

From: Kathy at DTE <kathyatdte@gmail.com>
To: Kate Shapiro <kate@dte.coop>
Cc: DTE Directors <directors@dte.coop>, ocmal@dte.org.au
Subject: Re: Supply Contracts
Date: Mon, 15 Feb 2021 12:35:55 +1100

Hi Kate

Could you please provide an update on this storage?

Is this storage continuing?. Has the storage been paid for?

What is being stored? Depending on the volume, a few people have offered free storage and transport options.

regards
Kathy Ernst

On Thu, 19 Nov 2020 at 17:14, Kathy at DTE <kathyatdte@gmail.com> wrote:

> Hi Kate

>

> I agree that an OC budget application is required. OC seems to be taking
> responsibility for storage even if the items were bought from a CC budget.

>

> There are a few things I would like to clarify.

>

> 1. What is the reason for this storage?

> Mike's email suggests that the storage was to store first aid items until
> they could be taken to Warooma for ConFest, as does your statement that
> "the agreement was taken out following the budget being approved".

> However, Xero shows that this storage has been ongoing since at least the
> beginning of the 19/20 financial year. (Maybe even earlier but no receipt
> was provided for the Storage King transaction in May 2019).

>

> 2. What is being stored?

> I have been told that storage is for defibrillators and other equipment
> too delicate to store in the heat at Warooma, But \$355 per month can
> provide quite a large storage space.

>

> 3. Will it be possible to deliver all items to Warooma inside the First
> Aid Van? Do you need help to get items to Warooma?

>

> regards
> Kathy Ernst

>

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> On Wed, 18 Nov 2020 at 12:06, Kate Shapiro <kate@dte.coop> wrote:

>

>> Hi all,

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>> Just to fill you in on the picture.

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>> Storage was an item included in the Confest First Aid budgets. I
>> therefore paid it from my DTE facilitators card until the end of financial
>> year on a monthly basis. He also kindly gave us a month free due to COVID
>> etc. I have been paying it out of my own funds since because there
>> wasn't any room for it in the appropriation (I was off sick when Kathy had
>> requested department information). There are two months (October and

>> November) of storage currently due.

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>> There is no contract / minimum term on the storage rental. The agreement
>> is a month by month and was taken out following the budget being approved.

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>> We have an appropriation for motions already passed in this budget. I
>> could put a budget in for it to be reallocated. Although the original funds
>> were given from the CC, it is more appropriate that this be given from the
>> OC. It sounds like you agree Kathy. I'm not sure what others think.

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>> Cheers,

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>> Kate Shapiro

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>> Director

>>

>> Down to Earth (Victoria) Co-operative

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>> -----

>> *From:* TGP Home <trevorpitt@optusnet.com.au>

>> *Sent:* Wednesday, 18 November 2020 9:08:15 AM

>> *To:* Troy Reid; 'DTE Directors'

>> *Cc:* ocmail@dte.org.au; 'DTE Governance & Statutory Compliance
>> Committee'

>> *Subject:* RE: Supply Contracts

>>

>>

>> Dear All,

>>

>> Good questions. I agree there is a policy gap.

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>> Our rules say that the OC is responsible for the day to day running of
>> the cooperative

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>> BUT

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>> The directors are responsible for the bank accounts and fiduciary
>> oversight.

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>> Personally I believe that the OC should decide what agreements DTE should
>> commit to, and then (when necessary) the board executes the payment or
>> enters into a supply contract.

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>> Where direct debits are the preferred method of periodic payment of
>> supply contracts then the OC should approve this as part of the approval
>> process of the supply contract. I have no issue with direct debits being
>> taken out of the OC account, as long as the OC has approved the initial

>> agreement.

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>> Regards,

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>> Trev.

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>> *From:* Troy Reid [<mailto:troy@dte.coop>]

>> *Sent:* Wednesday, 18 November 2020 8:47 AM

>> *To:* DTE Directors

>> *Cc:* ocmail@dte.org.au; DTE Governance & Statutory Compliance Committee
>> (gsc@dte.coop)

>> *Subject:* RE: Supply Contracts

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>> Hi all

>> The email thread below is an excellent opportunity to consider the issue
>> of Supply Contracts to gain insight into the demarcation of
>> responsibilities between the Board and the OC and help reduce friction from
>> clearer understandings and expectations.

>> Here is a good initial question:

>> Do you believe the OC or its members can unilaterally commit the
>> cooperative to contracts with suppliers?

>> A commercial contract for supply is a commitment to a continuation of
>> supply with contingent liabilities, which is distinct from independent
>> commercial transactions where there is no contract of continuation agreed
>> to.

>> For example, a post-pay 24 month phone plan is a supply contract, whereas
>> the occasional purchase of diesel fuel for our tractors from a retailer not
>> supplying us credit is not a supply contract.

>> The engagement of bookkeepers, accountants, auditors, lawyers, etc. also
>> represent contracts of supply of professional services usually with credit
>> terms.

