



Procurement Policy

Purpose

This policy is to provide guidelines for the procurement of goods and services in a manner that promotes the general policies and procedures of the school. These guidelines are aimed at ensuring that ethical and professional practices are adhered to at all times.

Applicability

The policy is applicable to all management and staff members involved with or affected by the procurement process.

Purchasing is not centralized at Bishops and there is thus no purchasing department. Departmental Heads are seen as the experts and therefore purchasing is decentralized: IT; Music; Sport; Book room; Audio Visual; Transport; Maintenance etc. This policy needs to be understood in that context.

Policy statement

- Procedures and processes must reflect a procurement system that is fair, equitable, transparent, competitive, cost-effective and provides a quality product;
- Bishops will take appropriate action regarding corrupt, or unethical activities, and acts of financial misconduct;
- All transactions should be properly documented;
- Guidelines related to the receipt of gifts and promotional items must be adhered to at all times;
- Where possible, Bishops will purchase from local suppliers rather than from overseas, in order to encourage local business development.

BEE

- BEE is in place to facilitate and promote opportunities for previously disadvantaged South Africans and the school will strive to do business with suitable BEE suppliers where possible;
- The school will request of suppliers that they adopt and demonstrate a policy of growing previously disadvantaged employees within their employ;
- Whenever there is a choice between suppliers of the same product, at the same price and quality, the BEE qualified supplier will be the first choice;
- Whenever there is a choice between two BEE suppliers, the supplier with the lowest price will be the first choice;
- In order to be considered a BEE supplier, the supplier must be able to provide proof of the type of ownership. Where possible this will be corroborated through a recognized rating body;
- The supplier is responsible to inform the school as to any change in its BEE status;



- This Procurement Policy was approved by the Finance Committee. (9 May 2014 meeting minutes pages 3 and 4.)
- Businesses misrepresenting their BEE status or not honouring commitments regarding subcontracting or joint ventures with BEE-compliant businesses must be regarded as fraudulent and excluded from further business with the school;
- The school, via its various departments, will endeavour to collect BEE ownership details for all suppliers with a minimum annual spend of R250 000.

Procedures to be followed

- In principle, when the need for a specific item or service arises or has been requested, the procurement process may not commence before proper approval has been obtained. This would usually be given by a department head;
- All requisitions must be accompanied by the correct request forms and signatures;
- It is essential to ensure that items ordered fall within the approved budget – any material overruns must be tabled and approved by the School Executive and summarised for Finance Committee and Council;
- As far as possible three (3) quotes must be obtained for all purchases over R50 000 and a minimum of two (2) quotes is required and the lowest submitted cost must be accepted. Any request to accept a quote that is not the lowest price must be presented to a School Executive for approval;
- Management may adopt a policy of using preferred suppliers but their prices must still be tested with comparative quotes.
- For contracts involving amounts in excess of R750 000, a process of open tender must be employed, reflecting all important information relating to the tender. Tender by invitation is permitted but that fact must be disclosed accordingly;
- All original records must be kept on file and be readily available.

Tendering

- Evaluation criteria details should be stipulated in tender documents;
- Unambiguous descriptions of the goods or services to be acquired are to be stipulated in the tender documentation;
- During the period in which the tender is open, bidders may communicate with the person listed in the tender document only for the purposes of clarification of information relating to the tender;
- Tenders will close at a specified venue, date and time; the onus is on the tenderer to ensure that tenders documents reach the specified address timeously;
- Tenders which do not meet the tender conditions will be rejected except where acceptance will not prejudice other tenderers;
- After completion of the tender evaluation process, Bishops reserves the right to enter into post-tender negotiations with the 'preferred bidder' or any number of short-listed bidders;
- Prices and technical and trade information included in bids must be treated with confidentiality both internally and externally;



- The only information to be disclosed to unsuccessful bidders is the name and location of all bidders responding to a particular tender invitation.

Contracting Principles

All contracts for value exceeding R1, 000.00 to be in writing.

The following contracting principles should be adhered to:

- Parties – Clearly identify the legal entity being contracted with (include registration number);
- Performance – Detail precisely each party's rights and obligations, in particular any special conditions. If possible build in a service level obligation to ensure that contractual performance is up to an agreed standard;
- Price – Show the make-up of the price in detail. Remember to state whether VAT is included or excluded and deal with dates of payment. As a general rule, try and only pay for goods after they have been delivered and checked or after the service has been rendered. Keep up-front payments to a minimum;
- Period & Termination – In general, contracts not to be longer than three years; contracts to be subject to a right of cancellation if counter-party is in material breach or has not complied with his obligation when measured against the agreed service level.

Code of ethics and conflict of interests

- Bishops employees may not supply or tender for Bishops' business;
- Suppliers or bidders should be asked to declare any direct or indirect family relationships as well as any personal relationships with Bishops employees. Failure to disclose relevant information will entitle Bishops to cancel the relevant contract;
- Where suppliers or bidders are parents, or related to parents, this interest must be declared. No preference is to be given to parents except where there is no difference in price and product. When dealing with equal pricing and quality BEE suppliers would get precedence over parents.

Gifts and entertainment

- The occasional exchange of modest gifts and limited entertainment is acceptable as long as such courtesies are not specifically intended to influence any procurement decision, and are declared to the person to whom the recipient reports and recorded in writing;
- Gratuities or kickbacks of any kind must never be solicited, accepted or offered, whether directly or indirectly.

Further development

This policy may be developed, or changed, in line with the practicalities that arise once implementation is in place. These changes must be presented to the School Executive for approval.