

GENERAL NOTICE

DEPARTMENT OF CORRECTIONAL SERVICES

No. 582

29 May 2009

DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

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| I. | INTRODUCTION |
| 1.1 | By virtue of the authority vested in me in terms of Section 38(1)(a)(iii) and Section 44(1)(a) of the Public Finance Management Act, I Vivian P. Petersen, Commissioner of Correctional Services hereby delegate the powers and duties assigned to me in terms of the Public Finance Management Act (Act 1 of 1999 as amended by Act 29 of 1999) and the Treasury Regulations, Part 6 Chapter 16A issued in terms- of the Public Finance Management Act, to the post levels as indicated in this annexure. |
| 1.2 | As far as procedures and administrative actions are concerned, all procurement units are bound to comply with the conditions contained in the Government Procurement : General Conditions of Contract (GCC) and the Supply Chain Management User Manual : Directives in respect of Procurement in so far as they are not in conflict with the directives and limitations stipulated herein. |
| 1.3 | At any time the powers may be withdrawn or the conditions, under which they have been granted, may be amended. |
| 1.4 | Any delegated power in connection with the arrangement of a <u>specific service, goods, works or sale</u> will lapse automatically as soon as a contract for the relevant service, supply or sale has been arranged. |
| 1.5 | Where any doubt exists with regard to the interpretation or application of any power or condition, the Directorate : Procurement must be approached through normal channels for a decision or finalization. |
| 1.6 | These powers are granted subject to the provisions of any other Act of Parliament, as amended from time to time. |
| 1.6.1 | Armaments (firearms, ammunition, etc.) may not be acquired in terms of these delegated powers. |
| 1.7 | These powers are also applicable as far as sales/disposals are concerned. |
| 1.8 | Supply Chain Management Practitioners and officials in their line function reporting structure may execute these Delegated Powers. |

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| 2. | <i>TERMINOLOGY</i> |
| 2.1 | <p><u>Case</u></p> <p>In respect of the Procurement Unit concerned, a "case" is the consolidated requirement of a specific category of items, which requirement exists at a given point in time and at the time of consolidation, is known to the specific Procurement Unit and has been quantified. It covers the estimated total value (VAT included) of all the items concerned for the complete service or supply and not only the value of any individual item in that specific category.</p> <p>Note: Whenever requirements are obtained within the delegated powers, Procurement Units must as far as possible consider the break-out of such requirements into smaller manageable segments with due consideration to the quality of the goods required, time to administrate the process and cost-effectiveness of the ensuing contracts. This can be achieved by providing for different items on a single bid/price quotation invitation, bearing in mind the cost of the requirement per case. Should the estimated cost for the total requirement, i.e. for the case, exceed the delegated authority applicable to the specific Procurement Unit, then the principle of break-out procurement should still be applied but it should be forwarded to the next level of authority with the request to invite the bids/price quotations.</p> |
| 2.2 | <p><u>Price quotation</u></p> <p>A verbal/written offer, which is not necessarily subject to the General Conditions of Contract (GCC).</p> |
| 2.3 | <p><u>Bid</u></p> <p>A written offer on a prescribed or stipulated form in response to an invitation by an organ of state for the provisioning of goods, works, services or the sale and letting of assets, and unless otherwise determined, has been advertised in the Government Tender Bulletin.</p> |
| 2.4 | <p><u>Bidder</u></p> <p>Any natural or legal person who makes an offer in response to a request to submit a bid or a price quotation</p> |
| 2.5 | <p><u>Contract</u></p> <p>Written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.</p> |

AUTHORISED BY :


 COMMISSIONER V.P. PETERSEN

DATE : 9-06-08

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| 2.6 | <p><u>Transversal contract</u></p> <p>A contract arranged by the National Treasury for the supply, over a specified period of time, of the repetitive requirements of various participating organisations for goods, works or services, the hiring or letting of anything, the acquisition or granting of any right, or the disposal of movable State property</p> |
| 2.7 | <p><u>General period contract</u></p> <p>A contract arranged by the Directorate : Procurement for the supply, over a specified period of time, for the repetitive requirements of various participating Procurement Units for goods, works or services, the hiring or letting of anything, the acquisition or granting of any right, or the disposal of movable State property.</p> |
| 2.8 | <p><u>Ad hoc contract</u></p> <p>A contract arranged for a once-off requirement for goods, works or services, the hiring or letting of anything, the acquisition or granting of any right, or the disposal of movable State property</p> |
| 2.9 | <p><u>Specific period contract</u></p> <p>A contract for the supply, over a specified period of time, for the repetitive requirements of only one Procurement Unit for goods, works or services, the hiring or letting of anything, the acquisition or granting of any right or the disposal of movable state property.</p> |
| 2.10 | <p><u>GCC</u></p> <p>General Conditions of Contract</p> |
| 2.11 | <p><u>Standard Special Conditions</u></p> <p>Approved special conditions on standardized forms, applicable to certain commodities.</p> |

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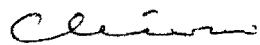
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| 2.12 | <p><u>National Bid Adjudication Committee</u></p> <p>The National Bid Adjudication Committee of the department must at least consist of the following :</p> <ul style="list-style-type: none"> - Chairperson and Vice-chairperson, appointed in writing by the Accounting Officer, with the rank of at least a Chief Deputy Commissioner. - Three other members, appointed in writing by the Accounting Officer, of whom at least one is a Supply Chain Management Practitioner. <p>Where considered necessary, additional members may be co-opted on account of their specialized knowledge.</p> |
| 2.13 | <p><u>Sub-Bid Adjudication Committees</u></p> <p>The Sub-Bid Adjudication Committees of the department must at least consist of the following :</p> <ul style="list-style-type: none"> - Chairperson with a rank of at least a Deputy Commissioner and Vice-chairperson with a rank of at least a Director, appointed in writing by the Accounting Officer, - Three other members, appointed in writing by the Accounting Officer, of whom at least one is a Supply Chain Management Practitioner. <p>Where considered necessary, additional members may be co-opted on account of their specialized knowledge.</p> <p>Note: All members of the Bid Committees should be cleared at the level of "CONFIDENTIAL" and should be required to declare their financial interest annually</p> |
| 2.14 | <p><u>Appointment of Secundi</u></p> <p>For the purpose of continuity and not to delay meetings, a secundi may be appointed by the Accounting Officer to temporarily replace members that are absent from meetings due to illness, leave, etc. A secundi will have the same powers as the member for the duration of the meeting. Secundi's may not represent more than 50% of any Bid Adjudication Committee Meeting.</p> |

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| NUMBER | DELEGATION | MANAGEMENT AREA/ CORRECTIONAL CENTRE LEVEL | REGIONAL OFFICE LEVEL | HEAD OFFICE LEVEL |
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| 3.0 | <i>INVITATION AND ACCEPTANCE OF PRICE QUOTATIONS UP TO THE VALUE OF R500 000-00.</i> | | | |
| 3.1 | <p><u><i>Approval of purchases up to an transaction value of R2 000-00 (VAT included) per case</i></u></p> <p>Procurement of requirements without inviting competitive bids or price quotations by means of petty cash per petty cash voucher. Own internal procedures to ensure sound financial management of funds when goods and/or services are obtained by means of petty cash must be established.</p> <p>Note : For the granting of any right or the disposal of state property, competitive written price quotations must be invited.</p> | UP TO R2 000-00 – CO II/APAO | UP TO R2 000-00 – CO II/APAO | UP TO R2 000-00 – CO II/APAO |
| 3.2 | <p><u><i>Acceptance of price quotations between an estimated value of R2 000-00 and R30 000-00 (VAT included) per case</i></u></p> <p>Procurement of goods, works or services, the hiring or letting of anything, the acquisition or granting of any right or the disposal/sales of movable State property, by inviting competitive price quotations from as many as possible suppliers that are registered on the list of prospective suppliers for requirements up to an estimated value of R29 999-99.</p> <p>Note : The price quotation lowest in price per item and which is acceptable should be approved.</p> | UP TO R10 000-00 – CO II/APAO UP TO R30 000-00 – CO I/PAO | UP TO R10 000-00 – CO II/APAO UP TO R30 000-00 – CO I/PAO | UP TO R10 000-00 – CO II/APAO UP TO R30 000-00 – CO I/PAO |
| 3.2.1 | <p>Consideration and approval of reasons/motivation where it is not possible to obtain at least three (3) price quotations</p> <p>Note : Reasons should be recorded.</p> | UP TO R10 000-00 – CO II/APAO UP TO R30 000-00 – CO I/PAO | UP TO R10 000-00 – CO II/APAO UP TO R30 000-00 – CO I/PAO | UP TO R10 000-00 – CO II/APAO UP TO R30 000-00 – CO I/PAO |

