


UNIVERSITY OF THE WESTERN CAPE			
 <p>UNIVERSITY of the WESTERN CAPE</p>	<p>PROCUREMENT POLICY</p>	Council Approval	C2008/01
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UNIVERSITY OF WESTERN CAPE (UWC)

PROCUREMENT POLICY

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PROCUREMENT POLICY

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PART A: DEFINITIONS AND ABBREVIATIONS

1. DEFINITIONS AND ABBREVIATIONS

In this Policy, unless otherwise indicated by the context, the following terms shall have the meaning ascribed to them –

"Adjudication"	means the process whereby the Tender Committee scrutinizes the evaluation report(s) submitted by the Tender Working Group and considers such evaluation reports for purpose of recommendation of the successful bidder.
"Agent"	means a party formally appointed by the University to act on its behalf in terms of a signed written agreement.
"Advisor"	means a person who gives professional advice for the purpose of the evaluation process
"BEE" or "Broad-Based Black Economic Empowerment"	means the economic empowerment initiative that promotes diverse but integrated social-economic strategies as may be defined from time to time in terms of the applicable legislation.
"BEE Accredited Supplier" or "BEE Accredited Vendor"	means an entity accredited by a verification agency that is recognised by the South African National Accreditation System (or its successor-in-title) as contemplated in the Broad-Based Black Economic Empowerment Act and the Department of Trade and Industry;
"BEE Policy"	means the Broad-Based Black Economic Empowerment Policy of the University as maybe amended from time to time;
"Broad-Based Black Economic Empowerment Act"	means the Broad-Based Black Economic Empowerment Act No. 53 of 2003 as amended;
"Budget Owner"	means an Employee of the University who is responsible for the management and administration of funds allocated by the University to that Department, Faculty or other agency or

	institution of the University;
"Business Day"	means a day which is not a Saturday, Sunday or public holiday;
"Buyer"	means the relevant Person authorised to purchase Goods or Services from a Supplier for and on behalf of the University. A Buyer may include a Budget Holder;
"Compensation"	Shall mean direct or indirect remuneration, gifts or other favours.
"Conflict of Interest"	Shall mean the presence, real or perceived, of competing interests between the University and any of its stakeholders.
Consultants	means a specialist who gives expert advice or information
"Constitution"	means the Constitution of the Republic of South Africa Act No. 108 of 1996 as amended;
"Construction Act"	means the Construction Industry Development Board Act No. 38 of 2000 as amended;
"Corrupt Activities Act"	shall refer to the Prevention and Combating of Corrupt Activities Act 12 of 2004.
"Council"	means the Council of the University of the Western Cape as appointed in terms of section 27(1) of the Higher Education Act to govern the University, subject to the provisions of the Higher Education Act and the Institutional Statute or its successor-in-title;
"Council Controlled Funds"	means funds of the University over which the Council of the University has legal and discretionary control.
"Disciplinary Code"	means the Disciplinary Code & Procedure for Employees of UWC.
"Donor"	means a third party who or which has donated funds to the University with or without conditions attached thereto, restrictions or limitations attached

	to the purpose, manner and/or timing in which the donated funds may be spent by the University;
"Emergency"	Shall mean a sudden, unexpected event/s, occasion/s and/or occurrence/s that will or may result in damage or loss to the University as a whole any of its employees, students or visitors.
"Entity"	Means a company, close corporation, partnership, trust or sole proprietor, or any similar entity;
"Family"	means the relatives of an individual including current or former spouses or life partners, natural or step-children, siblings, parents, grandparents or cousins.
"Finance Officer / Manager"	means the employee of the University who is responsible for general financial administration / management of a particular unit, department or faculty;
"Financial Interest"	means a financial interest held, directly or indirectly, by a Person in any entity with which the University transacts or contracts
"Financial Year"	means the period of twelve months that constitutes the accounting cycle of the University commencing on 1 January of each year and ending on 31 December of each year;
"Goods"	means consumable and non-consumable goods including, but not limited to, capital goods such as office furniture, all equipment and immovable equipment;
"Higher Education Act"	means the Higher Education Act No. 101 of 1997 as amended;
"Institutional Statute"	means the Institutional Statute of the University made by the Council in terms of section 32 of the Higher Education Act;
"Interested Member/s"	means any Member of the Tender Committee or Working Group(s) who has a Financial Interest, as defined above, or who serves as a director or

	officer of any entity with which the University has a transaction, contract or other arrangement;
"Interested Person/s"	shall mean either – <ul style="list-style-type: none"> (i) any Person currently being compensated by the University for services rendered to it within the previous 12 (twelve) months, whether as a full or part-time Employee, independent contractor, or otherwise, or (ii) any Person whose Family member, is currently being compensated by the University for services rendered to it within the preceding 12 (twelve) months, whether as a full or part-time employee, independent contractor or otherwise;
"Invitation to Tender"	means the invitation issued by the University to third parties to submit Tender Responses
"Management"	shall consist of the Rector, the Executive Director: Finance and Services, the Director: Operations, the Director: Business Processing and the Procurement Manager or any of their successors-in-title;
"Member"	means the members of a Committee of Council or any of its sub-committees.
"Procurement Process"	means the process followed by the University to purchase Goods or Services from Suppliers and shall include the quotation and tender processes where applicable.
"Procurement Response"	means the written response submitted by Suppliers in response to a Procurement Process, in terms of which the Suppliers offer to sell Goods and/or Services to the University, which shall include, but not be limited to Quotation(s);
"Person"	means a natural person, or other entity including a company, close corporation or trust.
"Policy"	means the Policy set out in this document

"Preferential Procurement Act"	means the Preferential Procurement Policy Framework Act No. 5 of 2000 as amended;
"Preferred Supplier"	shall have the meaning as defined in clause 20;
"Procurement Department"	means the sub department in the Finance Department responsible for the management and administration of the procurement of Goods and Services required by the University
"Procurement Legislation"	means collectively, the Broad-Based Black Economic Empowerment Act, the Constitution, the Construction Act, the Preferential Procurement Act and, to the extent applicable to the procurement of Goods and/or Services, the Higher Education Act, the Institutional Statute and the Standing Orders;
"PURCO SA"	means Purchasing Consortium of SA. Purco is a statutory body that undertakes collective negotiations of contract with suppliers in order to obtain maximum quantitative benefits for all Higher Education Institutions.
"Quotation"	means the proposed purchase price and if applicable, the accompanying terms and conditions, furnished by a Supplier to the University in respect of Goods and/or Services to be sold to and purchased by the University;
"Grants and Contracts Funds"	means funds under the custodianship of the University in terms of the Grants and Contracts Policy.
"SMME"	Means a separate and distinct business entity, including co-operative enterprises and non-governmental organisation, managed by one or more owners which, including its branches or subsidiaries, if any, is predominantly carried on in any sector of sub-sector of the economy. SMME is

	as defined in the National Small Enterprise Act, 102 of 1996, as amended in 2003.
"Specification Document"	Shall have the meaning the document detailing all relevant technical specifications required in the provision of goods and services.
"Standard Terms and Conditions"	means the terms and conditions for the purchase of goods or services
"Standing Orders"	means the Standing Orders of the Tender Committee, as approved by the Council from time to time.
"Stringing"	means the practice of issuing multiple purchase orders with the effect or intent of circumventing any threshold set out in the Policy.
"Supplier" / "Service Provider"	means an existing or potential Supplier of Goods or Services who may be appointed by the University to provide Goods or Services to the University from time to time,
"Supplier Selection Criteria"	means the criteria that the University uses to select Suppliers, as issued by the University from time to time;
"Tender/s"	means the process by which the University invites third party/ies to present a proposal/s to the University for the purchase of Goods or Services, in accordance with the tender process as set out in this policy.
"Tenderer/s"	means the party submitting a Tender Response;
"Tender Response"	means the written response submitted by Suppliers to an Invitation to Tender
"Tender Committee"	the Tender Committee of the University established and constituted by the Council in terms of section 29(1) of the Higher Education Act, as a sub-committee of the Council;
"Tender Register"	means a register of all Tenders maintained by the University;

"Trade Vendors"	Shall mean a Supplier or Service Provider registered as such with the University
"University"	means the University of the Western Cape, a public higher educational institution, established in terms of the Higher Education Act. A reference to University shall include but be limited to its faculties, departments, units, schools, centre and other functionaries.
"Value Added Tax"	means Value Added Tax in terms of the VAT Act;
"VAT Act"	means the Value Added Tax Act, 1991;

PART B: GENERAL PRINCIPLES

1. INTRODUCTION

- 1.1 The University of the Western Cape “the University” is a higher education institution established and constituted in terms of the Higher Education Act 101 of 1997, as amended.
- 1.2 The University procures Goods and Services throughout its financial year in order to sustain its operations and strategic activities.
- 1.3 The University wishes to govern, regulate and administer the procurement of Goods and Services with this Policy.
- 1.4 The University operates a system of devolved procurement authority under which budget owners are responsible and accountable for the management of the financial resources under their control.
- 1.5 The University is committed to procure Goods and Services in a **fair, transparent, efficient and cost-effective** manner. All Faculties, Departments, Employees, officials, agents and representatives of the University shall be bound to observe and implement this Policy at all times.

