withholding Payable	5,688.33	5,281.84
Total ATO Liabilities	7,350.98	3,353.57

Employment Liabilities

Annual Leave Provision	15,048.26	18,527.26
Long Service Leave Provision	6,564.00	3,597.65
Superannuation Payable	5,749.07	6,041.10
Total Employment Liabilities	27,361.33	28,166.01

Payables

Trade Creditors	29,758.34	62,173.63
Total Payables	29,758.34	62,173.63

Total Current Liabilities	64,470.65	93,693.21
Total Liabilities	64,470.65	93,693.21
Net Assets	106,225.39	74,876.96

Equity

Current Year Earnings	(11,097.21)	(19,552.44)
Retained Earnings	117,322.60	94,429.40
Total Equity	106,225.39	74,876.96

Proposal:

That Alfalfa House Community Food co-operative ceases to sell products originating from the State of Israel.

Background:

I have been an active member of Alfalfa House for over eleven years. Alfalfa House's commitment to cooperative values and sourcing locally produced organic wholefoods wherever possible is one of the main reasons I am an on-going member.

Alfalfa House currently stocks Medjool dates originating from Israel, which I believe is inconsistent with the co-op's Objects.

The State of Israel has a profound impact on Palestinian agriculture and food production. For example, since the onset of occupation in 1967, the Occupied Palestinian Territories has lost access to more than 60 per cent of West Bank land and more than two thirds of grazing land. In Gaza, half of the cultivable area and 85 per cent of fishery resources are inaccessible to Palestinian producers. Israel also confiscates 82 per cent of Palestinian groundwater and as a result the World Bank (2009) has noted that only 35 per cent of irrigable Palestinian land is actually irrigated, costing the economy 110,000 jobs and 10 per cent of GDP. Agricultural activities have therefore become less viable, and many farmers have been forced to abandon cultivation.

For more information: http://unctad.org/en/PublicationsLibrary/app2016d1_en.pdf

All forms of international intervention and peace-making have until now failed to convince or force Israel to comply with humanitarian law, to respect fundamental human rights and to end its occupation and oppression of the people of Palestine.

Boycott, Divestment, Sanctions (BDS) is a Palestinian-led movement for freedom, justice and equality. In making the call for BDS, Palestinian Civil Society stated:

“We, representatives of Palestinian civil society, call upon international civil society organizations and people of conscience all over the world to impose broad boycotts and implement divestment initiatives against Israel similar to those applied to South Africa in the apartheid era. We appeal to you to pressure your respective states to impose embargoes and sanctions against Israel. We also invite conscientious Israelis to support this Call, for the sake of justice and genuine peace.

These non-violent punitive measures should be maintained until Israel meets its obligation to recognize the Palestinian people's inalienable right to self-determination and fully complies with the precepts of international law..”

BDS is now a vibrant global movement made up of unions, academic associations, churches and grassroots movements across the world. Eleven years since its launch, BDS is having a major impact and is effectively challenging international support for Israeli apartheid and settler-colonialism.

For more information: <https://bdsmovement.net/what-is-bds>

Alfalfa House has the following Objects:

- to promote the use of ethically-produced wholefoods
- to run an ethical, not-for-profit business
- to support other cooperatives whose objects are similar or related to the objects of the cooperative;
- to stimulate community development, foster community spirit and promote sustainable living.

In light of the above, products from Israel cannot be said to be ethically-produced. Stocking a product like this calls into question Alfalfa House's strong history of being an ethical business. Also, by refusing to purchase Israeli products, Alfalfa House becomes part of a growing community that supports the people of Palestine and their communities to develop their own sustainable living.

Alfalfa House should immediately stop stocking this product and any other products originating from Israel.

Alfalfa House Proposal Draft Format

This is meant as a helpful guide but if you need help ask for it. The aim is to present a complete case so that a decision can be made with as many facts as possible.