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| 3.3 | <p><u>Invitation and acceptance of price quotations equal to or above the estimated value of R30 000-00 to R500 000-00 (VAT included) per case</u></p> <p>Procurement of goods, works or services, the hiring or letting of anything, the acquisition or granting of any right or the disposal/sales of movable State property, by inviting competitive price quotations from as many as possible suppliers that are registered on the list of prospective suppliers for requirements up to an estimated value of R500 000-00.</p> <p>The prescripts of the Procurement Preferential Policy Framework Act (Act 5 of 2000) and its associated Regulations should apply.</p> | | | |
| 3.3.1 | Determining contract (price quotation) period and approving the price quotation document by signing the covering letter | <p>UP TO R500 000-00 – CO I/PAO (PERIOD NOT EXCEEDING ONE (1) YEAR)</p> <p>UP TO R500 000-00 – SCO/SPAO (PERIOD NOT EXCEEDING TWO (2) YEARS)</p> <p>UP TO R500 000-00 – ASD (PERIOD IN EXCESS OF TWO (2) YEARS)</p> | <p>UP TO R500 000-00 – CO I/PAO (PERIOD NOT EXCEEDING ONE (1) YEAR)</p> <p>UP TO R500 000-00 – SCO/SPAO (PERIOD NOT EXCEEDING TWO (2) YEARS)</p> <p>UP TO R500 000-00 – ASD (PERIOD IN EXCESS OF TWO (2) YEARS)</p> | <p>UP TO R500 000-00 – CO I/PAO (PERIOD NOT EXCEEDING ONE (1) YEAR)</p> <p>UP TO R500 000-00 – SCO/SPAO (PERIOD NOT EXCEEDING TWO (2) YEARS)</p> <p>UP TO R500 000-00 – ASD (PERIOD IN EXCESS OF TWO (2) YEARS)</p> |
| 3.3.2 | <p>Acceptance of price quotations.</p> <p>Note : The price quotation (acceptable) with the highest points per item must be approved.</p> | <p>UP TO R100 000-00 – CO I/PAO</p> <p>UP TO R300 000-00 – SCO/SPAO</p> | <p>UP TO R100 000-00 – CO I/PAO</p> <p>UP TO R300 000-00 – SCO/SPAO</p> | <p>UP TO R100 000-00 – CO I/PAO</p> <p>UP TO R300 000-00 – SCO/SPAO</p> |

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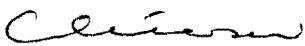
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| 3.3.2 (Continue) | | UP TO R500 000-00 – ASD | UP TO R500 000-00 – ASD | UP TO R500 000-00 – ASD |
| 3.3.3 | Consideration and approval of reasons/motivation where it is not possible to obtain at least three (3) price quotations. | UP TO R100 000-00 – CO1/PAO UP TO R300 000-00 – SCO/SPAO UP TO R500 000-00 – ASD | UP TO R100 000-00 – CO1/PAO UP TO R300 000-00 – SCO/SPAO UP TO R500 000-00 – ASD | UP TO R100 000-00 – CO1/PAO UP TO R300 000-00 – SCO/SPAO UP TO R500 000-00 – ASD |
| 3.4 | Signing of agreements/contracts in addition to a quotation. | UP TO R100 000-00 – CO1/PAO UP TO R300 000-00 – SCO/SPAO UP TO R500 000-00 – ASD | UP TO R100 000-00 – CO1/PAO UP TO R300 000-00 – SCO/SPAO UP TO R500 000-00 – ASD | UP TO R100 000-00 – CO1/PAO UP TO R300 000-00 – SCO/SPAO UP TO R500 000-00 – ASD |
| 3.5 | Over-deliveries may be accepted up to 5 % of the total value of the original contract. The following conditions apply : <ul style="list-style-type: none"> o The over-delivery is not deliberate of nature; o Over-delivery is due to the nature of the goods/services; o It is impractical to return the over-delivery to the contractor; o The over-delivery is in the best interest of the Department; and o Funds are available | UP TO R100 000-00 – CO1/PAO UP TO R300 000-00 – SCO/SPAO UP TO R500 000-00 – ASD | UP TO R100 000-00 – CO1/PAO UP TO R300 000-00 – SCO/SPAO UP TO R500 000-00 – ASD | UP TO R100 000-00 – CO1/PAO UP TO R300 000-00 – SCO/SPAO UP TO R500 000-00 – ASD |

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| 3.6 | <i>Conditions applicable to invitation and acceptance of price quotations.</i> | | | |
| 3.6.1 | In the case of purchases up to the value of R2 000-00, sufficient control measures must be implemented to ensure sound financial management of funds and logistics accounting system be adhered to. | | | |
| 3.6.2 | Price quotations must only be invited from possible suppliers registered on the list of prospective suppliers (data base). Where no suitable suppliers are available from the list of prospective suppliers, quotations can be obtained from other possible suppliers, who must then be added to the list. | | | |
| 3.6.3 | For cases up to the value of R30 000-00 (VAT included) the lowest acceptable price quotations per item must be accepted before expiry of validity by means of a facsimile or an order (on condition that the price is not exorbitant). | | | |
| 3.6.4 | In instances where a single price quotation was received in cases exceeding R2 000-00, the price quotation may be accepted provided that the prices are proved and certified to be fair and reasonable. Proof of reasonableness must be determined as follows : | | | |
| 3.6.4.1 | Comparison with prices, after discounts, to its other normal clients and the relative discount that the State enjoys ; | | | |
| 3.6.4.2 | Where this is not possible, profit before tax based on a full statement of relevant costs ; and | | | |
| 3.6.4.3 | Comparison with previous prices where these are available. | | | |
| 3.6.4.4 | Proof of reasonableness of prices where only one price quotation is received, must be available for audit purposes. | | | |
| 3.6.5 | Approval must be done by the delegated official on the price quotation itself, with reference to the applicable delegation number and date when approved by the Commissioner. Please note that the official involved with the invitation of the price quotation may not approve the price quotation. | | | |
| 3.6.6 | Price quotations from sole suppliers must be considered by the delegated official upon receipt of proper motivated reasons/evidence. | | | |
| 3.6.7 | Price quotations that are equal in all respects must be dealt with by means of drawing of lots by the delegated official in the presence of at least two (2) witnesses. All these officials must sign on the price quotation. | | | |
| 3.6.8 | Where further documentation is signed by all parties concerned as an agreement in addition to a price quotation, the Directorate : Legal Services'/ Regional Co-ordinator : Legal Services' approval of the agreement/contract is also required prior to the signing thereof. | | | |

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| 3.6.9 | The following is applicable to invitation and acceptance of quotations equal to or above R30 000-00 per case : <ul style="list-style-type: none">o The PPPFA and its Regulations must be applicable.o Functional approval by the relevant Head Correctional Centre/Area Commissioner/relevant Director at Regional Office or at Head Office of the requisition.o Funds must be available.o Should normally be awarded per item to the quoter with highest on points | | | |
| 3.6.10 | Should a quoter omit to submit an original Tax Clearance Certificate for cases equal to or above R30 000-00 (VAT included), a recommendation to decline such a quoter, must be made to the delegated official. | | | |
| 3.6.11 | In the case of price quotations equal to or above R30 000-00 (VAT included), the official responsible for the compilation of the price quotation invitation document may not approve the document by signing the covering letter. | | | |