2. POLICY STATEMENT

The purpose of this Policy is to develop, implement and maintain sound and sustainable management of the procurement processes of the University by establishing principles, norms, standards and other requirements. This policy applies to all procurement irrespective of the origin of the funds used.

The main principles identified are;

Effectiveness	Govern and regulate the purchase of Goods and Services in a manner to best serve the University’s mission, and operational and strategic activities;
Transparency	Ensure transparency and accountability, and establish appropriate lines of responsibility in the procurement processes and the financial affairs of the University;
Best Value for Money	Accord with prescribed standards and specifications in a manner that will not compromise the quality of goods

	procured and the efficiency of Services rendered to the University community, while realising the best value for money, minimizing risk and safeguarding the University's interest;
Fairness	All service providers shall be dealt with fairly and without unfair discrimination.
Efficiency	The policy and processes shall not impede the operational and strategic activities of the University.
Responsibility and Accountability	Outline the role and responsibilities of all parties involved in the procurement process as identified in this policy.
Co-Ordination and Optimization	Foster greater optimization of purchasing by the University community and thereby enhancing efficiency in using financial and other resources to the benefit of all;
Corporate Governance	Enhance and promote good corporate governance principles at all levels and within all structures of the University; and ensure compliance with all relevant legislation that govern the procurement of Goods and Services.
Collaborative Procurement	Promotion of collaborative contracts with external entities with whom the University has a common interests. Optimize collaboration with other Regional Universities, Higher Educational Procurement Consortia, CHEC and other initiatives that might benefit the University.
Commitment to Safety, Health and Environment (SHE)	The University is committed to the health and safety of its students, staff and its service providers in the Procurement Process. The University is committed to preservation of the environment, minimizing pollution and the improved use of natural resources in the application of its procurement processes.
Transformation and Development	Support national, provincial and regional mandates relating to Transformation, Supplier Development and

	Community Development.
Student Entrepreneurship	Create designated and regulated environments that support the nurture and development of University student entrepreneurship initiatives, within the rules of the Higher Education Act and other applicable legislation.

3. COMMENCEMENT AND APPLICATION

3.1 Commencement

This Policy shall come into effect on a date to be determined by Council, from which date all units of the University shall observe, implement and comply with the terms and conditions of this Policy.

3.2 Repeal of Policy dated 13 December 2011

This Policy replaces the Procurement and Tender Policy Finance/PRC/001 dated 13 December 2011, as amended.

3.3 Application

3.3.1 This Policy applies to the procurement of all Goods and Services for and on behalf of the University irrespective of whether –

3.3.1.1 such purchase is to be funded from Council Controlled Funds,

3.3.1.2 such purchase is to be funded from the Restricted Funds or from other sources;

3.3.2 This Policy shall apply to all procurement by the University.

3.3.3 This policy prevails over all other policies related to the procurement of goods and services. Accordingly, all persons involved at various levels of the University in the procurement of Goods or Services shall –

3.3.3.1 interpret and apply this Policy congruently with any other policies of the University to the extent that such congruency is possible;

3.3.3.2 apply this Policy in preference to any other policies of the University in the event that ambiguity and/or conflict and/or vagueness exists between this Policy and other policies of the University.

3.3.3.3 apply the terms of this policy as the minimum criteria required with respect to the procurement of goods and services, but may apply more stringent or

specific criteria, provided that such criteria are reasonable and justified.

3.3.4 This policy must be read in conjunction with all other University Policies, including, but not limited to:

- Budget Policy
- Fixed Asset Policy and Procedure
- Grants and Contracts Policy
- Travel Policy
- Fraud and Corruption Prevention Policy
- Policy on Legal Matters and signing of Contracts and Agreements

Where the Procurement policy is in conflict with any other policy, the Procurement policy shall prevail on matters relating to Procurement.

3.3.5 Reasonable attempts shall be made by the University to ensure that other policies are aligned with the terms of this policy.

3.3.6 The conditions, provisions, requirements or terms of this policy may be relaxed for the purchase of information resources eg. books and access to databases for the University's Library Services, annual subscriptions and licences.

3.3.7 The conditions, provisions, requirements or terms of this policy may be relaxed for the procurement of facilitators, tutors and highly technical specialised research material and equipment, publishers, transcriber, editors and the appointment of academic and professional consultants, subject to the proviso's in 8.4

4. OBJECTIVES

4 The objectives of this Policy are:

4.1 To provide a financial, operational and legal framework and to ensure that the procurement of Goods and Services by the University—;

4.1.1 complies with all applicable South African legislation;

4.1.2 occurs in a manner that the University achieves its mandate of *inter alia* excellence in teaching, learning and research.

4.1.3 occurs in a manner that ensures that the objectives of uniformity in the procurement management system of the University are not undermined and that consistency with procurement requirements are maintained at all times and at all levels of the University.

4.2 To set out the Delegation of Authority for the purchasing of goods and services.

- 4.3 To ensure sound, sustainable and accountable procurement management within the University at all levels.
- 4.4 To promote Broad-Based Black Economic Empowerment in the procurement function by ensuring that the University contributes to and promotes the principles and objectives of Broad-Based Black Economic Empowerment as contained in the B-BBEE Act, the Codes, the Sector Charters, the Preferential Procurement Act, Section 217 of the Constitution, and any other relevant legislation.
- 4.5 To promote the advancement of SMME's.
- 4.6 The University recognises its role in furthering various mandates for the public good, such as promoting B-BBEE, National Treasury mandates, SMME (Small, Micro and Medium Enterprise) Development etc. With this in mind, the University will remain cognisant of the various legislation and directives supporting such mandates, but which do not apply to the University, and where relevant, will apply the principles therein embodied in its Procurement processes and transactions.
- 4.7 To actively prevent and combat Fraud and Corruption in the University's procurement of goods and services. The provisions of this Policy must be read in conjunction with the University's Fraud and Corruption Prevention Policy.

5. OVERSIGHT AND RESPONSIBILITIES

- 5.1 In terms of section 27(1) of the Higher Education Act ("The Act"), the Council must govern the University in accordance with the Act and the Institutional Statute.
- 5.2 The Council may delegate any of its powers and duties under the Act as set out therein to the other internal structures of the University, in terms of section 68(2) and other relevant sections of the Act.
- 5.3 The Rector, as the chief executive officer of the University may delegate aspects of his authority to the Executive Director: Finance and Services in respect of the following matters –
 - 5.3.1 to provide general guidance over the financial affairs of the University including in respect of the procurement process used by the University to procure Goods and Services;
 - 5.3.2 to monitor and oversee the responsibilities assigned to the Procurement Department, the Procurement Manager and the Director of Business Processing in terms of this Policy;
 - 5.3.3 to implement generally, all procurement management activities in accordance

with this Policy, including the conclusion of inter partes agreements within the University and agreements concluded with third parties.

- 5.4 All employees and agents of the University shall ensure that the terms and conditions set out in this Policy are observed at all times throughout the procurement process.
- 5.5 The general responsibilities in respect of compliance with this Policy in relation to the procurement of all Goods and Services shall vest with the Procurement Department.

6. ETHICAL OBLIGATION AND STANDARDS

- 6.1 All persons involved in the procurement process shall be obliged to observe the following fiduciary duties so as to act in the best interests of the University at all times during the procurement process and after completion thereof. All Persons involved in the procurement process shall:
 - 6.1.1 not exceed the powers conferred upon them in terms of the Act, the Institutional Statute, this Policy and, if applicable, their respective employment agreements;
 - 6.1.2 observe and implement the Standing Orders;
 - 6.1.3 declare such interest in terms of clause 7 below subject to the provisions of Part F being observed at all times.
 - 6.1.4 not exercise their powers for an improper or collateral purpose by abusing their positions in order to derive a direct or indirect personal or private benefit or advantage including but not limited to a financial interest;
 - 6.1.5 maintain their independent discretion, thought and reason in the execution of their obligations and duties set out in this Policy;
 - 6.1.6 avoid a situation which may give rise to a conflict of interests for the University or its stakeholders. This shall include, but not be limited to:
 - 6.1.6.1 observing and implementing the Conflicts of Interest Provisions contained in this policy;
 - 6.1.6.2 Recusing themselves from participating in any aspect of a procurement process where such person has a financial interest.
 - 6.1.6.3 dealing with the University in any manner other than openly and in good faith;
 - 6.1.6.4 making a secret profit or;
 - 6.1.6.5 taking economic opportunities or misusing confidential information of the

University.

