

PROCUREMENT PROCESS AND PROCEDURES

The procurement process and procedures are guided by:

- FINPOL 002 - Financial Governance;
- FINPOL 031 - Singing Powers;
- FINPOL 034 - Tender Policy;
- FINPOL 035 - Procurement Policy; as well as the following purchasing limits and delegations:

Value Limits	Requirements
Purchases up to R1 000 in Total	Purchase through University Corporate Credit Card or University Petty Cash.
Purchases above R1 000 but not exceeding R10 000 in Total	Raise an PR and obtain 3 telephonic quotations
Purchases above R10 000 but not exceeding R50 000 in Total	Raise an PR and obtain 3 telephonic quotations confirmed in writing
Purchases above R50 000 but not exceeding R200 000 in Total	Raise an PR and obtain 3 written quotations
Purchases above R200 000 but not exceeding R500 000 in Total	Issue high value quotation to approved suppliers
Purchases above R500 000 but not exceeding R2 000 000 in Total	Issue closed tenders to approved suppliers. Invites to nominated suppliers
Purchases above R2 000 000	Issue public tenders in at least two daily papers
PROJECTS	
Projects up to R50 000	Obtain 3 written quotations
Projects above R50 000 but not exceeding R500 000 in Total Cost	Issue high value quotation to approved suppliers
Projects above R500 000 but not exceeding R2 000 000 in Total Cost	Issue closed tenders to approved suppliers Invites to nominated suppliers
Projects above R2 million	Issue public tenders in at least two daily papers
CONSULTATION SERVICES	
Consultancy Services up to R200 000	Raise an PR and obtain 3 quotations
Consultancy Services Above R200 000 but not exceeding R1 million in Total Cost	Issue closed tenders to nominated consultants
Consultancy above - R1 million	Issue public tender in at least two daily papers
CAPITAL PURCHASES	
Capital items up to R200 000	To be approved as per delegated authorities within the line function
Capital items above R200 000	To be approved by relevant EMC member who has to ensure that his senior line managers supports purchase
All items above R2 000 per items	Must be capitalized and depreciated if useful life is more than one (1) year
MULTIPLE ORDERS including YEAR ORDERS	
<ol style="list-style-type: none"> 1. Multiple orders of the same service or goods, within the same department and per cost centre, which collectively may exceed the normal procurement threshold as listed above, are not permitted. This will be considered to be 'order splitting'. 2. Should repeat orders be required that are in excess of the threshold for day to day purchases, projects and consultancy services, the competitive bidding process shall apply. 3. Year orders must be pre-approved and shall be allowed up to the value limit of R500 000.00 per annum per supplier/service provider, where-after the tender process shall apply. 	

DELEGATIONS FOR PURCHASES AUTHORISATION		
Day to Day Purchases, Projects and Consultancy Services	Purchase Approval Limit	Authorised Level of Approval
	Purchases up to R15 000	Heads of Departments
	Purchases up to R50 000	Managers and Deputy Directors
	Purchases up to R200 000	Directors of Departments and Heads of Departments of Academic Departments
	Purchases up to R500 000	Deans and/or Executive Directors of Departments including all reportees of EMC Members
	Purchases up to R2 000 000	Deputy Vice Chancellor / Registrar*
	Purchases above R2 000 000	Vice Chancellor*
	Delegations for the Procurement Department	
	Purchase Orders up to R15 000	Buyer can sign official order
	Purchase Orders up to R200 000	Senior Buyer must sign official order <u>or</u> Manager: Procurement
	Purchase Orders above R200 000	Manager: Procurement must sign official order

* Someone directly involved in the operational line (i.e. Dean, Executive Director) should be required to sign before a DVC.

The delegated authorities were approved by the EMC on 31 January 2011.