1. Overview of the proposal with recommendation.

Proposal details (what are we going to be doing), an impact (what is the benefit to AH)?

2. Background information

Is there any prior knowledge that would assist the understanding of the need? E.g. has something similar been attempted before? Why (what problem are we trying to solve)?

3. Proposal Details

What it is, why is it requested? What research or issues have been done to identify the need? Impact on AH from implementing the proposal.

4. Project Proposal Deliverables

What you get at the end of the project implementation. Eg Computers, new members, new customers, great community involvement and awareness

5. Project critical success factors

What will make it happen Eg: Funding, space, volunteer's time and or expertise?

6. Costing

Refer Purchasing policy as a guide for what to include. If you need help contact the Manager or Treasurer who will get someone to help and or review the costs

7. Risks and dependencies

Are there any significant risks that may affect the delivery of the project? Eg funding, staffing, volunteers, weather

8. Policy and legal implications

Does this proposal have any impact on Alfalfa House policies? Are there any legal considerations with this proposal? If you don't know say so or ask help from the Manager or MC member who will get someone to help and or review.

9. Implementation timing & Next Steps (Add detail and key milestones)

Circulate Proposal for approval

Approval

Add detail

Project implemented

Type of proposal

Marketing	Outreach	Volunteer	Staffing	Community	Sales initiative	CAPEX	Policy

Is this part of the strategic plan?	Is it part of the annual plan?	Is it funded	Working group	Is this a complete proposal

Submitted to:.....Date:.....

Submitted by.....Date:.....

Post submission feedback.....

.....

.....

SOP Title: Capital Expenditure & Associated Services – Non Stock - Purchasing Policy	
Security Level: Public	SOP #. AH001/1
SOP Author	Effective Date: 8/8/2017
Name: Catherine O’Keefe	Review Date: 8/8/2019

Version Control	Date Effective	Approved at MC meeting	Amendment
1	2.6.2015		Tendering - Original
2	10.6.2015		Purchasing - Original
3	9.8.2017		Supersedes both Tendering and Purchasing

Aim:

To define the process for capital expenditure and associated services, known as **non stock purchasing**. This excludes operational shop items that are at the manager’s judgement under \$250.00 and stock purchasing. The following principles shall govern procurement policy and practice and, these are:

- a. Economic principles;
- b. Ethical principles,
- c. Environmentally conscious principles.

They also reflect the Alfalfa House objects which are in the Rules, Part 2, Rule 1.4 and are in Appendix 1.

Economic Principles

1. Any individual engaged in purchasing and procurement on behalf of Alfalfa House shall seek best value for money. The term “value” is not limited to the monetary cost of the supply but shall also take into account a range of factors such as quality and service.
2. Any staff member engaged in purchasing shall be mindful of the following aims:
 - a. to conserve funds through cost reductions without sacrificing quality;
 - b. to minimise total cost of ownership (see Definitions);
 - c. to reduce overheads; and
 - d. to reduce transaction volumes and streamline processes.
3. The following factors shall be taken into account when considering “value”:
 - a. the suitability and compliance of the goods/services being procured;
 - b. the service history of the supplier;
 - c. the associated delivery and operating costs; and
 - d. the cost of disposal.
4. Purchasers shall consider life cycle costing, i.e. the cost of the item over the life cycle of its use (Appendix 2)
 - a. Life cycle costing shall be carried out on all significant equipment purchases.
 - b. All considerations to life costing shall be carried out prior to placing an order
5. Leasing: Where appropriate, staff members shall perform a cost-benefit analysis to determine whether outright purchase or lease is the best option.

Ethical Principles

1. There shall be an audit trail for all purchases that allows for transparency of decisions and review of purchasing practice. The conduct of procurement is subject to continuous auditing by Alfalfa House.
2. Staff members shall ensure that they are not, or are not perceived to be, in a conflict of interest with any supplier. Those staff members who have, or may be perceived to have, a vested interest in the outcome of a purchase should

disclose any conflict to the MC and discuss whether they should exclude themselves from any role in the purchase process.