6.1.6.6 soliciting donations, gifts and gratuities, including the rendering of services or providing goods without fair or market related compensation, from University Vendors or prospective vendors unless the necessary written consent has been granted by the Executive Director Finance and Services or his /her nominee.

6.1.7 It is recorded that if a person undertakes any of the actions or events contemplated in the above clause, such action or undertaking could *inter alia*:

6.1.7.1 compromise or call into question the impartiality and/or independence of such person in the execution of his/her responsibilities and duties in terms of this policy;

6.1.7.2 compromise or prejudice the University's interests including, but not limited to, the financial, operational, legal, reputational or other interests of the University; and/or

6.1.7.3 create or give rise to a conflicts of interest between the interests of the University and his/her personal or private interests.

6.2 In order to create an environment where business can be conducted with integrity and in a fair and reasonable manner, the persons involved in the procurement process and in the management thereof, shall at all times act with integrity and with the highest ethical standards.

6.3 All persons and procurement representatives shall ensure that their conduct accords with the Code of Ethics.

6.4 All officials implementing or transacting via the UWC Procurement system must be appropriately trained and sufficiently proficient in procurement principles as well as the use of the University Procurement systems in order to procure without subjecting the University to undue risk or inefficiency.

6.5 In the event that any person breaches any terms or conditions of this Policy, the University shall be entitled, without prejudice to any of its rights in terms of this policy or law, to take such action against the person in terms of the applicable Disciplinary Code.

6.6 No Persons involved in the recommendation, review and appointment process shall have a direct or indirect financial interest in a supplier or vendor involved in the procurement process;

7. DECLARATION OF INTEREST

- 7.1 Any person involved in the procurement, tender or supplier evaluation process must complete and sign the applicable declaration of interest form.
- 7.1.2 Any person with an interest that may affect or could be seen to affect their impartiality should immediately declare their interest in writing, withdraw entirely from the process and relinquish all further related duties to his/her line manager.

8. COMBATING CORRUPTION AND ABUSE

- 8.1 The Procurement Manager shall combat the abuse of procurement processes in general and investigate complaints lodged with him/her or which come to his/her knowledge. These investigations may involve the conduct of an official, or other role-player relative to fraud, corruption, favouritism, unfairness, irregular or unlawful practices or failure to comply with this policy. The Procurement Manager shall, if reasonable grounds exist to do so:
 - 8.1.1 take appropriate steps against such official or other role player, provided that such steps shall at all times comply with the policy and processes of the University and / or if applicable the relevant laws of South Africa.
 - 8.1.2 after consultation with the Director: Business Processing and the Executive Director: Finance and Services, report any alleged criminal conduct to the South African Police Service.
- 8.2 The Executive Director: Finance and Services may reject a recommendation for the award of an order and/or contract if the Preferred Supplier or Person or entity submitting a Quotation or Tender or any director(s), member(s), partner(s) as the case may be, has committed a corrupt or fraudulent act in competing for the provision of goods and services to the University or the award of a particular contract.
- 8.3 The University may invalidate recommendations or decisions that were unlawfully or improperly made, taken or influenced.
 - 8.3.1 The Executive Director: Finance and Services may cancel a contract awarded to a Person or Entity if –
 - 8.3.1.1 the Person committed a corrupt or fraudulent act during the Procurement Process or the execution of the contract, or
 - 8.3.1.2 an official or other role player committed any corrupt or fraudulent act during the Procurement Process or in the execution of the contract;
 - 8.3.2 The Procurement Manager and/or the Director: Business Processing may

reject the Quotation, or Tender Response of any Person if that Person or any of its directors, officials, employees or representatives has –

- 8.3.2.1 failed, during any time during the last 5 (five) years prior to the submission of the Quotation or Tender Response, to perform satisfactorily on a previous contract with the University.
- 8.3.2.2 abused the procurement system of the University or has committed any improper conduct in relation to the procurement processes;
- 8.3.2.3 been convicted of fraud or corruption during the past 5 (five) years prior to the submission of quotations or Tender Response;
- 8.3.2.4 been listed in the Register of Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act No. 12 of 2004 or has been listed on National Treasury's database as a person prohibited from doing business with the public sector;
- 8.3.2.5 terminated an agreement with the University within 5 (five) years prior to the submission of the Quotation or the Tender Response then at hand; and
- 8.3.2.6 been suspected by the South African Revenue Service or found guilty by a court of law of tax evasion or any other offence involving tax matters.
- 8.3.2.7 in the case of the Person or directors or members, any civil judgments against their name unless proof of payment of the judgment debt or a rescission of the judgment or proof of a pending appeal against the judgment is provided upon request.
- 8.3.3 Where a Service Provider's contract is cancelled in terms of 8.3.1 or submission rejected in terms of 8.3.2, the University has the right to list such service providers in a "Prohibited Vendors Schedule".
 - 8.3.3.1 The Procurement Manager, Director Business Processing and the Executive Director of Finance and Services shall have authority to add or remove such Service Providers from the "Prohibited Vendor's Schedule".
 - 8.3.3.2 All University stakeholders are prohibited from transacting on behalf of the University with any Service Provider listed on the "Prohibited Vendors Schedule" without the written consent of the Procurement Manager.
 - 8.3.3.3 Any such cancellation or rejection must be reported to the Executive Director: Finance and Services.

8.4 Consultants should only be engaged when the necessary skills and/or resources

to perform a project, duty, study or other services are not available and the University cannot be reasonably expected either to train or to recruit people in the time available and further be monitored.

- 8.5 Any official in a Procurement related role who becomes aware of a breach of, or failure to comply with, any aspect of the Procurement Policy must immediately report the breach or failure to the Executive Director: Finance and Services, in writing.

9. DELEGATIONS

- 9.1 No decision-making authority may be delegated to an advisor or consultant in any procurement process.
- 9.2 An advisor or consultant appointed to advise the decision makers in any procurement process shall fulfil a purely advisory role and shall have no decision making powers.

10. COMMUNICATION WITH THE UNIVERSITY

- 10.1 All correspondence with regard to this Policy or any matter arising from or related to the implementation of this Policy, shall be addressed to the Procurement Manager.
- 10.2 The Procurement Manager shall be obliged to inform the Director: Business Processing and the Executive Director: Finance and Services of any matters which materially impact on the interpretation, implementation or otherwise of this Policy

PART C: PROCUREMENT

11. GENERAL PRINCIPLES

- 11.1 The University is committed to observing the highest standards of integrity and fairness in all dealings with Vendors and Suppliers. This policy aims to establish an ethical code in relation to procurement in order to achieve the aforesaid.
- 11.2 It is the Policy of the University that –
- 11.2.1 the procurement of all Goods and Services shall occur in accordance with a system which is fair, equitable, transparent, competitive and cost effective;
- 11.2.2 the Procurement Department may, in the discretion of the Director: Business Processing, acting in consultation with the Procurement Manager, provide for-
- 11.2.2.1 categories of preference in the allocation of contracts; and
- 11.2.2.2 the protection or advancement of persons, or categories of persons previously disadvantaged by unfair discrimination;
- 11.3 No payment will be made without an official order or properly signed contract.
- 11.3.1 The University's official order or contract signed by an authorised signatory of the University is an acceptable and binding contract between UWC and its approved Suppliers for purposes of payment.
- 11.3.2 No payment will be made to any Supplier for goods delivered or services rendered, if an official order number or contract as contemplated above is not presented with a payment request.
- 11.3.3 All orders must be generated **prior** to the procurement of goods or services. If any employee fails to adhere to this provision, disciplinary action may be taken against him/her with a possible sanction of such employee being held personally liable for the order or contract price.
- 11.4 Applications for Sundry Payments will only be approved in **exceptional** circumstances and where no approved Service Provider for the goods and services being procured are registered on the trade vendor master file.
- 11.5 Online purchases may only be made with the prior written consent of the Procurement Manager. Online purchases not so authorised will not be paid or refunded through a Sundry Payment request.