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| 4. | INVITATION OF BIDS (Exceeding R500 000-00 per case) | | | |
| 4.1 | The Department may invite bids to an unlimited value per case for the procurement of goods, works or services, the hiring or letting of anything, the acquisition or granting of any right or the disposal/sale of movable State property. Particulars of the requirement must be advertised at least in the Government Tender Bulletin. If it is deemed necessary, bids may also be advertised in other appropriate media. Bids may close at the office concerned. If in a specific case it is impractical to invite competitive bids, the Commissioner may approve that the required goods or services be procured by other means, provided that the reasons for deviating from inviting competitive bids must be recorded. | | | |
| 4.1.1 | The invitation of any bid is subject to the prior functional approval by Regional Commissioners/Deputy Regional Commissioner at Regional level and Chief Deputy Commissioners at Head Office | | | |
| 4.1.2 | All invitations of bids are subject to the Preferential Procurement Policy Framework Act and its Regulations as well as the General Conditions of Contract. | | | |
| 4.2 | The <u>invitation of bids</u> , as set out in paragraph 4.1 supra, comprises, where applicable | | | |
| 4.2.1 | Determining of contract period | <u>PERIOD NOT EXCEEDING ONE (1) YEAR</u> | | |
| | | UP TO R1 000 000-00 - CO I/PAO | UP TO R1 000 000-00 - CO I/PAO | UP TO R1 000 000-00 - CO I/PAO |
| | | UP TO R3 000 000-00 - SCO/SPAO | UP TO R3 000 000-00 - SCO/SPAO | UP TO R3 000 000-00 - SCO/SPAO |
| | | UP TO R10 000 000-00 - ASD | UP TO R10 000 000-00 - ASD | UP TO R10 000 000-00 - ASD |
| | | | | UNLIMITED - DD |

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| 4.2.1 (Continue) | | PERIOD NOT EXCEEDING TWO (2) YEARS | | |
| | | UP TO R5 000 000-00 - ASD | UP TO R5 000 000-00 - ASD | UP TO R5 000 000-00 - ASD |
| | | | | UNLIMITED - DD |
| | | PERIOD IN EXCESS OF TWO (2) YEARS | | |
| | | NO DELEGATION | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE (PERIOD IN EXCESS OF TWO (2) YEARS) | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE (PERIOD IN EXCESS OF TWO (2) YEARS) |
| | | | | EXCEEDING R10 000 000-00 - NATIONAL BID ADJUDICATION COMMITTEE (PERIOD IN EXCESS OF TWO (2) YEARS) |

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| 4.2.2 | Consideration of the shortening of the closing date due to the urgent nature of the requirement (deviation from thirty (30) days) | NO DELEGATION | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 - NATIONAL BID ADJUDICATION COMMITTEE |
| 4.2.3 | Determine whether only firm prices, or whether non-firm prices, such as prices subject to Rate of Exchange variations are applicable to bid invitation. | UP TO R1 000 000-00 - CO I/PAO UP TO R5 000 000-00 - SCO/SPAO UP TO R10 000 000-00 - ASD | UP TO R1 000 000-00 - CO I/PAO UP TO R5 000 000-00 - SCO/SPAO UP TO R10 000 000-00 - ASD | UP TO R1 000 000-00 - CO I/PAO UP TO R5 000 000-00 - SCO/SPAO UP TO R10 000 000-00 - ASD UNLIMITED - DD |
| 4.2.4 | Approval of the bid documents by signing the bid covering letter as well as the notification (advertising) of invitations to bid. | UP TO R1 000 000-00 - CO I/PAO UP TO R5 000 000-00 - SCO/SPAO UP TO R10 000 000-00 - ASD | UP TO R1 000 000-00 - CO I/PAO UP TO R5 000 000-00 - SCO/SPAO UP TO R10 000 000-00 - ASD | UP TO R1 000 000-00 - CO I/PAO UP TO R5 000 000-00 - SCO/SPAO UP TO R10 000 000-00 - ASD UNLIMITED - DD |

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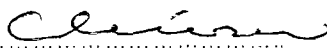
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| 4.2.5 | Approval for the invitation of bids from selected/sole suppliers for a specific brand or trade mark product only. | NO DELEGATION | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 - NATIONAL BID ADJUDICATION COMMITTEE |
| 4.2.6 | Before closing date, in the event of serious mistakes and amendments in the bid document, to grant approval that such invitation to bid be cancelled and new bids be invited or those amendments to the invitation to bid be issued. | NO DELEGATION | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 - NATIONAL BID ADJUDICATION COMMITTEE |
| 4.2.7 | Supervising the receiving and processing of bids. | UP TO R5 000 000-00 - COI/PAO UP TO R10 000 000-00 - SCO/SPAO | UP TO R5 000 000-00 - COI/PAO UP TO R10 000 000-00 - SCO/SPAO | UP TO R5 000 000-00 - COI/PAO UP TO R10 000 000-00 - SCO/SPAO UNLIMITED - ASD |
| 4.2.8 | Administration and return of late bids | UP TO R5 000 000-00 - COI/PAO | UP TO R5 000 000-00 - COI/PAO | UP TO R5 000 000-00 - COI/PAO |

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| 4.2.8 (Continue) | | UP TO R10 000 000-00 – SCO/SPAO | UP TO R10 000 000-00 – SCO/SPAO | UP TO R10 000 000-00 – SCO/SPAO UNLIMITED – ASD |
| 4.3 | <u>Conditions applicable to invitation of bids</u> | | | |
| 4.3.1 | The stipulated monetary limit per case must be taken into account before bids are invited. If the estimated value (VAT included) exceeds the delegated limits, it must be submitted to the next level of authority. | | | |
| 4.3.1.1 | The standardized bidding documents (SBD- and BD-forms) must be used for the procurement of goods, works of services. | | | |
| 4.3.1.2 | In exceptional cases it may happen that the bids received exceeded the delegated limits. In such cases motivated recommendations must be forwarded to the next level of authority. | | | |
| | NOTE : A supply, service or sale may not be purposely sub-divided in order to bring the estimated value within the limit. | | | |
| 4.3.2 | The official responsible for the compilation of the bid invitation document may not approve the bid invitation document by signing the covering letter and the notification (advertising) of invitation of bid. | | | |
| 4.3.3 | Conditions not yet contained in the General Conditions of Contract (GCC) or standard Special Conditions may not be stated as conditions in bids without prior approval of the Directorate : Procurement. Where necessary, such conditions must also be submitted to the Directorate : Legal Services beforehand, for consideration and recommendation. | | | |
| 4.3.3.1 | Where additional special conditions apply in respect of specific goods/works/services, these must also be included in the bid documentation. | | | |
| 4.3.4 | Bids must be opened in public at the time of closure of the bid, and, if so requested, the names of the bidders as well as the total amount, if available, of each bid must be read aloud. | | | |

AUTHORISED BY :


 COMMISSIONER V.P. PETERSEN

DATE : 9-06-08

DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

| NUMBER | DELEGATION | MANAGEMENT AREA/ CORRECTIONAL CENTRE LEVEL | REGIONAL OFFICE LEVEL | HEAD OFFICE LEVEL |
|--------|------------|---|--------------------------|----------------------|
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| | | | | |
|-----------|---|---|---|--|
| 5. | CONSIDERATION AND ACCEPTANCE OF BIDS (Exceeding R500 000-00 per case) | | | |
| 5.1 | <i>The consideration and acceptance of bids comprises, where applicable</i> | | | |
| 5.1.1 | Written communication with bidders may take place in cases where information is incomplete, where a lack of clarity exists regarding technical aspects of the offer, or to obtain confirmation of prices or preference claims in cases where it is obvious that a written, typed or transcription error or an error in the unit price has been made | UP TO R1 000 000-00 – SCO/SPAO UP TO R5 000 000-00 – ASD UP TO R10 000 000-00 – DD | UP TO R1 000 000-00 – SCO/SPAO UP TO R5 000 000-00 – ASD UP TO R10 000 000-00 – DD | UP TO R1 000 000-00 – SCO/SPAO UP TO R5 000 000-00 – ASD UP TO R10 000 000-00 – DD UNLIMITED – DIRECTOR |
| 5.1.2. | Consideration of escalation of prices when the validity period is extended | NO DELEGATION | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 – NATIONAL BID ADJUDICATION COMMITTEE |
| 5.1.3 | The acceptance of quantities other than those specified in the bid documents | NO DELEGATION | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE |

AUTHORISED BY : 
COMMISSIONER V.P. PETERSEN

DATE : 09-06-09

DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

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| NUMBER | DELEGATION | MANAGEMENT AREA/ CORRECTIONAL CENTRE LEVEL | REGIONAL OFFICE LEVEL | HEAD OFFICE LEVEL |
|---------------------|--|---|--|--|
| 5.1.3 (Continue) | | | | EXCEEDING R10 000 000-00 – NATIONAL BID ADJUDICATION COMMITTEE |
| 5.1.4 | Approval or rejection of a bidder's own conditions | NO DELEGATION | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 – NATIONAL BID ADJUDICATION COMMITTEE |
| 5.1.5 | Consideration of minimum quantities for new and unproven products | NO DELEGATION | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 – NATIONAL BID ADJUDICATION COMMITTEE |
| 5.1.6 | Consideration of a bid with acceptable deviations from the specification | NO DELEGATION | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE |

