



POLICY ON PROCUREMENT

RECORD MANAGEMENT					
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V201808	August 2018	As adopted by the Governing Body	Sarah Grobler	Member of the Board and Company Secretary	5 years from adoption

This policy will be next reviewed during: **August 2022**



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Policy on Procurement

TABLE OF CONTENTS

1. PURPOSE	3
2. DIRECTIVE.....	3
3. PROCUREMENT COMPLIANCE PRACTICES	3
4. PROCUREMENT COMPLIANCE PROCEDURES	4
5. PAYMENT COMPLIANCE PRACTICES	5
6. ADOPTION.....	6



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Policy on Procurement

1. PURPOSE

The Board of Governors (Board) places ethical behaviour and good governance at the centre of its culture. The governance of **procurement** is a fundamental component of this practice to ensure the long-term sustainability of Rondebosch Boys' High School (RBHS). The purpose of this policy is to communicate their directive in this regard, together with criteria, procedures and responsibilities the Board has determined are required for the governance and management of procurement at RBHS.

2. DIRECTIVE

- 2.1. The objective of this policy is to ensure the procurement of services (which includes services, goods, parts, materials, builders work, service contracts, maintenance contracts, etc.) at the best price and within the aims of transformation but without compromising service levels and quality.
- 2.2. Service providers should have a proven track record and be able to deliver a quality service on time, on budget, and with good after-service follow up. Good service is rewarded and the advantages of developing a relationship with a particular service provider are recognised without conferring exclusivity.
- 2.3. This policy applies to any person who does procurement for RBHS, including employees of RBHS (WCED), employees of the Governing Body and members of the Governing Body (referred to as "a Responsible Person").

3. PROCUREMENT COMPLIANCE PRACTICES

- 3.1. It is not permissible for a Responsible Person, or a business in which a Responsible Person has financial interest, or an immediate family member of a Responsible Person, to be awarded a contract to provide services to RBHS for financial gain, without the written consent of the Board.
- 3.2. It is not permissible for a Responsible Person to receive any gift or reward for awarding a contract for services.
- 3.3. Before awarding a contract for services a Responsible Person must take reasonable steps to ensure that the contractor is competitive in the market.
- 3.4. Any Responsible Person who knowingly flouts this policy will be guilty of serious misconduct.



Reference number	POL 1.0
Version number	V201808
Version date	August 2018
Type of document	Policy

Policy on Procurement

4. PROCUREMENT COMPLIANCE PROCEDURES

The following procedures and limits for procurement apply (these are inclusive of VAT and may be updated from time to time by the Board). Overall procurement must be in line with the approved Budget and a Responsible Person must be aware of the budgetary constraints applicable. Where within budget:

- 4.1. Products or services costing **up to R30,000** require only one quotation. The person requesting the service shall obtain the quotation and submit it to the bursar for approval. Such service or product providers should be reputable and, where possible, have a proven record of quality service to RBHS at a reasonable price.
- 4.2. Products or services **between R30,000 and R100,000** require two quotations. The person requesting the service shall obtain the quotations and submit them to the bursar for selection and approval. The bursar shall approve the lowest quotation unless there are compelling reasons not to in which case s/he shall place those reasons on record. Such service or product providers should be reputable and, where possible, have a proven record of quality service to RBHS at a reasonable price.
- 4.3. Products or services **between R100,000 and R500,000** require three quotations. Such service or product providers should be reputable and, where possible, have a proven record of quality service to RBHS at a reasonable price. The person requesting the service shall obtain the quotations and submit them to the relevant person or committee for selection and approval. Where it relates to an area of activity involving an SGB sub- committee, approval shall be given by the relevant SGB sub-committee. Where it involves a department, the approval shall be given by the principal or deputy principal upon recommendation by the head of that department. The lowest quotation shall be accepted unless there are compelling reasons not to in which case these reasons shall be recorded either in the minutes of the meeting or in a separate note which should be attached to the approval form.
- 4.4. Products or services **above R500,000** require a formal tender process involving at least 3 reputable suppliers. The following procedures shall be included in such a process:
 - 4.4.1. A detailed description of the service or product to be provided shall be made available to the suppliers or service provider.
 - 4.4.2. A deadline for submission of tenders shall be clearly stated in the description.



Reference number	POL 1.0
Version number	V201808
Version date	August 2018
Type of document	Policy

Policy on Procurement

4.4.3. Tenders shall be submitted in sealed envelopes to the bursar or his/her appointee.

4.4.4. The envelopes shall be opened by the bursar or his/her appointee in the presence of one other witness no earlier than the stated deadline in the tender document.

4.4.5. The tender shall be awarded by the SGB or the executive of the SGB to the company providing the lowest quotation unless there are compelling reasons why it should go to another company. Such reasons shall be documented in the minutes of the meeting in which the appointment is made.

4.5. All contracts must be in writing, clear and easily understandable, and signed by a person with authority.

4.6. Notwithstanding the procedures laid down in points 4.1 to 4.5 above, the SGB may choose to adopt a different process to appoint a service provider if it is of the opinion that it is in the best interests of RBHS and provided that such decision is approved by at least 75% of the voting members of the SGB.

4.7. Where the procurement concerned is **not budgeted** for, then, in addition to the procedures set out above:

4.7.1. For procurements **up to R100 000**, the written authority of the Business Manager and the Headmaster must be obtained; and

4.7.2. For procurements **in excess of R100 000**, a Finance Committee resolution is required.

5. PAYMENT COMPLIANCE PRACTICES

5.1. Before payment can be authorised, the person responsible for appointing the service provider shall ensure that the product has been delivered in good order or that the service has been rendered in accordance with specifications.

5.2. A requisition for payment must be completed and submitted to the bursar who will ensure that all documentation is in order before submitting it to the principal or deputy principal for authorisation of payment.

5.3. Non-consumable items are to be entered in the appropriate inventory.



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Policy on Procurement

6. ADOPTION

The Board hereby adopts this policy. For an behalf of the RBHS Board of Governors:

Name: _____

Role: _____

Signature: _____

Date: _____