3. Purchasers shall be suitably skilled and qualified to attend to the completion of their purchasing and contracting role(s).
4. Goods and services that are purchased with Alfalfa House funding shall be used for Alfalfa House purposes and not for private purposes.
5. Open and effective competition shall be encouraged and observed ensuring equitable access to all suppliers.
6. Purchasers shall ensure probity, transparency, fairness and accountability in all stages of the purchasing process.
7. All pertinent data relevant to a purchase shall be recorded and accounted for.
8. Purchasers shall show regard for preferred suppliers and existing contracts.
9. Purchasers shall not authorise payment to a person or organisation in which they have a material interest without prior written approval of the Treasurer and or Chair of the MC.
10. All conflicts of interest shall be advised to the Treasurer and or Chair of the MC as soon as they arise.
11. Any gifts or hospitality received in relation to the purchase of goods and services shall only be accepted in accordance with the approval of the Treasurer and or Chair of the MC.

Environmentally Conscientious Principles

1. Environmentally conscientious principles shall be considered alongside economic and ethical principles.

Consideration shall be given to:

- a. The procurement of products containing materials produced in a sustainable manner and/or reconditioned or recycled components.
- b. Use of suppliers that offer product stewardship, (e.g. suppliers that take back products at the end of their life, suppliers that provide a recyclable packing system, or ease of recycling).
- c. Preference for goods that are more energy-efficient and cause less impact on the environment.
- d. Preference should be given to those suppliers that minimise their energy consumption and adverse environmental impact.

Procedure:

	Action	Responsibility
1.	Project approval – All projects must be approved in written concept by the MC prior to briefing suppliers. This is to ensure that we focus resources where they are decided and the supplier is also respected in terms of the time to do quotations and project scopes.	MC
2.	Suppliers – There is a preference to local suppliers so that the local economy is sustainable. Under no circumstances are offshore tenders such as through Freelancer or the like allowed as this is against our values of fairness and a living wage. In choosing suppliers and materials they must be done in consideration of the Alfalfa House Objects. Wherever possible, co-op members who have the necessary skills and qualifications and are known to be willing to help the co-op should be contacted in the first instance to provide such services as may be needed in exchange for extra discounts in lieu of payment for those services. The Manager will gain approval from the Chair or Treasurer of the MC for these discounts prior to agreeing on the appointment of the person for the job. Each job would be added to a specialist skills register, which would detail which member/s provided what kind of service, on what basis, how the exchange determined and any significant follow-up observations. Such members should come to an agreement with the Manager as to the value of extra discounts they are to receive in exchange prior to any work being undertaken. Such members should inform the Manager when they consider the service can no longer be provided by them and should be undertaken by a paid person. The cost of any materials used to affect such services must be approved prior and when approved submitted by the member for payment by the co-op unless the member does	Purchasing Officer, Manager

	not wish to accept payment for such materials in which case the value of the materials is to be written up as a donation.	
3.	<p>Quotations</p> <p>3.1 All quotations are to be sourced in writing from the suppliers. They are to include quantity, commencement and conclusion date (where applicable).</p> <p>3.2 Considerations</p> <p>a. Rates being considered reasonable and consistent with normal market rates for items of a like nature; and</p> <p>b. Requirements not being split into components or a succession of orders, for the same goods or services for the purpose of enabling the goods/service to be obtained under the \$250 manager's approval limit.</p> <p>3.3 For a new project 3 quotes are required and samples where possible and or applicable. If it is a new supplier references are required to ensure that their credentials match the project. Three written quotations do not have to be obtained where the goods or services are proprietary (held under patent, trademark or copyright), or are only obtainable from fewer than three suppliers.</p>	Manager; Purchasing Officer
4.	Orders - All purchases to Alfalfa House are to be made on official Purchase Orders. Official quotations must be supplied prior to an order being raised. The PO is to be signed both by the Chair or Treasurer and Manager.	Manager
5.	Payments - No payment will be made without matching the official purchase order, delivery docket and invoice. The documents are to be matched by the PO and then the requestor is to approve and code.	Manager, Treasurer
6.	Payment Terms - 30 days from the close of month the invoice is received are preferred.	Manager