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DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

| NUMBER | DELEGATION | MANAGEMENT AREA/ CORRECTIONAL CENTRE LEVEL | REGIONAL OFFICE LEVEL | HEAD OFFICE LEVEL |
|---------------------|---|---|--|--|
| 5.1.6 (Continue) | | | | EXCEEDING R10 000 000-00 – NATIONAL BID ADJUDICATION COMMITTEE |
| 5.1.7 | Consideration of alternative offers | NO DELEGATION | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 – NATIONAL BID ADJUDICATION COMMITTEE |
| 5.1.8 | Acceptance of bids | NO DELEGATION | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 – NATIONAL BID ADJUDICATION COMMITTEE |
| 5.1.9 | The signing of the formal contract (SBD 7.1 to 7.3) after approval has been granted by the relevant Bid Committee for the acceptance of a bid. | NO DELEGATION | UP TO R5 000 000-00 – ASD UP TO R10 000 000-00 – DD | UP TO R5 000 000-00 – ASD EXCEEDING R5 000 000-00 – DD |

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|--------|---|---|--|--|
| 5.1.10 | <p>Cancellation of bids or items thereof, in cases where :</p> <ul style="list-style-type: none"> - due to changed circumstances, there is no longer need for the goods, works or services that were bidden for; - funds are no longer available to cover the total envisaged expenditure; - no acceptable bids have been received; - if the preference point system stipulated in the bid document turns out not to be applicable as a result of the actual value; - errors in the bidding invitations; - bid price is certified as being exorbitant; - bid was accidentally not advertised in the Government Tender Bulletin. <p>Note : Directorate : Legal Services/Regional Coordinator : Legal Services must first be consulted prior to submitting the recommendation to the relevant Bid Adjudication Committee.</p> | NO DELEGATION | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 - NATIONAL BID ADJUDICATION COMMITTEE |
| 5.1.11 | Signing of agreements/contract, in addition to a bid and in line with the conditions of the bid. | NO DELEGATION | UP TO R5 000 000-00 - ASD UP TO R10 000 000-00 - DD | UP TO R5 000 000-00 - ASD EXCEEDING R5 000 000-00 - DD |
| 5.2 | <u>Conditions applicable to the consideration and acceptance of bids</u> | | | |
| 5.2.1 | Consideration of bids will at all times be in accordance with the policy and directives of the Department as contained in the Supply Chain Management User Manual: Directives in respect of Procurement and must be strictly adhered to. | | | |

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DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

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|---------|--|---|--------------------------|----------------------|
| 5.2.2 | <p>Where there is communication with a bidder after closing time regarding :</p> <ul style="list-style-type: none"> - incomplete offer or lack of clarity - confirmation of prices or preference claims in cases where it is obvious that an error or an error in the unit price has been made. <p>Additional information or specific explanations requested in terms of this power can be requested. Such confirmation or information must be furnished in writing and must be attached to the relevant bid. Full particulars of the aspects, regarding which the bidder concerned was approached, must be furnished in the recommendations for the acceptance of a bid.</p> | | | |
| 5.2.3 | In instances where a single bid was received the bid may be accepted provided that the prices are proved to be and certified as fair and reasonable. Proof of reasonableness must be determined as follows : | | | |
| 5.2.3.1 | Comparison with prices, after discounts, to the supplier's other normal clients and the relative discount that the State enjoys ; | | | |
| 5.2.3.2 | Where this is not possible, profit before tax based on a full statement of relevant costs : and | | | |
| 5.2.3.3 | Comparison with previous bid prices where these are available. | | | |
| 5.2.4 | Proof of reasonableness of prices where only one bid is received, must be available for audit purposes. | | | |
| 5.2.5 | Bids must be duly scheduled and brought on a comparative basis and submitted together with a motivated recommendation to the relevant Bid Committee for consideration. | | | |
| 5.2.6 | <p>As a rule, the contract should be awarded to the bid highest on points.</p> <p>Note : It is of prime importance that recorded reasons for the acceptance/rejection of a bid are comprehensive and accountable so that they may be conveyed in writing to the bidder concerned whenever written requests are received. In a court case these reasons will have to be provided and proof will be required that the relevant Bid Adjudication Committee has taken a reasonable decision on the grounds of the information available to it and that the decision was objectively taken. Therefore, in the interests of sound administration and accountable decision making, the Department is always prepared to give reasons for its decisions.</p> | | | |
| 5.2.7 | Bids, which qualify for acceptance, that are equal in all respects must be dealt with by the drawing of lots. | | | |

AUTHORISED BY :


COMMISSIONER V.P. PETERSEN

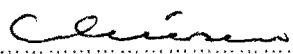
DATE : 9-06-08

DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

| NUMBER | DELEGATION | MANAGEMENT AREA/ CORRECTIONAL CENTRE LEVEL | REGIONAL OFFICE LEVEL | HEAD OFFICE LEVEL |
|--------|---|---|--------------------------|----------------------|
| 5.2.8 | If a Supply Chain Management Practitioner or other role player, or any close family member, partner or associate of such official or other role player, has any private or business interest in any contract to be awarded, that official or other role player must – (a) disclose that interest; and (b) withdraw from participating in any manner whatsoever in the process relating to that bid/contract. | | | |
| 5.2.9 | Bids must be accepted, before expiry of validity, by means of a formal contract (SBD 7.1 to 7.3). If this is not possible, extension of validity must be requested timeously. | | | |
| 5.2.10 | Bid Adjudication Committees, in all their proceedings, must comply with the directives and procedures contained in the <i>Supply Chain Management User Manual : Directives in respect of Procurement</i> . Minutes must be taken and electronically recorded. All the decisions of the bidding committees and the signatures of the chairperson and secretary of the committee must confirm these minutes. Original submissions to committees, their minuted decisions as well as the electronic recording must be placed on record for audit purposes. | | | |
| 5.2.11 | Where further documentation is signed by all parties concerned as an agreement in addition to a bid, the Directorate : Legal Services' /Regional Co-ordinator : Legal Services' approval of the agreement/contract is also required prior to the signing thereof. | | | |

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| 6. | CONTRACT ADMINISTRATION | | | |
| 6.1 | <p><u>Increase/decrease in quantities/scope for contracts</u></p> <p>Should the need arise for the increase/decrease in quantities/scope of a contract, the contractor may be approached accordingly, on the following conditions :</p> <ul style="list-style-type: none"> o The contract must be valid; o The commodity/service must be available on the contract; o In the case of an increase in quantities, the contractor must be approached to reduce or maintain the initial contract price; o The increase/decrease of quantities should not result in the escalation of the price; o The increase/decrease must be reasonable and in the best interest of the Department; o The request must be supported by a motivation; o The total value of the original contract as well as the additional purchases may not exceed the relevant delegated powers; and o The increase in quantities must not be applied in order to avoid the new invitation of bids. o The increase/decrease in the scope of a contract does not imply substantial modification of the scope of services. | NO DELEGATION | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 – NATIONAL BID ADJUDICATION COMMITTEE |
| 6.1.1 | Transversal contracts, arranged by the National Treasury, and contracts arranged by other Institutions are specifically excluded from these Delegated Powers. | | | |
| 6.2 | <p>Over-deliveries may be accepted up to 5 % of the total value of the original contract. The following conditions apply :</p> <ul style="list-style-type: none"> o The over-delivery is not deliberate of nature; o Over-delivery is due to the nature of the goods/services; o It is impractical to return the over-delivery to the contractor; | UP TO R1 000 000-00 – ASD UP TO R10 000 000-00 – DD | UP TO R1 000 000-00 – ASD UP TO R10 000 000-00 – DD | UP TO R1 000 000-00 – ASD UP TO R10 000 000-00 – DD |

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PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