>> Note that the rental/room hire contract with CERES is a supply contract

>> and at their request has always been signed/executed by one or more
>> directors.

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>> Storage facilities procured with a minimum-term lease is also a supply
>> contract.

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>> Most commercial supplier contracts provided to organisations require
>> consent of officeholders because of the contingent liability associated
>> with these contracts and suppliers are legally entitled to assume that the
>> persons entering into contract on behalf of an incorporated body are an
>> authorised representative of that incorporated body.

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>> The OC has no officeholders or persons with delegated authority to
>> legally act on behalf of the cooperative to commit it to contingent
>> liabilities.

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>> I suspect there is a policy gap here that the Board and GSC could give
>> further consideration to. That is, the definition of a commercial supply
>> contract and a policy of who can commit the cooperative to commercial
>> supply contracts. Is there a cost threshold? (e.g. commercial supply
>> contracts greater than \$X per year require Board consent and delegated
>> execution).

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>> Rather than see this as a territorial dispute between the Board and the
>> OC, I think this issue has the potential for the Board and the OC to work
>> together with the GSC to find a collaborative solution in the best
>> interests of the cooperative.

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>>

>> Regards,

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>> Troy

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>> *From:* Kathy at DTE <kathyatdte@gmail.com>
>> *Sent:* Wednesday, 18 November 2020 7:30 AM
>> *To:* Mike Kennedy <mike1962nz@gmail.com>
>> *Cc:* directors <Directors@dte.org.au>; directors@dte.coop
>> *Subject:* Re: Account in DEFAULT -0 57 days overdue

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>> This needs to go to the OC. It is not a Board matter.

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>> Regards

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>> Kathy Ernst
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>> On Tue, 17 Nov 2020 at 19:28, Mike Kennedy <mike1962nz@gmail.com> wrote:
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>> Dear Directors. I have received an email with final notice of account.
>> This is for storage of DTE equipment. While the storage was only planned on
>> being needed until February, Covid-19 lockdown and the cancelation of then
>> festival meant the equipment could not be returned to site.
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>> Once the NSW boarder is open I plan on delivering all equipment and the
>> firstaid van to site.
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>> In the interim then rent for storage needs to be paid, including arrears.
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>> Should the Directors wish to cancel the lease sooner and arrange removal
>> of the equipment someone will need to negotiate with the manager.
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>> Regards Mike Kennedy.
>>
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>> ----- Forwarded message -----
>> From: *Storage King Clayton* <clayton@storageking.com.au>
>> Date: Tue, 17 Nov 2020 at 5:01 pm
>> Subject: Account in DEFAULT -0 57 days overdue
>> To: <kate@dte.coop>
>> Cc: <mike1962nz@gmail.com>
>>
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>> Hi Kate and Mike,
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>> I can almost never get you guys by phone and you don't respond to my
>> emails. Unfortunately as I can't talk about options with you I am left with
>> no choice but to follow procedure.
>>
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>> At 42 days overdue (2/11/20) we emailed a final notice of intent to enter
>> the unit and assess the goods it contains for sale or destruction in
>> accordance with the terms of the storage agreement. I have not done so as
>> yet in the hope you would respond to my contact attempts.
>>
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>> I know the circumstances surrounding the Co-Op are difficult but I am
>> responsible for running this business and that involves processing debtors
>> in line with our contract with the property owner. I am flexible to a

>> degree and have already given you a free month to try to allow you time to
>> deal with the storage.
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>> A payment of \$560 is required immediately to avoid us taking the next
>> step as described in our earlier correspondence. We must receive payment in
>> full or you need to talk to us before Thursday 19/11 to make arrangements
>> to settle the debt and vacate the unit.
>>
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>>
>> I hope to hear from you and avoid the need to dispose of your goods.
>>
>>
>> *Brendan Hill*
>> Store Manager
>> -----
>>
>> *Storage King Clayton*
>> 27 Clarinda Road
>> <<https://www.google.com/maps/search/27+Clarinda+Road+Oakleigh+South+VIC+3167+AUSTRALIA?entry=gmail&source=g>>
>> Oakleigh South VIC 3167 AUSTRALIA
>> <<https://www.google.com/maps/search/27+Clarinda+Road+Oakleigh+South+VIC+3167+AUSTRALIA?entry=gmail&source=g>>
>> *P:* +61 3 9550 9500
>> *F:* +61 3 9550 9500
>> *E:* clayton@storageking.com.au
>> *W:* [storageking.com.au](http://www.storageking.com.au) <<http://www.storageking.com.au>> |
>> [storageking.co.nz](http://www.storageking.co.nz) <<http://www.storageking.co.nz>>
>> The Kings Of Storage, Moving & More.
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>> --
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>> My photos online @ <http://community.webshots.com/user/mike1962nz>
>> My Group online @ http://groups.yahoo.com/group/PSP_for_Photographers
>>
>> "Life is a sexually transmitted condition with 100% mortality and birth
>> is
>> as safe as it gets." Unknown

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