END of SOP

Appendix 1: Objects of Alfalfa House Community Food Co-operative- Rules, Part 2, Rule 1.4

The objects of the co-operative are:

- a) to provide a retail source of wholefoods so that members may have some control over the sources of their food supply;

- b) to provide information on and promote the use of
- i) low-cost, ethically-produced and packaged wholefoods,
 - ii) cruelty-free foods,
 - iii) vegetarian foods,
 - iv) vegan foods,
 - v) organic foods and
 - vi) genetically-modified-free foods;
- c) to run an ethical, not-for-profit business;
- d) to minimise resource wastage and, hence, encourage reuse and recycling;
- e) to support other cooperatives whose objects are similar or related to the objects of the cooperative; and
- f) to stimulate community development, foster community spirit and promote sustainable living.

Appendix 2: Life Cycle Costing Reference List	
PART A: INITIAL COST AND INSTALLATION	
Item	Things to consider
Cost of Item	What currency is the quotation in?
	What conversion rate have you factored in?
	Have you allowed for currency conversions and fluctuation in the value of \$AUD?
	What items have not been included in the initial cost of the item(s).
Installation	Dimensions what are the physical dimensions and weight of the equipment- will it physically fit in the space allocated?
	Will it fit through corridors for transportation to the installation site?
	Are all installation costs included in quotation?
	Have you included freight charges?
	If it is coming from overseas have you included any customs and/or duty that may be charged?
PART B: MAINTENANCE / SERVICE CONTRACTS	
Item	Things to consider
Maintenance Contracts	Are there regular maintenance or inspection and testing required that can be covered by a service contract?
	Will Alfalfa House staff or volunteers be required to provide maintenance surrounding this item(s)?
Special Licences	Software?
PART C: OH&S REQUIREMENTS	
Item	Things to consider
Risk Assessment/ Safe Work Procedure	Has a risk assessment been completed for the item? Are safe work procedures required as a control measure?
Training	Is there any external or internal training required to use the item?
	Who will be competent to deliver and assess training for the use and maintenance of the equipment?
First Aid Items	First Aid requirements?
Signage	Do you need door signage?
Ergonomic Factors	Has an assessment been made as to how people will use this item safely, e.g. height of desk, bench, chair etc.?
PART D: OTHER REQUIREMENTS	
Item	Things to consider
Other items	Has all storage of non-essential items been considered? Is there sufficient space to house these?
Storage	Is there sufficient storage space for ancillary items i.e. paper, cleaning utensils etc?