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|-------------------|---|--|--|--|
| 6.2 (Continue) | <ul style="list-style-type: none"> The over-delivery is in the best interest of the Department; and Funds are available | | | EXCEEDING R10 000 000-00 – DIRECTOR |
| 6.3 | <u>Price Adjustments</u> | | | |
| 6.3.1 | <u>Contractual price adjustments</u> Subject to the conditions of a contract, contractual price adjustments may, with the exception of transversal contracts or contracts not arranged at the relevant office, be approved in accordance with contract conditions. | NO DELEGATION | UP TO R5 000 000-00 – ASD UP TO R10 000 000-00 – DD | UP TO R5 000 000-00 – ASD UNLIMITED – DD |
| 6.3.2 | <u>Non-contractual price adjustments</u> Consideration of requests for price adjustments which are not according to contract conditions. | NO DELEGATION | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 – NATIONAL BID ADJUDICATION COMMITTEE |
| 6.4 | <u>Extension of delivery periods</u> Requests received from contractors for the extension of delivery periods may be approved provided the price remains unchanged. | UP TO R1 000 000-00 – CO1/PAO UP TO R5 000 000-00 – SCO/SPAO UNLIMITED – ASD | UP TO R1 000 000-00 – CO1/PAO UP TO R5 000 000-00 – SCO/SPAO UNLIMITED – ASD | UP TO R1 000 000-00 – CO1/PAO UP TO R5 000 000-00 – SCO/SPAO UNLIMITED – ASD |

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DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

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|--------|---|---|--|--|
| 6.5 | <p><u>Transfer of contracts</u></p> <p>A transfer of a contract may be allowed provided that the conditions below are adhered to.</p> | NO DELEGATION | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 - NATIONAL BID ADJUDICATION COMMITTEE |
| 6.5.1 | The BD 15.1 and BD 15.2 must be completed and signed by both the transferer and transferee; | | | |
| 6.5.2 | The contract has been arranged by the relevant Bid Committee within delegated powers; | | | |
| 6.5.3 | The transfer is not to the detriment of the State | | | |
| 6.5.4 | <p>If a contract was awarded as a result of the application of the point preference system for equity ownership, etc, the transferee should also similarly qualify under the same principle, to obtain such a contract. (This is to prevent fronting)</p> <p>The transferee is capable of executing the contract and has complied with all initial conditions of the contract, including the provisioning of an original and valid Tax Clearance Certificate.</p> | | | |
| 6.5.5 | Prior to submitting the recommendation to the relevant Bid Adjudication Committee, the Directorate Legal Services/Regional Coordinator : Legal Services must be consulted. | | | |
| 6.6 | <p><u>Transfer of contract payments</u></p> <p>Approval may be granted, that contract payments may be transferred under certain circumstances, subject to the conditions stipulated in the <i>Supply Chain Management User Manual : Directives in respect of Procurement</i>.</p> | NO DELEGATION | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE |

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COMMISSIONER V.P. PETERSEN

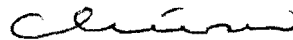
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DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

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|-------------------|---|---|--|--|
| 6.6 (Continue) | Note : Prior to submitting the recommendation to the relevant Bid Adjudication Committee, the Directorate Legal Services/Regional Coordinator : Legal Services must be consulted. | | | EXCEEDING R10 000 000-00 – NATIONAL BID ADJUDICATION COMMITTEE |
| 6.7 | <u>Cancellation of contracts</u> A contract may be cancelled subject to the conditions mentioned below. | NO DELEGATION | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 – SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 – NATIONAL BID ADJUDICATION COMMITTEE |
| 6.7.1 | Transversal contracts arranged by the National Treasury and contracts arranged by other Institutions are specifically <u>excluded</u> from these Delegated Powers. | | | |
| 6.7.2 | Prior to submitting the recommendation to the relevant Bid Adjudication Committee, the Directorate Legal Services/Regional Coordinator : Legal Services must be consulted. | | | |
| 6.7.3 | In the event of the Department requesting the cancellation, the contractor or supplier must certify in writing his willingness to cancel the contract without any cost to the State. | | | |
| 6.7.4 | In the event of the contractor or supplier requesting the cancellation, it must – | | | |
| 6.7.4.1 | be without any cost to the State; | | | |
| 6.7.4.2 | be accepted in writing by the contractor or supplier that responsibility is accepted to reimburse the department for any additional cost, in the event that re-bidding to satisfy the requirement should bring about additional cost; and | | | |

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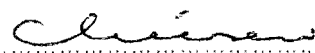
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DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

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|---------|--|---|--|--|
| 6.7.3.3 | not be a case of repeated requests of such nature by the said contractor or supplier. | | | |
| 6.7.5 | The reasons for the cancellation and the losses or consequences that will follow if the contract is not cancelled, must be certified and placed on record for audit purposes. | | | |
| 6.7.5 | In all cases, the cancellation must not be to the detriment of the State. | | | |
| 6.7.6 | The case refers to the total value of the contract and not only the part of the contract to be cancelled. | | | |
| 6.7.7 | All cancellations should be reported to the Director : Procurement for verification purposes and in order to identify possible cases where bidders should be restricted. | | | |
| 6.8 | <p><u>Amendment of specifications</u></p> <p>Where a binding contract has been concluded, an amendment of the specification, whether initiated by the contractor or the Department, can be made but only after negotiation between the contractor and the Department and at no additional cost.</p> <p>Note : Such an amendment may not be to the detriment of the Department.</p> | NO DELEGATION | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE | UP TO R10 000 000-00 - SUB-BID ADJUDICATION COMMITTEE EXCEEDING R10 000 000-00 - NATIONAL BID ADJUDICATION COMMITTEE |

AUTHORISED BY :


COMMISSIONER V.P. PETERSEN

DATE :

09 - 06 - 08

DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

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| 7. | <i>RESTRICTION OF SUPPLIERS AND THE UPLIFTMENT OF SUCH RESTRICTIONS</i> | | | |
| 7.1 | The restriction of a contractor may be considered if such a contractor claimed preferences fraudulently or if such a supplier failed to perform according to contract conditions and specifications. | NO DELEGATION | NO DELEGATION | UNLIMITED – NATIONAL BID ADJUDICATION COMMITTEE |
| 7.1.1 | <i>Conditions applicable to the restriction of suppliers</i> | | | |
| 7.1.1.1 | Prior to submitting the recommendation to the relevant Bid Adjudication Committee, the Directorate Legal Services/Regional Coordinator : Legal Services must be consulted. | | | |
| 7.1.1.2 | A supplier may be restricted from doing business with any Organ of the State for a period not exceeding ten (10) years. | | | |
| 7.1.1.3 | The National Treasury must be informed within five (5) working days of such imposition of the name of the restricted supplier and/or person, the reason for restriction, the period of restriction and the date of commencement of the restriction. | | | |
| 7.2 | The amendment/upliftment of restrictions imposed | NO DELEGATION | NO DELEGATION | UNLIMITED – NATIONAL BID ADJUDICATION COMMITTEE |
| 7.2.1 | <i>Conditions applicable to the restriction of suppliers</i> | | | |
| 7.2.1.1 | The National Treasury must be informed within five (5) working days of such amendments/upliftments of the restriction. | | | |

AUTHORISED BY :


 COMMISSIONER V.P. PETERSEN

DATE : 09-06-08

DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

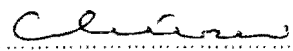
PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

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Where a power has been delegated to a holder of a specific rank, that power may be executed by the acting official or the holder of an equivalent or any higher rank

CO III : CORRECTIONAL OFFICER GRADE III
 CO II : CORRECTIONAL OFFICER GRADE II
 APAO : ASSISTANT PROVISIONING ADMINISTRATION OFFICIAL
 CO I : CORRECTIONAL OFFICER GRADE I
 PAO : PROVISIONING ADMINISTRATION OFFICIAL
 SCO : SENIOR CORRECTIONAL OFFICER
 SPAO : SENIOR PROVISIONING ADMINISTRATION OFFICIAL
 ASD : ASSISTANT DIRECTOR
 DD : DEPUTY DIRECTOR

AUTHORISED BY :