- 11.6 Any procurement by the University must take place within the University Policies that address:
- (i) demand management;
 - (ii) acquisition management;
 - (iii) logistics management;
 - (iv) disposal management (refer to fixed assets policy);
 - (v) risk management; and
 - (vi) regular assessment of supply chain performance;

12. VENDOR SELECTION

- 12.1 The University shall select and appoint Suppliers using the Supplier Selection Criteria. These criteria shall be determined by the bid specification working group in the instance of tenders, and for non-tender procurement, by the budget owner, and if required, in consultation with a commodity or service specialist selected by the budget owner and the procurement office.
- 12.2 The Procurement Manager shall ensure that the Suppliers List is updated at least once per year. The Procurement Manager shall in appropriate ways, through advertisement, notices and invitations, call upon prospective Suppliers of Goods and Services (including construction works and consultant services) to apply for consideration as an accredited prospective Vendor, when required or appropriate.
- 12.3 Each application to be listed as a Vendor will be considered on its merit and the University shall hold the sole discretion to list an applicant on its Master Vendor list.
- 12.4 Prospective Suppliers for goods or services required by the University shall be allowed to submit proposals or quotations at any time.
- 12.5 The use of any vendor that is not on the University Master Vendor list must, in addition to any other requirements of this policy, first be approved by the Procurement Manager. This approval must be obtained before engaging the vendor to provide any goods or services.

13. RANGE OF PROCUREMENT PROCESSES

Goods and Services shall be procured through a range of procurement processes, provided that:

- 13.1 The use of the appropriate procurement process shall be determined by the

circumstances then prevailing;

13.2 All rand values set out in the Financial Thresholds below shall include Value Added Tax and any other applicable taxes and excise duties;

13.3 The range of procurement processes that the University shall use include:

- (i) Quotation Process
- (ii) Tender Process
- (iii) Deviation Process
- (iv) Emergency Purchases
- (v) Procurement from a Preferred Supplier appointed in terms of (i) to (iii).

14. FINANCIAL THRESHOLDS & DELEGATION OF AUTHORITY

14.1 The financial thresholds set out below are applicable to the total value of an order and not to the individual item value of an order.

14.2 The Buyer has the responsibility of only processing the order. Under no circumstances may an individual attend on the processing **and** approval of an Order. There should always be a primarius processing the order and a secundus approving the order.

14.3 The total estimated value of the transaction/contract over the full contract period shall be used to determine the financial threshold category of the transaction/contract (Table 1; Column 1). The financial threshold category will in turn be used to determine the level of authorization required for the transaction (Table 1; Column 2).

14.4 The Finance Officer / Manager of a department or faculty or any other unit of the University shall certify the availability of funds and correctness of the budget cost centre allocation before final approval by the applicable delegate of authority as set out in Table 1 Column 3.

15. FINANCIAL MATRIX

The University shall procure Goods or Services using the following thresholds and accompanying delegation of authority processes –

Table 1

Column1	Column 2	Column 3
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Financial Threshold	Supplier Selection & Process	Delegation of Authority for Authorization of Spend and approval of Orders
R0.00 – R10,000.00	Buyer shall obtain one written valid Quotation Line Manager authorizes the selected quotation Buyer process the Order	1. Budget Owner
R10,000.01 – R50,000.00	Buyer shall obtain three written valid Quotations Buyer in consultation with line manager selects the preferred quotation Line Manager authorizes the selected quotation Buyer processes the order	1. Budget Owner
R50,000.01 – R250,000.00	Buyer shall obtain three written valid Quotations. Buyer and the Procurement Department shall jointly select the preferred Supplier Line Manager authorizes the selected quotation Buyer processes the order	1. Budget Owner 2. Dean / Director, if not the budget owner 3. Procurement
R250,001.00 - R1 000,000.00	Buyer and the Procurement Department shall obtain three written Quotations. Procurement Manager shall recommend the preferred Supplier to the Director: Business Processing and Operations Line Manager authorizes the quotation selected in	1. Budget Owner 2. Dean / Director, if not the budget owner 3. Executive Management 4. Procurement

	consultation with Procurement Manager and the Director: Business Processing and Operations. Buyer processes the order	
R1 000,001.00 and above	An open or closed Tender Process shall be followed by Procurement	1. Tender Committee

15.2 Where three quotations are required in terms of 15.1 above, but cannot be obtained because the required goods or services are only obtainable from one or two suppliers, the Central Procurement Office may authorise a relaxation of the number of quotations required.

15.3 Any quotations obtained must be from Suppliers that are able to supply the requested goods and services as required, and for goods and services that meet the University's requirements for their intended use. Quotations that do not meet these two conditions will not be regarded as a valid quotation for the requirements of the thresholds table above.

16. A QUOTATION PROCESS

16.1 The Purchasing Sub-Department or the appointed Buyer shall obtain Quotations from Suppliers for the supply of Goods or Services where the estimated transaction value is R1 000 000.00 (One Million Rand) or less.

16.2 The Purchasing Sub-Department or appointed Buyer shall thereafter select a Supplier with whom to transact, provided always that:

16.2.1 such selection shall be subject to the processes contemplated in the Financial Thresholds; and

16.2.2 the commercial, operational, legal and other terms and conditions of the selected Quotation Response is, from the University's perspective, the most favourable, viable and advantageous Procurement Response in the circumstances then prevailing.

17. COMPETITIVE TENDERING PROCESS

17.1 The University shall embark on a competitive tender process for the supply of Goods or Services where the estimated transaction value exceeds R 1 000

000.00 (One Million Rand), over the duration of all intended phases of the contract or appointment period (including any defects liability period, if applicable), provided that –

17.1.1 such selection shall be done in accordance with this policy and the financial thresholds as set out in clause 15 above; and

17.1.2 the commercial, operational, legal and other terms and conditions of the selected Tender Response is, from the University's perspective, the most favourable, viable and advantageous Tender Response in the circumstances then prevailing.

17.2 The competitive Tender Process contemplated in this clause¹¹⁷ and as set out in Part D of this Policy shall be either an open or closed Tender Process.

17.2.1 An open Tender Process is the process whereby interested parties are invited to tender. Such invitations to tender must be advertised in the press or by way of other public announcement to transact with the University.

17.2.2 A closed Tender Process is the process whereby the University issues an invitation to tender to Suppliers identified and selected by the University. Such invitations are issued to the identified Suppliers individually and will not necessarily be advertised in the press or otherwise publicly announced.

17.3 Once the University has appointed a Supplier, the University shall be entitled, but not obliged, to retain the services of such Supplier without again embarking on a Tender Process, provided that the University shall then continuously review the standard and quality of such services to ensure that it is acceptable to the University. The provisions of this clause may apply in particular, but is not limited, to professional services such as auditing, banking, investment management, and legal services.

18. PERMISSIBLE DEVIATIONS FROM PROCUREMENT PROCESSES

18.1 The conditions under which the University may negotiate and enter into agreements with suppliers for the purchase of goods or services without having to follow the formal Procurement Processes contemplated in this policy include, but are not limited to situations:

18.1.1 where no suitable response was received to the Procurement Process followed by the University;

18.1.2 where no suitable response was received to an invitation by the University to transact with the University;

- 18.1.3 when Goods or Services can only be supplied by a particular Supplier and no reasonable and / or comparable alternative or substitute exists; or for reasons connected with patent or copyright; or for technical reasons (Sole Suppliers);
- 18.1.4 when unforeseen events make it extremely urgent for the University to obtain certain Goods or Services and such Goods or Services could not be obtained by means of the formal Procurement Process (Emergency Purchases);
- 18.1.5 when a change of Supplier would compel the University to obtain spare parts or additional equipment or Services that are not compatible or interchangeable with existing equipment or Services that were obtained from an original enterprise manufacturer (OEM) Supplier;
- 18.1.6 when the University can purchase under exceptionally advantageous conditions that only arise in the very short term. This provision covers the following circumstances where –
 - 18.1.6.1 market conditions are such that it would be in the University's best interests not to follow the Procurement Process contemplated in this Policy;
 - 18.1.6.2 unusual disposals by firms that are not normally Suppliers, and the disposal of assets or businesses in liquidation or receivership.