Environmental Factors	Does the item produce waste – are there specialist waste disposal required?
	Does the item require specialist cleaning services?
Disposal Costs	What is the life expectancy of the equipment?
	Are there any hazardous materials, required to be disposed of at the time of disposal?
PART E: STAFFING	
Item	Things to consider
What are the staffing implications	Does it require additional/specialist staff for the implementation/installation/training and ongoing support of the item(s)
	Can this be provided by existing or new staff?
	Does it require ancillary support for software development and support?
Will this be a new position?	Does it require a specialist operator or can existing staff be utilised
	If new staff member, additional operational costs i.e.
	salary,
	phone, internet, training, space (if not located in the same area as equip)
PART F: ALTERATIONS AND/OR REFURBISHMENT TO EXISTING BUILDING/ROOM	
Item	Things to consider
Flooring	Does the flooring need removing/replacing?
	Is the floor strong enough to support the equipment?
Joinery	Are desks, drawers, cupboards etc required?
Carpentry	Do walls and/or doors need moving?
Insulation	Is special insulation required to ensure noise is limited to surrounding areas?
Structural Support/Demolition	Are any demolition works required, if so what are the removal costs?
Other	Disabled Access ramps?
	Will the area require painting?
PART G: ALTERATIONS TO EXISTING SERVICES	
Item	Things to consider
Power Supply	Does the new equipment require additional power i.e. 3 phase or 15 amp?
	Do any cabinets require earthing?
Water Supply	Do you need water in the space in order for the equipment to run (this does not include cooling water)?
Gas Services	Are additional gas lines required to be installed?
	Are there existing services in the building?
Drainage	Does the equipment require access to drainage or areas?
Ventilation	Does the equipment emit toxic gases etc – does it require specialist ducting, supply air or extraction fans?
Essential Services	Are additional smoke detectors required?
	Is additional exit signage required?
PART H: ADDITIONAL BUILDING SERVICES AND/OR ANCILLARY EQUIPMENT REQUIRED	
Item	Things to consider
Air-conditioning	Does the equipment need temperature control – to what level?
Refrigeration	Are there refrigeration requirements? Does it require freezers?
Ongoing Maintenance	Are there regular service requirements that need to be conducted?

Other	Uninterrupted power supply?
PART I: IT REQUIREMENTS	
Item	Things to consider
Network	Are there sufficient phone and data ports available?
	Internet & Phone charges – ongoing costs?
Servers	Will this have an impact on existing server capacity or will another server be required?
Computer	What type of computer requirements for equipment?
	What type of computer requirements for staff?
Data Storage	Will this require the acquisition of further data storage?
Software	Does this item require specialist software to be purchased?
	Who will manage this? Is it something that AH will manage or is it readily available already?
Other	How does this impact / fit in with the shared server?
OTHER CONSIDERATIONS SHOULD THE GRANT/FUNDING BE APPROVED	
Item	Things to consider
Timelines for implementation	What time/notice is required by AH etc. for resource allocation for the project?
Business Continuity Planning	Have you considered the impact of this purchase on the financial resources of Alfalfa House?
Replacement Strategy	When will the equipment need to be replaced / upgraded?
	What costs will be associated with this replacement / upgrade?

2 Definitions	
Word/Term	Definition (with examples if required)
Best and Final Offer	In the context of this policy, the term “best and final offer” refers to final negotiations with the selected supplier(s) to extract the best terms.
Close Personal Friend	Is intended to refer to intimate and/or close personal and social relationships that are, or have been established between AH employees and individuals external to AH. It does not refer to professional working relationships that may be established with personnel internal, or external, to AH.
Consultancy	Refers to the procurement of external consultants or consultancy services to AH.
Life cycle costing	The terms “total cost of ownership” and “life cycle costing” refer to the ongoing, as well as initial, cost(s) of the purchase, e.g. the cost of installation, building and service modifications, maintenance, warranty, support, refills and complementary product, compatibility with other equipment and the cost of disposal.
Preferred supplier	A preferred supplier is one that has been selected by AH, following a market-testing process, and offers significant benefits to AH.
Product stewardship	Refers to the service that a supplier may provide in disposing of the goods after they have served their useful life.
Purchasing Officer	For the purpose of this policy the term Purchasing Officer refers to any staff member sourcing the goods or services and raising a requisition, an order or a payment to purchase goods and services.
Risk	Fundamentally, risk shall be understood to mean the extent to which AH is unable to meet the policy purposes, outcomes and principles intended, as a consequence of an inappropriate choice of procurement process.
Standing contract	In the context of this policy the term standing contract refers to a contractual agreement with a supplier. Usually these contracts are for a specific duration and/or a specific value.
Total cost of ownership	The terms “total cost of ownership” and “life cycle costing” refer to the ongoing, as well as initial, cost(s) of the purchase, e.g. the cost of maintenance, warranty, support, refills and complementary products, compatibility with other equipment and the cost of disposal.