 COMMISSIONER V.P. PETERSEN

DATE : 09-06-08


SPECIFIC DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES
PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

| | |
|------------|--|
| 1. | INTRODUCTION |
| 1.1 | I, Vivian P. Petersen, Commissioner of Correctional Services, hereby approve the specific delegated powers contained in this document, in accordance with part 6, paragraph 16A.6.4 of the Treasury Regulations issued in terms of the Public Finance Management Act, 1999, which reads as follows : "If in a specific case it is impractical to invite competitive bids, the Accounting Officer or Accounting Authority may procure the required goods or services by other means, provided that the reasons for deviating from inviting competitive bids must be recorded and approved by the Accounting Officer or Accounting Authority" |
| 1.2 | By virtue of the authority vested in me in terms of Section 38(1)(a)(iii) and Section 44(1)(a) of the Public Finance Management Act, I Vivian P. Petersen, Commissioner of Correctional Services hereby delegate the powers and duties assigned to me in terms of the Public Finance Management Act (Act 1 of 1999 as amended by Act 29 of 1999) and the Treasury Regulations, Part 6 Chapter 16A of the Public Finance Management Act, to the post levels as indicated in this annexure. |
| 1.3 | As far as procedures and administrative actions are concerned, all procurement units are bound to comply with the conditions contained in the Government Procurement : General Conditions of Contract (GCC) and the Supply Chain Management User Manual : Directives in respect of Procurement in so far as they are not in conflict with the directives and limitations stipulated herein |
| 1.4 | At any time the powers may be withdrawn or the conditions, under which they have been granted, may be amended. |
| 1.5 | Where any doubt exists with regard to the interpretation or application of any power or condition, the Directorate : Procurement must be approached through normal service channels for a decision or finalization. |
| 1.6 | These powers are granted subject to the provisions of any other Act of Parliament, as amended from time to time. |
| 1.7 | All cases exceeding R1 000 000-00 per case (VAT included) may only be approved by the Commissioner and must be reported to the National Treasury and the Auditor-General in accordance with Treasury Regulations 16A6.4. |
| 1.8 | Supply Chain Management Practitioners and officials in their line function reporting structure may execute these Delegated Powers. |

AUTHORISED BY :


 COMMISSIONER V.P. PETERSEN

DATE :


 08-06-08

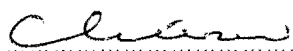
SPECIFIC DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

PROCUREMENT AND PROVISIONING OF GOODS, WORKS AND SERVICES

| NUMBER | DELEGATION | MANAGEMENT AREA/ CORRECTIONAL CENTRE LEVEL | REGIONAL OFFICE LEVEL | HEAD OFFICE LEVEL |
|--------|------------|---|--------------------------|----------------------|
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| | | | | |
|----------------|---|--|--|--|
| 2. | SPECIFIC DELEGATED POWERS | | | |
| 2.1 | <u>Urgent and Emergency Cases</u> | | | |
| 2.1.1 | <u>Urgent cases to an estimated value of R1 000 000,00 (VAT included) per case</u> Goods, works or services may be procured by preferably making use of the list of prospective suppliers in cases where early delivery is of critical importance and the invitation of competitive bids is either impossible or impractical. | UP TO R200 000-00 – SCO/SPAO UP TO R500 000-00 – ASD UP TO R1 000 000-00 – DD | UP TO R200 000-00 – SCO/SPAO UP TO R500 000-00 – ASD UP TO R1 000 000-00 – DD | UP TO R200 000-00 – SCO/SPAO UP TO R500 000-00 – ASD UP TO R1 000 000-00 – DD |
| 2.1.2 | <u>Emergency cases up to an estimated value of R1 000 000,00 (VAT included) per case</u> Goods, works or services may be procured by preferably making use of the list of prospective suppliers in cases of emergency where immediate action is necessary in order to avoid a dangerous or risky situation/ misery. | UP TO R200 000-00 – SCO/SPAO UP TO R500 000-00 – ASD UP TO R1 000 000-00 – DD | UP TO R200 000-00 – SCO/SPAO UP TO R500 000-00 – ASD UP TO R1 000 000-00 – DD | UP TO R200 000-00 – SCO/SPAO UP TO R500 000-00 – ASD UP TO R1 000 000-00 – DD |
| 2.1.3 | <u>Conditions applicable to urgent and emergency cases</u> | | | |
| 2.1.3.1 | The Supply Chain Management functionary in these cases approves the price quotations and not the motivation. | | | |
| 2.1.3.2 | In these cases it is permissible to deviate from the bid process and to invite price quotations. The relevant parties must confirm their offers in writing as soon as possible. | | | |

AUTHORISED BY :


 COMMISSIONER V.P. PETERSEN

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|---------|--|---|--|--|
| 2.1.3.3 | Depending on circumstances, all attempts should be made to obtain an original Tax Clearance Certificate for cases exceeding R30 000-00 (VAT included). Proof of all such attempts must be placed on record. | | | |
| 2.1.3.4 | The reasons for the urgency or emergency and the losses or consequences that will follow if action was not taken must be certified by at least a Director in the line function and placed on record for audit purposes. However, a lack of proper planning should not be constituted as an urgent case and therefore, it must also be certified that the case is not a result of a lack of proper planning. The BD 25-form must be used for this purpose | | | |
| 2.1.3.5 | Where only one price quotation is received and accepted, and taking the circumstances into account, all reasonable steps must be taken to ensure that a fair price is obtained. | | | |
| 2.1.3.6 | The PPPFA and its Regulations must be applicable in all cases exceeding R30 000-00 if circumstances allow it. | | | |
| 2.1.3.7 | The principle of competition should be adhered to as far as possible. | | | |
| 2.1.3.8 | Statistics of all urgent and emergency cases must be recorded and placed on file in order to make them available upon request thereof. | | | |
| 2.2 | <i>Perishable provisions, where the internal source of supply that normally produce this commodity, cannot supply</i> | | | |
| 2.2.1 | Purchasing of perishable provisions up to R1 000 000-00 per price quotation in cases where the internal source of supply that normally produce this commodity, cannot supply the commodity, and if it is impractical to invite competitive bids. | UP TO R100 000-00 – SCO/SPAO UP TO R500 000-00 – ASD | UP TO R100 000-00 – SCO/SPAO UP TO R500 000-00 – ASD UP TO R1 000 000-00 – SUB-BID COMMITTEE | UP TO R100 000-00 – SCO/SPAO UP TO R500 000-00 – ASD UP TO R1 000 000-00 – SUB-BID COMMITTEE |
| 2.2.2 | <i>Conditions applicable</i> | | | |
| 2.2.2.1 | The period may not be longer than three (3) months. | | | |

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|---------|---|---|--|--|
| 2.2.2.2 | The General Conditions of Contract must be made applicable. | | | |
| 2.2.2.3 | The PPPFA and its Regulations must be applied to all requirements exceeding R30 000-00 (VAT included) per case if circumstances allow it. | | | |
| 2.2.2.4 | A valid and original Tax Clearance Certificate must be available for all quotations exceeding R30 000-00 (VAT included) | | | |
| | Note : Before the specific delegation is applied, it should first be confirmed in writing whether the commodity cannot be provided by the nearby internal source of supply and if the item after consultation in writing with the caterer , cannot be replaced with another item for the period. | | | |
| 2.3 | <u>Purchases outside contract per price quotation as a result of unsatisfactory performance</u> | | | |
| 2.3.1 | Purchases up to R1 000 000-00 per price quotation outside contract as a result of unsatisfactory performance by suppliers, until a new contract is arranged. | UP TO R100 000-00 – SCO/SPAO UP TO R500 000-00 – ASD | UP TO R100 000-00 – SCO/SPAO UP TO R500 000-00 – ASD UP TO R1 000 000-00 – SUB-BID COMMITTEE | UP TO R100 000-00 – SCO/SPAO UP TO R500 000-00 – ASD UP TO R1 000 000-00 – SUB-BID COMMITTEE |
| 2.3.2 | <u>Conditions applicable</u> | | | |
| 2.3.2.1 | The General Conditions of Contract must be applied. | | | |
| 2.3.2.2 | The PPPFA and its Regulations must be applied to all requirements exceeding R30 000-00 per case if circumstances allow it. | | | |
| 2.3.2.3 | A valid and original Tax Clearance Certificate must be available for all quotations exceeding R30 000-00 (VAT included) | | | |