The provisions of this sub-clause 18.1.6 does not allow for routine purchases from regular Suppliers and specifically exclude the purchase of remaining stock or other goods after the expiry of an agreement or contract or the purchase of goods from unsuccessful Tenderers.
- 18.1.7 where the Tender Committee is for whatever reason either unable to meet, do not quorate or is otherwise dysfunctional;
- 18.1.8 where the purchase price in a Procurement Response or a Tender Response has expired by the effluxion of time;
- 18.1.9 where a Donor has stipulated that the purchase of Goods or Services are not to occur through or is not to be subject to a Procurement Process;
- 18.1.10 where, due to the nature of the transaction or category of Goods to be purchased (example where the shelf-life or physical or biological integrity may be affected by delays) it is appropriate and/or necessary to dispense with the Procurement Process, for any reason whatsoever; and/or
- 18.1.11 where, due to the nature of the transaction, it is appropriate and/or necessary to embark on an Emergency Purchase in accordance with the provisions of

clause 19 below.

18.1.12 where an unsolicited bid is received and it meets the following requirements:

(a) a comprehensive and relevant project feasibility study has established a clear business case; and

(b) the product or service -

- involves an innovative design; or
- involves an innovative approach to project development and management; or
- presents a new and cost-effective method of service delivery; and

(e) the product or service can offer financial benefit or savings to the university,

18.2 In the event that Goods or Services are procured or to be procured in terms of clause 18.1 above or clause 19. below, the Procurement Manager shall document and record in writing, each purchase made in accordance with these clauses and indicate the circumstances, conditions and reasons that led to the decision to invoke the provisions of clauses 18.1 and/or clause 19.

18.3 Any deviation from this policy in terms of 18.1 or on any other basis must be authorised by two persons in terms of the following delegation of authority:

Transaction Value	Authorised Parties
0-R50 000.00	Procurement Officer and Procurement Manager
R50 001.00 - R250 000.00	Director Business Processing and Procurement Manager or Procurement Officer
R250 000.00 to R 1 000 000	Executive Director Finance & Services and Procurement Officer or Procurement Manager or

	Director Business Processing
Above R 1 000 000	The Rector and Executive Director Finance & Services

18.4 The authority and power of the Management as set out in this clause 18 cannot be delegated to any advisor, Budget Owner, consultant, Employee or Head of Department of the University.

19. EMERGENCY PURCHASES

19.1 For purposes of this clause 19, an "**Emergency/ies**" means a sudden, unexpected event(s), occasion(s) and/or occurrence(s) that will or may result in damage or loss to the University, Employees, students or visitors and that accordingly requires immediate action or an immediate response from the Management in order to avoid or mitigate such damage or loss.

19.2 The Management shall, in its sole Discretion, be entitled, but not obliged to dispense with compliance with the Procurement Processes set out in this policy, in order to procure Goods and/or Services for and on behalf of the University in the following Emergency circumstances –

19.2.1 Emergency repair services in respect of *inter alia* broken or damaged: glass; gas pipes; internet or other information technology, computer or telephone networks;

19.2.2 Emergency services in respect of: electrical supply failure, plumbing services, electronic security and transport requirements;

19.2.3 any other exceptional case(s) or circumstances where it is impossible or impractical to implement and follow the Procurement Processes contemplated in this Policy.

20. DESIGNATION AND USE OF PREFERRED AND OTHER SUPPLIERS

20.1 The University shall retain a sub-list of Preferred Suppliers under its Trade Vendor's list. This list will be maintained by the Manager: Procurement, on a spreadsheet, and reviewed and filed on a monthly basis.

20.2 University entities shall, in the first instance, forward a list of repetitive goods/ services to be purchased from Preferred Suppliers. Procurement shall use a

Preferred Supplier selection Process to appoint Preferred Suppliers for these goods and services. The status of Preferred Supplier, will be specific to defined goods and services for each Preferred Supplier.

- 20.3 The University shall give Preferred Suppliers first preference when purchasing Goods or Services. In applying this preference,
 - 20.3.1 Where the University has designated one or more Preferred Suppliers for goods or services, procurement of such goods or services from an alternate supplier must be motivated and supported by the relevant Dean or Director, and reviewed and approved by the Procurement Manager and the Director: Business Processing.
 - 20.3.2 The University shall not be obliged to purchase Goods or Services from the Preferred Suppliers.
 - 20.3.3 The provisions of this Policy shall not be construed as placing an obligation on the University to purchase Goods or Services from the Preferred Suppliers.
- 20.4 The Preferred supplier selection process may take one of the following forms:
 - 20.4.1 A Tender Process
 - 20.4.2 A Collaborative Procurement agreement or initiative, as indicated in clause 22 below ,
 - 20.4.3 Any Vendor identification and selection process conducted under the oversight of the Central Procurement Department, and approved by either one of the Procurement Manager or the Director: Business processing, and both the Executive Director; Finance and Services and the Rector.
- 20.5 Management shall review and update the Suppliers List annually, and if warranted, remove Vendors from this list, so as to ensure that:–
 - 20.5.1 the Suppliers are trading, going concerns and that they are not dormant;
 - 20.5.2 the Suppliers have not been placed under any form of corporate recovery including, but not limited to curatorship or any other form of court order;
 - 20.5.3 the Suppliers have not been liquidated or sequestered, as the case may be, whether provisionally or finally;
 - 20.5.4 the Suppliers have the capacity, resources and financial strength required to enable them to deliver the Goods or Services that the University may require from time to time;
 - 20.5.5 the pricing and quality of goods and services for the Suppliers are

- favourable to the University and consistent with those on which they were initially designated as Suppliers or Preferred Suppliers;
- 20.5.6 the Suppliers List is generally updated and contains all the latest and most accurate corporate information of each Supplier and Preferred Supplier listed;
- 20.6 Where possible, at least two Suppliers shall be appointed for each category of goods and services.
- 20.7 The requirement for multiple quotations as per Clauses 15 and 16 may be dispensed with, for Goods or Services for which the University has identified a Preferred Supplier.
- 20.8 Where the University has one or more Suppliers listed on the Master Database that is able to supply specific required goods or services,
- 20.8.1 procurement of such goods or services from an alternate supplier that is not on the Master Database must be motivated and supported by the relevant Dean or Director, and authorised by the Procurement Manager.
- 20.8.2 Where such an alternate supplier is used, there must be a clear benefit to the University in using such an alternate Supplier.
- 20.8.3 Where such an alternate Supplier has been used on multiple occasions, the Procurement Manager shall evaluate the alternate Supplier for addition to the master database. The Procurement Manager shall also consider whether any of the Suppliers on the database at the time should be removed.

21. SOLE SUPPLIERS

- 21.1 Sole Suppliers can be broadly defined as direct purchases from entities such as:
- (i) Manufacturers;
 - (ii) Licence holders;
 - (iii) Sole / exclusive distributors;
 - (iv) Publishers;
 - (v) Intellectual property owners;
- where no other vendor is able to supply the goods or services under consideration.
- 21.2 Sole Suppliers are only to be used if proof is provided that they are the sole / exclusive suppliers of the Goods or Services to be procured and the necessary approval from the University has been obtained. Where similar alternative goods

and services exist, proof that such similar goods or services will not serve the required function at the University must also be provided

21.3 Sole Supplier status must be supported by a valid confirmation of status as a sole supplier letter each time the Supplier is utilised.

21.4 The confirmation letter is considered valid for 12 months from date of receipt unless otherwise stated thereon.

22. COLLABORATIVE PROCUREMENT

22.1 The University shall:

22.1.1 Promote the participation in Collaborative Procurement through the conclusion of transversal contracts between the University and external entities.

22.1.2 Optimize collaboration with other regional Universities, Higher Educational Procurement Consortia (PURCO) and CHEC. Other available initiatives that might benefit the University should be considered.

22.1.3 Investigate and consider possible methods of obtaining the required obtaining the Goods or Services by means of contract initiatives.

22.1.4 Use the optimum sourcing strategy and technique, taking due cognisance of the nature of the Goods or Service required.

22.2 Orders raised against these contracts do not need the requested number of quotations as stipulated in this Policy provided they are cost effective.

23. EMPLOYEE LIABILITY

23.1 Any Employee who commits or binds the University to a purchase, sale, lease or other arrangement (whether financial or otherwise) or who attempts to commit or bind the University to a purchase, sale, lease or other arrangement (whether financial or otherwise) without proper authorisation and/or in contravention of any of the terms or conditions of this Policy, may be held personally liable for the purchase, sale, lease or other arrangement (whether financial or otherwise) or any loss or damages incurred in relation thereto.

23.2 Any Employee acting in a procurement capacity may be liable for damages to the University if they harm or injure the University through wilful misconduct, bad faith, dishonesty, criminal actions or gross negligence.