Project Tendering

Once a project is agreed upon and a working group* assigned or formed:

1 The Members Council (MC), together with the Manager as needed, who may draw upon staff expertise as necessary, considers whether outside expertise is likely to be required and, if so, what kinds of expertise are specifically required, and the task for which they are required. (For example, rather than seeking 'an auditor', the request would be to specify "an auditor, preferably with experience of non-profits and cooperatives, to conduct our annual financial audit"). MC makes a decision on whether to investigate specific outsiders for specific tasks.

2 The working group determines the type of tender to be used (see Appendix A)

3 The working group undertakes the tender process

a Determines the tender format and scope (describe the job)

b Specifies tasks and timeline for the whole project and for specific tasks within that overall timeline if required

c Prepares tender documents

d Opens the tender by advertising it with a deadline for bids

e Receives and collates offers for adjudication assessing bids on the following criteria

i Cost (ie, choosing the lowest possible quote for high-quality service)

ii Availability and reliability (ie, when bidder can begin and complete the work, and the working group's impression of their responsiveness to date re getting quotes on time etc) and experience with undertaking such jobs within an agreed timeline

iii Relevant experience (eg, specialises in non-profits, experience with food retailers, etc) and quality of work and service and capacity to maintain transparency throughout the job (eg, when there is a potential deviation from an agreed task that the supplier informs the working group/project coordinator of the possible alteration with a view to renegotiating the task)

iv Affiliation with AH (membership, volunteer, staff, prior work, etc) and/or compatibility with AH objects

f Shortlists bidders to three and makes recommendation to MC

g MC chooses successful bidder and issues contracts

h Working group/project coordinator monitors performance and quality of work throughout the project

Appendix A: Types of tender

Open tender: Bidding is open for all interested suppliers and is used when many reputable suppliers are available and likely to be interested

Restricted tender: Participation of suppliers is limited to those who have been registered with AH in the past or who have pre-qualified

Competitive negotiation: AH approaches a small number of potential suppliers and negotiates for specific price or service arrangements

Direct procurement: Purchase is made directly from a single supplier at the quoted price

* A working group consists of a convener (usually MC member or Manager) and any number of interested staff and non-staff members

Purchasing Goods and Services Policy

This policy applies to the purchase of goods and services other than stock for re-sale.

1 The only persons authorised to make any such purchases on behalf of the co-op are the Members' Council (MC) as a whole and the Manager.

2 The Manager is authorised to make single expenditures of up to \$500 without authorisation from the MC. Such expenditures, except for consumables such as stationery and other items used in the day-to-day running of the co-op, should be recorded and noted in the Manager's monthly report.

3 Any expenditure above \$500 or equivalent value in trade must be approved by the MC as a whole, unless it is an emergency, such as a breakdown of any essential equipment or services (fridges, computers, power or water supply), which would cause a financial loss to the co-op. In this case, the Manager should immediately contact the MC's Chair and Treasurer (or their deputies), after which the Manager would make the purchase or initiate the repair. The Chair or Treasurer would immediately inform the rest of the MC.

4 Any equipment purchased should be appropriately recorded in the assets register.

5 Services

5.1 Wherever possible, co-op members who have the necessary skills and qualifications and are known to be willing to help the co-op should be contacted in the first instance to provide such services as may be needed in exchange for extra discounts in lieu of payment for those services. Examples would include electrical, plumbing, carpentry and other similar work. Each job would be added to a specialist skills register, which would detail which member/s provided what kind of service, on what basis, how was the exchange determined and any significant follow-up observations.

5.2 Such members should come to an agreement with the Manager as to the value of extra discounts they are to receive in exchange prior to any work being undertaken. Such members should inform the Manager when they consider the service can no longer be provided by them and should be undertaken by a paid person.

5.3 The cost of any materials used to effect such services must be submitted by the member for payment by the co-op unless the member does not wish to accept payment for such materials in which case the value of the materials is to be written up as a donation.