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|---------|---|--|--|--|
| 2.4 | <u>Purchases per price quotations when transversal contract/general period contract has not been renewed timeously</u> | | | |
| 2.4.1 | Purchases per price quotation outside contract up to a value of R1 000 000-00 when a transversal contract/general period contract has not been renewed timeously, for the amounts exceeding R500 000-00 per case. | NO DELEGATION | UP TO R1 000 000-00 – SUB-BID COMMITTEE | UP TO R1 000 000-00 – SUB-BID COMMITTEE |
| 2.4.2 | <u>Conditions applicable</u> | | | |
| 2.4.2.1 | Prior to the invitation of written price quotations, confirmation must be obtained in writing from the Directorate : Procurement that such a contract is not yet available. | | | |
| 2.4.2.2 | The delegation may only be utilized to satisfy immediate needs until such contract is available. | | | |
| 2.4.2.3 | The General Conditions of Contract must be applied. | | | |
| 2.4.2.4 | The PPPFA and its Regulations must be applied to all requirements. | | | |
| 2.4.2.5 | A valid and original Tax Clearance Certificate must be available for all quotations. | | | |
| 2.5 | <u>Repair of technical equipment of which the defect is not known</u> | | | |
| 2.5.1 | Repair of technical equipment of which the defect is unknown up to the value of R250 000-00 per case by obtaining price quotations only from the manufacturer, his agent or a qualified institution on the list of prospective suppliers. | C.UP TO R30 000-00 – CO I/PAO UP TO R60 000-00 – SCO/SPAO UP TO R250 000-00 – ASD | UP TO R30 000-00 – CO I/PAO UP TO R60 000-00 – SCO/SPAO UP TO R250 000-00 – ASD | UP TO R30 000-00 – CO I/PAO UP TO R60 000-00 – SCO/SPAO UP TO R250 000-00 – ASD |

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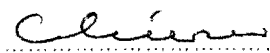
DATE : 09-06-08

SPECIFIC DELEGATED POWERS OF THE DEPARTMENT OF CORRECTIONAL SERVICES

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|---------|--|--|--|----------------------|
| 2.5.2 | <u>Conditions applicable</u> | | | |
| 2.5.2.1 | If the machinery is still under guarantee, repair should take place in accordance with the stipulations of the guarantee. | | | |
| 2.5.2.2 | Should the manufacturer or his agent not be available, rotation of qualified institutions on the list of prospective suppliers should take place. | | | |
| 2.5.2.3 | The General Conditions of Contract must be applied. | | | |
| 2.5.2.4 | It should be determined whether it is economic to repair the equipment. | | | |
| 2.5.2.5 | The PPPFA and its Regulations must be applied to all requirements exceeding R30 000 (VAT included). | | | |
| 2.5.2.6 | A valid and original Tax Clearance Certificate must be available for all quotations exceeding R30 000-00 (VAT included) | | | |
| 2.6 | <u>Purchasing of dogs and breeding animals up to a financial limit of R200 000-00 per case</u> | | | |
| 2.6.1 | Production Auctions | C.UP TO R200 000-00 – CO I/PAO | UP TO R200 000-00 – CO I/PAO | NOT APPLICABLE |
| 2.6.1.1 | <u>Conditions applicable</u> The departmental agriculturists, in co-operation with the state veterinarian, should make preliminary surveys of the available breeding animals that comply with the established requirements with a view to purchase. Recommendations must be made to the Director : Agriculture and Production Workshops, for a final decision. A departmental agriculturist, (irrespective of rank), should be delegated to bid at the auction on the identified breeding animals, on behalf of the department, with reference to confidential guidelines regarding the estimated value of the livestock. | | | |
| 2.6.2 | Dogs and breeding animals that are not available at production auctions | UP TO R30 000-00 – CO I/PAO UP TO R60 000-00 – SCO/SPAO | UP TO R30 000-00 – CO I/PAO UP TO R60 000-00 – SCO/SPAO | NOT APPLICABLE |

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|---------------------|---|---|--------------------------------|----------------------|
| 2.6.2 (Continue) | | UP TO R200 000-00 – ASD | UP TO R200 000-00 – ASD | |
| 2.6.2.1 | <u>Conditions applicable</u> | | | |
| 2.6.2.1.1 | <u>Breeding Animals</u> Departmental agriculturists, in co-operation with the state veterinarian, should make preliminary surveys of available breeding animals that comply with the stated requirements with a view to purchase. Recommendations are made to the Director : Agriculture and Production Workshops for a final decision. A departmental agriculturist (irrespective of rank) should be delegated to negotiate with the breeders, on behalf of the department, for the purchase of the identified breeding animals, with reference to confidential guidelines regarding the estimated value of the livestock. | | | |
| 2.6.2.1.2 | <u>Dogs</u> The departmental dog-handlers, in co-operation with the state veterinarian, should make preliminary surveys of available dogs that comply with the stated requirements with a view to purchase. In the case of dogs, only the Departmental Head of the Dog Training Centre has the authority to decide on the purchase of dogs and he/she is authorised to negotiate with the breeder, on behalf of the department, for the purchase of the identified dogs, with reference to confidential guidelines regarding the estimated value of the dogs. | | | |
| 2.6.2.1.3 | In both the above-mentioned cases, the transaction must be formalised by means of price quotations, in which the breeder commits himself/herself to the conditions as contained in the General Conditions of Contract. | | | |
| 2.6.2.1.4 | The PPPFA and its Regulations must be applied to requirements exceeding R30 000-00. | | | |
| 2.6.2.1.5 | A valid and original Tax Clearance Certificate must be available for all quotations exceeding R30 000-00 (VAT included) | | | |
| 2.7 | <u>Purchasing of medicament from wholesalers</u> | | | |
| 2.7.1 | Purchasing of medicament for Departmental Pharmacies up to R500 000-00 per month (each month must be viewed as a case) from wholesalers registered on the list of prospective suppliers without the invitation of price quotations where prescriptions from doctors are | UP TO R15 000-00 – CO I/PAO | UP TO R15 000-00 – CO I/PAO | NOT APPLICABLE |

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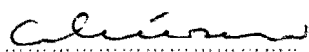
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|---------------------|--|---|---|----------------------|
| 2.7.1 (Continue) | received, other identified urgent cases and where no stock is available. | UP TO R60 000-00 – SCO/SPAO UP TO R300 000-00 – ASD UP TO R500 000-00 – DD | UP TO R60 000-00 – SCO/SPAO UP TO R300 000-00 – ASD UP TO R500 000-00 – DD | |
| 2.7.2 | <u>Conditions applicable</u> | | | |
| 2.7.2.1 | Only the quantities required to satisfy the immediate need and not to maintain stocklevels must be procured. | | | |
| 2.7.2.2 | Such requests must be recommended by the Pharmacist. | | | |
| 2.7.2.3 | Purchases must take place on a rotation basis, per month, by rotating all medical wholesalers registered on the list of prospective suppliers. | | | |
| 2.8 | <u>Purchasing of medicament for inmates per prescription</u> | | | |
| 2.8.1 | Purchasing of medicament for inmates per prescription without inviting price quotations (each month must be viewed as a case) | UP TO R15 000-00 – CO I/PAO UP TO R60 000-00 – SCO/SPAO UP TO R300 000-00 – ASD UP TO R1 000 000-00 – DD | UP TO R15 000-00 – CO I/PAO UP TO R60 000-00 – SCO/SPAO UP TO R300 000-00 – ASD UP TO R1 000 000-00 – DD | NOT APPLICABLE |

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|--------|------------|---|--------------------------|----------------------|
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| | | | | |
|---------|---|--|--|--|
| 2.8.2 | <u>Conditions applicable</u> | | | |
| 2.8.2.1 | Only applicable where no accessible departmental pharmacy is available. | | | |
| 2.8.2.2 | Purchases to be done on a monthly rotation basis from the different pharmacies registered on the list of prospective suppliers. | | | |
| 2.8.2.3 | Pharmacies must be approached for discount on items supplied. | | | |

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Where a power has been delegated to a holder of a specific rank, that power may be executed by the acting official or the holder of an equivalent or any higher rank

CO III : CORRECTIONAL OFFICER GRADE III

CO II : CORRECTIONAL OFFICER GRADE II

APAO : ASSISTANT PROVISIONING ADMINISTRATION OFFICIAL

CO I : CORRECTIONAL OFFICER GRADE I

PAO : PROVISIONING ADMINISTRATION OFFICIAL

SCO : SENIOR CORRECTIONAL OFFICER

SPAO : SENIOR PROVISIONING ADMINISTRATION OFFICIAL

ASD : ASSISTANT DIRECTOR

DD : DEPUTY DIRECTOR

AUTHORISED BY :