24. PURCHASES FOR EMPLOYEES

24.1 All Goods and Services purchased by the University shall be used exclusively

to implement, execute and facilitate the business of the University and not for personal or private use.

- 24.2 No purchases of Goods or Services for personal or private use by any University personnel may be procured through the University Procurement Process.

25. WAIVER AND REJECTION OF RIGHTS

The University shall, in each Invitation to Tender or other procurement document, reserve its rights to extend, waive or relax conditions or formalities in the Procurement Processes and to reject any Procurement Responses or parts thereof in accordance with this policy.

26. SPLITTING OR STRINGING PURCHASES

- 26.1 Splitting and stringing purchases is the practice of issuing multiple purchase orders for the purchase of Goods or Services with the effect that the Procurement Process is circumvented.
- 26.2 Splitting or stringing purchases are considered by the University as an impropriety and may result in withdrawal of delegated purchase authority, disciplinary action and/or the buyer being held personally liable for the cost of the Goods or Services in question.

27. DISCIPLINE AND DAMAGES

- 27.1 The University shall be entitled to take appropriate action against Suppliers, including, but not limited to, removing them from the Suppliers List and/or cancelling their agreements with the University on written notice and/or adding the vendor to a list of Prohibited Suppliers where Suppliers display unacceptable behaviour towards the University, the Management or Employees or where Suppliers threaten, insult, harm or threaten to insult or harm the University, the Management or any of the Employees, as may be necessary and appropriate in the circumstances then prevailing.
- 27.2 The Procurement Manager, Director Business Processing and the Executive Director of Finance and Services shall have authority to add or remove Service Providers from the "Prohibited Suppliers Schedule".
- 27.3 All University stakeholders are prohibited from transacting on behalf of the University with any service provider listed in the Prohibited Suppliers Schedule without the written consent of the Procurement Manager. Such consent may

only be given through a permissible deviation process.

27.4 All costs incurred by the University in respect of any action or legal action taken by the University in terms of 27.1 above may be recovered from the Supplier concerned.

PART D: TENDER PROCESS

28. GENERAL PRINCIPLES

- 28.1 The University shall embark on a competitive Tender Process for the supply of Goods or Services where the estimated transaction value exceeds R 1 000 000.00 (One Million Rand), provided that –
- 28.1.1 such selection shall be done in accordance with this policy and the financial thresholds as set out in clause 15 above; and
- 28.1.2 the commercial, operational, legal and other terms and conditions of the selected Tender Response is, from the University's perspective, the most favourable, viable and advantageous Tender Response in the circumstances then prevailing.
- 28.2 The competitive Tender Process contemplated in clause 17 and this clause 29 shall, at the election of the Management or its nominee, in consultation with the Executive Director: Finance and Services and the Director: Business Processing be either an open or closed Tender Process.
- 28.2.1 An open Tender Process is the process whereby interested parties are invited to tender. Such invitations to tender must be advertised in the press or by way of other public announcement to transact with the University.
- 28.2.2 A closed Tender Process is the process whereby the University issues an invitation to tender to Suppliers identified and selected by the University. Such invitations are issued to the identified Suppliers individually and will not necessarily be advertised in the press or otherwise publicly announced
- 28.3 Once the University has appointed a Supplier, the University shall be entitled, but not obliged to retain the services of such Supplier for the rendering of similar services or supply of similar goods, without again embarking on a Tender Process, provided that the University shall continuously review the standard and quality of services rendered or goods delivered to ensure that it is of a standard acceptable to the University. The provisions of this clause is applicable, but not limited to professional services such as auditing, banking, investment management and legal services.
- 28.4 Tenderers shall be liable and responsible for all costs related to and arising from the preparation, negotiation and the drafting of documents and agreements, which shall include but not limited to the Procurement Responses that are to be submitted by the Tenderer in response to an invitation to transact with the

University.

28.5 The University shall have no liability or responsibility in respect of any costs incurred by Tenderers in order to pay for or draft or revise their Tender Responses, documents or related agreements.

28.6 UWC reserves the right to accept and reject any or all proposals or parts of such proposals in its sole and absolute discretion. In the event of partial acceptance or partial rejection of an applicant's proposal by UWC, the accepted portion(s) may have to be separately negotiated with the applicant. No reason/s will be given for the acceptance or rejection of all or part of any response to this RFP Document, except as may be required by law.

29. PRE-QUALIFICATION / EXPRESSION OF INTEREST

Depending on the circumstances, the Procurement Department may stipulate a prequalification / expression of interest process prior to the formal tendering process.

29.1 Pre-qualification / Expression of Interest will be applied:

29.1.1 for large or complex works, services or products or any other circumstances in which the high costs of preparing detailed tenders could discourage competition, such as for custom designed equipment; industrial plant; specialised services; contracts to be let under turnkey, design and building or management contracting.

29.1.2 where the number of prospective bidders is excessive.

29.1.3 to determine eligibility for preference for local contractors, when appropriate.

29.2 Tenderers are not required to submit prices for evaluation during the pre-qualification / expression of interest stage of the tendering process.

29.3 The scope and clear criteria for qualification should be made available to prospective tenderers.

29.4 Only tenderers that meet the specified pre-qualification criteria will be allowed to submit a formal tender proposal.

30. PROCEDURES BEFORE THE COMMENCEMENT OF A TENDER PROCESS

30.1 All Departments, Faculties, professional teams, project leaders and other Persons involved in the procurement of Goods and/or Services shall organise their activities in such a manner so as to allow the Procurement Department sufficient time to implement the procurement processes.

30.2 Budget Approval

Written confirmation that the expenses in respect of the purchase of Goods or Services have been approved shall be submitted by the requesting department or faculty to the Procurement Department **prior** to commencement of the Tender Process.

31. Tender Working Groups and Committees

31.1 Working Groups

Working groups shall:

- 31.1.1 not have the status of the Tender Committee or a committee of the Council;
- 31.1.2 function independently of the Tender Committee;
- 31.1.3 reach decisions by consensus, provided that if no consensus can be reached between the members of the Working Group, the Director: Business Processing and failing him, the Executive Director: Finance and Services shall be entitled (but not obliged) to select an appropriate Recommendation;
- 31.1.4 not be a permanent structure and shall be disbanded after the Tender Committee has either accepted unconditionally; accepted subject to conditions or rejected the Recommendation;
- 31.1.5 be entitled to co-opt Persons onto the Working Group, at the University's cost and expense, for the sole purpose of enabling the Working Group to discharge its responsibilities as contemplated in this clause.
- 31.1.6 The Procurement Department shall timeously arrange a meeting of the Tender Committee in order for it to consider the Recommendation.
- 31.1.7 All recommendations made by the Working Group shall be treated as confidential and shall not be made public by any member of the Working Group unless it is officially ratified by the Tender Committee.

31.2 Specification Working Group

The specification document must be approved and signed by the Budget Owner of the expense to be incurred.

31.2.1 Composition of the group:

- Procurement Department representative;
- Representative of the relevant user department as directed by the Dean, Director or Executive Member;

- Subject matter expert(s).

31.2.2 Responsibilities of the Specification Working Group

31.2.2.1 The Specification Working Group shall compile the specifications and / or terms of reference of the tender requirements.

31.2.2.2 The specifications and / or terms of reference of the tender requirements shall be unbiased and not specify:

- (i) brand/name;
- (ii) trademark;
- (iii) patent;
- (iv) design/type;
- (v) specific origin/ manufacturer;

unless there is no other way of describing the characteristics of the goods or work. Where similar alternative goods and services from different manufacturers or of different brands exist, such description of the characteristics of the goods or work must be accompanied by the word 'or equivalent', unless proof is provided that such similar goods or services will not serve the required function at the University.

31.2.2.3 Draw up measurable evaluation criteria.

31.2.2.4 If applicable, include special conditions in respect of the Goods or Service.

31.3 Evaluation Working Group

31.3.1 Composition of the group:

- Procurement Department representative;
- Specialist from the relevant user department responsible for the tender or an appropriately academically qualified and experienced professional person (whether internal or external);
- Budget Owner or appointee by the budget owner;
- alternatively, where it is not necessary to have all three categories of Persons listed above constituting the Working Group, it shall consist of at least the Procurement Manager and the Budget Owner.

31.3.2 Responsibilities of the Evaluation Working Group:

- 31.3.2.1 Independently evaluate each Tender Response in accordance with the Evaluation Criteria and the terms and conditions of this Policy. The Working Group shall accordingly not fetter its independent discretion and shall at all times maintain its impartiality and independence of thought and reason in the execution of its obligations and duties. The Working Group shall not slavishly follow the advice of any other Person;
- 31.3.2.2. Verify Vendor Details;
- 31.3.2.2.3 Identify any qualifications in Executive Summary;
- 31.3.2.4 Verify compliance with mandatory requirements and conditions;
- 31.3.2.5 Verify compliance with specifications and check technical correctness;
- 31.3.2.6 Evaluate tenders in accordance with agreed criteria for tender;
- 31.3.2.7 Compare of prices;
- 31.3.2.8 Calculate points in terms of Price and BBBEE status;
- 31.3.2.9 Submit a recommendation to the Tender Committee within a reasonable time after the Tender has closed as to which Tender Responses should be accepted by the Tender Committee with regard to the quality of the Goods or Services, the purchase price for the Goods or Services and any other relevant terms and conditions ("**Recommendation**").
- 31.3.2.10 Recommend, in respect of the Recommendation, two Tenderers for appointment, the first being the Tenderer that offered the most favourable financial, operational, legal and other terms and conditions ("**First Supplier**") and, failing the appointment of the First Supplier for whatever reason, the second being the Tenderer that offered the second most favourable financial, operational, legal and other terms and conditions ("**Second Supplier**"), for the purchase of Goods or Services.

31.4 Tender Committee

The Tender Committee is a committee of Council and is responsible for the adjudication of the recommendation of the Evaluation Working Group.

31.4.1 Composition, Roles and Responsibilities:

The composition, roles and responsibilities of the Tender Committee is defined in the Standing Orders of the Tender Committee of Council and is incorporated herein by reference.

The Procurement Department shall timeously arrange a meeting of the Tender Committee in order for it to consider the Recommendation.

31.4.2 Responsibilities of the Tender Committee

- 31.4.2.1 In considering the Recommendation submitted by the Evaluation Working Group, the Recommendation shall have persuasive value but the Tender Committee shall not be bound to accept the recommendation;
- 31.4.2.2 The Tender Committee shall be entitled to –
 - 31.3.4.2.2.1 accept the Recommendation unconditionally;
 - 31.3.4.2.2.2 accept the Recommendation subject to terms and conditions that the Tender Committee may in its discretion specify; or
 - 31.3.4.2.2.3 reject the Recommendation in its entirety. In the latter event, the Tender Committee may select the tender response that it considers to be the best offer in the circumstances then prevailing.
- 31.4.2.3 All decisions made by the Tender Committee and the Recommendation shall be treated as confidential and shall not be made public by any member of the Tender Committee or member of the Working Group unless it is officially made public by the Tender Committee.

32. THE TENDER DOCUMENT

- 32.1 The Tender Document shall contain at least the following detailed information;
 - 32.1.1 the Tender Number;
 - 32.1.2 a detailed description of the Goods and Services or Scope of Works to which the tender applies;
 - 32.1.3 the time schedule of the tender process;
 - 32.1.4 mandatory requirements;
 - 32.1.5 specifications indicating quantities, drawings, measurements and so forth. This shall be referred to as the Specification document and shall be clearly marked in the Tender Document;
 - 32.1.6 evaluation criteria in respect of the relevant Tender Response;

32.1.7 standard terms and conditions that are to be included in the transaction agreement(s) specific to the Invitation to Tender and as may be relevant to the Goods or Services, including but not limited to patent rights, performance security, inspections, tests and analysis, packing, delivery and documents, insurance, transportation, incidental services, payment and prices. Details relating to samples to be submitted shall be contained in this document.

33. PROCEDURES FOR THE RECEIPT, OPENING AND RECORDING OF TENDERS

33.1 Receipt of Tenders;

33.1.1 Tender Responses shall be delivered to or addressed to the office of the Procurement Department and be marked clearly "TENDER RESPONSE". The name of the project and the Tender number should also be clearly indicated.

33.1.2 The Tender Response shall be placed in the tender box, bearing the following procedures in mind:

33.1.2.1 The tender box shall be accessible daily between 08H30 to 16H00 during weekdays except on University holidays, public holidays and other days when the University is closed.

33.1.2.2 The tender box shall be constructed of suitable material that will allow ample security. The tender box shall be locked with a lock of a suitable strength at all times when tenders are submitted.

33.1.2.3 No late Tender Responses will be accepted or considered. Tender Responses received after the closing date and time will be returned unopened to the respective Tenderers. In circumstances where the fault or delay is not attributable to the Tenderer, the tender response may be accepted and the reason recorded in the Tender Register.

33.1.2.4 When Tender Responses are delivered, the person receiving it should place it into the tender box in the presence of the person that delivered it. The delivery person's details should also be recorded in the Tender Submission Register and he/she should sign it.

33.1.2.5 Only Tenderers who registered in the Collection Register for tenders shall be entitled to submit tenders.

33.2 Opening and Recording of Tenders

33.2.1 The opening of the tender box and recording of the sealed envelopes where

the Tender Committee is not involved shall be done in the presence of the following persons –

- 33.2.1.1 the Procurement Manager or his/her designate;
 - 33.2.1.2 the working group constituted for the evaluation of the tender;
 - 33.2.1.3 in the case of building Tenders, any Tenderer or its appointed representative may attend the opening of Tenders. The Purchasing Sub-Department shall –
 - (i) inform Tenderers timeously regarding this; and
 - (ii) read out in a manner that can be clearly heard by all those present at the opening of the Tenders, the name of each Person that submitted a Tender Response and the price submitted by each such Person.
- 33.2.2 The tender submissions of the Tenders removed from the tender box should be recorded in the Tender Submission Schedule and should be signed by the persons attending the opening to indicate the correctness on procedural opening of the Tender Response.

34. EVALUATION AND ADJUDICATION OF TENDERS

- 34.1 The Evaluation Working Group, the Director: Business Processing, the Executive Director: Finance and Services, the Rector and the Tender Committee shall use their reasonable endeavours to observe the following principles when evaluating or adjudicating the Tender Responses in accordance with the provisions of this Policy –
- 34.1.1 the system of evaluation and adjudication shall be fair, equitable, transparent, competitive and cost effective;
 - 34.1.2 where applicable the compliance to mandatory requirements should be strictly adhered to;
 - 34.1.3 where relevant, the Tender Evaluation Working Group shall apply either the 80/20 preference point system or the 90/10 preference point system, as may be appropriate in terms of the thresholds stipulated in the Regulations to the Preferential Procurement Act, as maybe amended from time to time;
 - 34.1.4 the capacity, resources and financial strength of the Tenderers shall be taken into account as a central and important consideration in determining the Tenderer's ability to deliver the Goods or Services that are to be purchased;
 - 34.1.5 the organisational structure and capabilities of the Tenderers' employees

- shall be taken into account as a central and important consideration in determining the capacity of Tenderers to deliver the Goods or render the Services for the duration of the agreement or contract;
- 34.1.6 Tenderers who fail or neglect to submit all of the information requested in the Invitation to Tender or requested in any subsequent document/s issued by the University in relation to the Tender in question, may, in the sole discretion of the Management, be automatically disqualified from the Tender Process.
- 34.1.7 Goods purchased shall be of the highest quality and standards, whilst Services rendered shall similarly be of the highest quality and standards;
- 34.1.8 the financial affairs of the Tenderers shall be in order and evidence thereof in the form of a letter issued by the auditors of the Tenderer to this effect, amongst such other documents as the Tender Committee may specify, shall be presented by the relevant Tenderer to the Tender Committee;
- 34.1.9 the tax affairs of the Tenderers shall be in order and evidence thereof in the form of a tax clearance certificate issued by the South African Revenue Service amongst such other documents as the Tender Committee may specify, shall be presented by the relevant Tenderer to the Tender Committee;
- 34.1.10 the legal affairs of the Tenderers shall be in order and evidence thereof in the form of certified copies of any relevant internal agreements (such as association agreements, shareholders agreements or partnership agreements) between the directors, members, partners or shareholders (as may be applicable) of the Tenderer, provided that such aforesaid agreements are relevant to the specific Tender being applied for by the Tenderer, amongst such other documents as the Tender Committee may specify, shall be submitted to the Tender Committee. In the case of companies, the Tenderer shall submit the following documents: Certificate of Incorporation, Certificate to Commence Business, Memorandum of Association and its Articles of Association or its Memorandum of Incorporation or any equivalent document stipulated in the Companies Act No. 71 of 2008. In the case of close corporations, the Tenderer shall submit the following documents: its latest Founding Statement. In the case of trusts, the Tenderer shall submit the following documents: certified copy of its trust deed (if relevant to the specific Tender) and a certified copy of the Letters of Authority issued to the Trustees of the Trust. In the case of partnerships, the Tenderer shall submit