COMMISSIONER V.P. PETERSEN

DATE : 09-06-08

SPECIFIC DELEGATED POWERS : REASONS FOR DEVIATING FROM INVITING COMPETITIVE BIDS

| DELEGATION NUMBER | DESCRIPTION | REASON |
|-------------------|--|---|
| 2.1 | <u><i>Urgent and emergency cases</i></u> | |
| 2.1.1 | Urgent cases to an estimated value of R1 000 000-00 (VAT included) per case | Goods, works and services may be procured by preferably making use of the list of prospective suppliers in cases where early delivery is of critical importance and the invitation of competitive bids is either impossible or impractical. |
| 2.1.2 | Emergency cases up to an estimated value of R1 000 000-00 (VAT included) per case | Goods, works and services may be procured by preferably making use of the list of prospective suppliers in cases of emergency where immediate action is necessary in order to avoid a dangerous or risky situation/misery. |
| 2.2 | <u><i>Perishable provisions, where the internal source of supply that normally produce this commodity, cannot supply</i></u> | |
| 2.2.1 | Purchasing of perishable provisions up to R1 000 000-00 per price quotation in cases where the internal source of supply that normally produce this commodity, cannot supply the commodity, and if it is impractical to invite competitive bids. | <p>During the arrangement of contracts for perishable provisions for the various Area Commissioners/Correctional Centres, certain Area Commissioners/Correctional Centres, where the requirements for example meat, vegetables and eggs, are produced and provided internally at Correctional Centre farms, are excluded.</p> <p>As a result of unforeseen circumstances for example, continuous increase in prison population, drought conditions, failure of crops, mortalities of livestock, etc., it sometimes occurs that prison farms cannot generally provide self-produced products to prisons for certain periods.</p> <p>Since the periods for which the prison farms cannot provide supplies, varies between one (1) and three (3) months, it is impractical to arrange contracts for such short periods in accordance with the prescribed bidding process.</p> <p>In view of the afore-mentioned, price quotations should be invited by those Area Commissioners/ Correctional Centres for whom contracts have not been arranged in cases where self produced products cannot be provided for periods shorter than three (3) months.</p> <p>In cases where the internal provisioning of self-produced products cannot be provided for periods longer than three (3) months, contracts will be arranged in accordance with the prescribed bidding procedures.</p> |
| 2.3 | <u><i>Purchases outside contract per price quotation as a result of unsatisfactory performance</i></u> | |
| 2.3.1 | Purchases to R1 000 000-00 per quotation outside contract as a result of unsatisfactory performance by suppliers, until a new contract is arranged. | Contracts in this Department were predominantly awarded to upcoming Entrepreneurs out of the historically disadvantaged group. |

SPECIFIC DELEGATED POWERS : REASONS FOR DEVIATING FROM INVITING COMPETITIVE BIDS

| DELEGATION NUMBER | DESCRIPTION | REASON |
|----------------------|--|--|
| | | <p>These companies, who are not always acquainted with the practice of business, sometimes experience execution problems and are left in breach of contract.</p> <p>When delivery cannot be effected, commodities necessary for example for daily rations of inmates have to be purchased per price quotation in order to ensure continuity. The value to procure the requirement often exceeds R500 000-00 per case, especially at larger Area Commissioners/ Correctional Centres.</p> <p>In view of the above-mentioned, specific powers are an absolute necessity to purchase perishable provisions and other commodities per price quotations to an unlimited value in cases where a buy-out transaction is in process and a new contract has not been finalised yet.</p> |
| 2.4 | <u>Purchases per price quotation when transversal contracts/general period contracts have not been arranged timeously</u> | |
| 2.4.1 | Purchases per price quotation up to a value of R1 000 000-00 per case outside contract when a transversal contract/general period contract has not been renewed timeously, for the amounts exceeding R500 000-00 per case. | <p>It happens continuously that transversal contracts/general period contracts are not renewed timeously, whether by the National Treasury or other institutions. As a result, for the interim, specific commodities (foodstuff, animal feed, fertilizer, etc.) must be purchased accordingly within delegated powers (R500 000-00 per case) in accordance with price quotations.</p> <p>Seeing that R500 000-00 is not in all cases sufficient to satisfy the need, it is not practical and cost-effective to handle these needs for goods, works or services within the R500 000-00 limit.</p> |
| 2.5 | <u>Repair of technical equipment of which the defect is not known</u> | |
| 2.5.1 | Repair of technical equipment of which the defect is unknown up to the value of R250 000-00 per case by inviting price quotations only from the manufacturer, his agent or a qualified institution on the list of prospective suppliers. | <p>Various problems are experienced in practice when price quotations need to be invited for the repair of technical equipment such as television sets, water pumps, large machinery, etc. Should the normal procedures be followed, the following problems will be experienced :</p> <ul style="list-style-type: none"> ▪ When equipment is defective, full particulars of the defect are normally not known and competitive price quotations/bids cannot be invited. As a result it is necessary to take the item to various possible suppliers, who need to take the item apart in order to determine the defect, put the item back together, after which the repair cost can be determined. All these actions normally take place at a cost. <p>In order to ensure competitiveness, and to remain within the parameters of the prescripts, the item also needs to be taken to other possible suppliers, with the involved transport cost, where the process needs to be repeated.</p> |

SPECIFIC DELEGATED POWERS : REASONS FOR DEVIATING FROM INVITING COMPETITIVE BIDS

| DELEGATION NUMBER | DESCRIPTION | REASON |
|----------------------|---|--|
| | | <p>After the afore-mentioned process has been completed, a lot of time will have lapsed and cost incurred.</p> <p>In view of the afore-mentioned, it is evident that this is a cumbersome process and definitely not cost-effective and at time impractical to execute. It is also impractical to invite competitive bids.</p> |
| 2.6 | <i>Purchasing of dogs and breeding animals up to a financial limit of R200 000-00 per case</i> | |
| 2.6.1 | Production Auctions | It happens from time to time that the Departmental Agriculturist request to procure especial breeding animals on production auctions. As a result, a Departmental Agriculturist is delegated to bid on identified breeding animals on behalf of the Department. It is therefore impossible to invite bids in accordance with the prescribed bidding process. |
| 2.6.2 | Dogs and breeding animals that are not available at production auctions | The requirement sometimes exists to procure breeding animals and dogs (patrol dogs) that need to comply with certain requirements. Seeing that it is impractical to invite competitive price quotations/bids, the Agriculturist will beforehand make a survey of the available breeding animals/dogs that comply with the requirements. After making a decision on which supplier the animals will be procured from, the transaction is formatted by means of a price quotation in which the supplier commits himself to the General Conditions of Contract. |
| 2.7 | <i>Purchasing of medicament from wholesalers</i> | |
| 2.7.1 | Purchasing of medicament up to R500 000-00 per month (each month must be viewed as a case) from wholesalers registered on the list of prospective suppliers without the invitation of price quotations where prescriptions from doctors are received, other identified urgent cases and where no stock is available. | Notwithstanding the fact that the department procure medicine in accordance with transversal contracts at the larger Area Commissioners and take this medicine into stock (departmental pharmacies for issuance to inmates), it sometimes happens that an inmate urgently needs medicament that is normally not kept in stock or is not in stock at that specific moment. Seeing that immediate dispensing is necessary, there is not sufficient time to invite price quotations and is it also impractical and not cost-effective to issue an order for a single item. In order not to favour one supplier, to avoid prejudice against other suppliers and to receive maximum advantage, suppliers are used on a rotation basis without the invitation of price quotations. |
| 2.8 | <i>Purchasing of medicament for inmates per prescription</i> | |
| 2.8.1 | Purchasing of medicament for inmates per prescription without inviting price quotations (each month must be viewed as a case) | No departmental pharmacies are situated at the smaller Correctional Centres. With the result that should a doctor issue the inmate with a prescription, such medicine needs to be obtained from another source. Seeing that this department is not aware of what will be prescribed, price |

SPECIFIC DELEGATED POWERS : REASONS FOR DEVIATING FROM INVITING COMPETITIVE BIDS

| <i>DELEGATION NUMBER</i> | <i>DESCRIPTION</i> | <i>REASON</i> |
|------------------------------|--------------------|--|
| | | quotations cannot be invited prescriptively beforehand, and medicine needs to be issued to the inmates immediately. It is therefore impractical to invite price quotations and not cost-effective to issue an order for each prescription. The pharmacies within the area that are listed on the list of prospective suppliers will be used on a rotation basis in order not to favour any pharmacy. |