- the following document: a certified copy of its partnership agreement (if relevant to the specific Tender). In the case of a sole proprietor, the Tenderer shall submit the following document: an affidavit confirming that the Tenderer trades as a sole proprietor and a copy of the sole proprietor's identity document;
- 34.1.11 where relevant, the Tenderer shall submit performance guarantees or bank guarantees, as may be necessary and appropriate in the circumstances then prevailing, in a form issued by a financial institution or bank and on such terms and conditions as are acceptable to the University;
- 34.1.12 the contents of the Specification Document shall be taken into account when evaluating the Tender Responses;
- 34.1.13 the purchase price stipulated by the Tenderer shall remain valid for a period of 90 (ninety) days, or such other time period as may be specified in the Specification Document, after the closing date of the Tender;
- 34.1.14 any other factors that the Tender Committee deems relevant and necessary in the circumstances then prevailing.
- 34.2 whilst substantial compliance by Tenderers with each of the Evaluation Criteria is necessary, the Working Group or the Tender Committee, as the case may be, shall be entitled to exercise leniency with respect to the application of the Evaluation Criteria, but only to the extent that –
- 34.2.1 the relevant Tenderers have substantially complied with the Evaluation Criteria;
- 34.2.2 such leniency does not in any manner whatsoever, whether directly or indirectly, compromise, prejudice or violate the interests of the University or threaten to compromise, prejudice or violate the interests of the University; and
- 34.2.3 such leniency does not, in any manner whatsoever, whether directly or indirectly, compromise, prejudice or violate or threaten to compromise, prejudice or violate the impartiality or the integrity of the Tender Process.
- 34.3 The Tender Committee and the Working Group shall ensure that the relevant Evaluation Criteria and the actual evaluation process and debates related thereto, are thoroughly documented.
- 34.4 When a BEE or SMME Tenderer submits a Tender Response, information or other documentation that is non-compliant with the requirements of a Tender, the Executive Director: Finance or his delegates shall have the right to engage with

the BEE or SMME Tenderer to obtain clarification, documentation or alternative corroborating evidence relating to the non-compliant aspects of the Tender Response, information or documentation.

35. SAMPLES

35.1 If samples of the Goods that are to be purchased are required, then it shall be handed in/delivered at the office of the Procurement Department between 9H00 to 16H00 on weekdays (excluding University and public holidays).

Upon receipt of a sample, a form (sample receipt form) shall be completed in duplicate containing the following information –

- 35.1.1 Tender number;
- 35.1.2 description of sample;
- 35.1.3 date delivered/handed in;
- 35.1.4 signature of deliverer;
- 35.1.5 name of Tenderer; and
- 35.1.6 last date on which sample must be returned, in case of unsuccessful Tenderer.

Unsuccessful Tenderers can collect samples from the office of the Procurement Department between 09H00 to 16H00 on weekdays only.

The person collecting the samples should sign for receipt thereof.

35.2 Samples shall be kept under lock and key.

35.3 The Procurement Department shall obtain written permission (by fax or email) from a Tenderer if its sample is to be sent away for testing or for an independent opinion on the quality of the sample as the Tenderer will bear the costs thereof.

36. COMMUNICATION WITH UNSUCCESSFUL TENDERERS

36.1.1 Unsuccessful Tenderers shall be notified in writing after receiving ratification/recommendation/final decision for a Tender.

36.1.2 The University shall not be obliged to furnish any reason/s to unsuccessful Tenderers, save as may be required in law.

37. PROCEDURE FOR APPROVAL OF TENDER RESPONSES

37.1 Successful Tenderers shall be notified by the Procurement Manager or the Director: Business Processing, as may be appropriate, by means of an "Acceptance of Tender" letter informing them of this fact. The Acceptance of

Tender letter shall inform the successful Tenderers that –

- 37.1.1 their appointment is conditional upon and subject to the conclusion of an appropriate transaction agreement/s which shall include *inter alia* the Transaction Conditions or alternatively, that the Standard Terms and Conditions are deemed to constitute the agreement between the University and the successful Tenderer; and
- 37.1.2 they are appointed on an exclusive or non-exclusive basis, as the case may be. If the successful Tenderer was appointed on a non-exclusive basis, then the Acceptance of Tender letter shall specify –
 - 37.1.2.1 at least the number of other Suppliers that were also appointed; and
 - 37.1.2.2 such other matters as the Procurement Manager or the Director: Business Processing consider appropriate or necessary.
- 37.2 The Management shall negotiate the terms and conditions upon which the Successful Tenderer shall be appointed.

- 37.3 In the event that the –
 - 37.3.1 First Supplier (as defined in 31.3.2.10 in Evaluation Working Group above) is not willing, for whatever reason, to consent to the terms and conditions applicable to that Tender, the University reserves the right to terminate that Tenderer's appointment and award the Tender to the Second Supplier.
 - 37.3.2 If the Second Supplier is not willing, for whatever reason, to consent to the terms and conditions applicable to that Tender, the University reserves the right to terminate that Tenderer's appointment and embark on a new tender process.
- 37.4 The responsible Purchaser and/or the Procurement Manager shall make out an official purchase order and shall prepare the appropriate documents.
- 37.5 The transaction agreement/s between the University and the successful Tenderer shall be finalised and signed as soon as possible. In certain cases, the transaction agreements shall first have to become unconditional before the order can be placed.

38. ADJUSTMENT OF ACCEPTED TENDERS AFTER APPROVAL AND TRANSACTION TERMS

- 38.1 No adjustments or amendments to a Tender Response (including, but not

limited to, price adjustments or amendments) shall be allowed after the approval of a Recommendation by the Tender Committee.

- 38.2 The Tender Committee and/or the Management shall be entitled, in their sole and absolute discretion and at any stage in the Tender Process, to negotiate the terms and conditions that shall apply to the transaction with the Supplier, including, but not limited to, the purchase price, with the successful Supplier.

39. MINIMUM INFORMATION ON THE TENDER REGISTER

39.1 The Tender Register shall contain the following –

- 39.1.1 the date the Specification Document was received;
- 39.1.2 the type of transaction agreement for example, service contract, lease agreement, and so forth;
- 39.1.3 Tender number;
- 39.1.4 Tender description;
- 39.1.5 closing time and closing date;
- 39.1.6 period for which Tender should be valid;
- 39.1.7 Tender acceptance date.

40 RECURRENT PURCHASES

40.1 In the event that the University has purchased Goods or Services as a result of a Tender Process, and the University is required to again purchase identical or materially similar Goods or Services, the University shall not be required to embark on a Tender Process again, provided that the following conditions prevail–

- 40.1.1 a recurrent transaction is defined as a transaction where the University shall have to contract again for the purchase of Goods and/or Services within 12 (twelve) months of the prior transaction;
- 40.1.2 the Goods and/or Services for which recurrent purchases are made shall be identical or materially similar in type, specification and price to the Goods and/or Services purchased in the original transaction.

40.2 If the Purchasing Sub-Department deems a recurrent transaction to be beneficial to the University, it may be entered into again after consultation with the Director: Business Processing and, if necessary, the Executive Director: Finance and Services

PART E: POLICY IMPLEMENTATION AND AMENDMENTS

41. DELEGATIONS

No decision-making authority may be delegated to an advisor or consultant, save that the Person responsible for a Quotation Process, the Working Group or the Tender Committee, as the case may be, may delegate their non-decision making responsibilities to advisors or consultants through the use of proxy forms.

42. AMENDMENTS TO POLICY

42.1 No additions, amendments or deviations from this Policy shall be valid unless approved by the Council.

42.2 Changes or suggestions to amend the Policy shall be done in writing stating the rationale and, where possible, propose recommendations to amend the Policy. Such recommendations shall be submitted to the Director: Business Processing and the Procurement Manager and, if necessary, the Executive Director: Finance and Services.

42.3 When deemed necessary in the opinion of the Executive Director: Finance and Services, the Director: Business Processing and the Procurement Manager shall submit proposals for the amendment of this Policy to the Tender Committee. After giving due consideration to the merits and de-merits of the proposals to amend the Tender Policy, the Tender Committee shall, where appropriate, submit such recommendations to the Council for its decision. The Council shall thereupon be empowered to accept the proposal, accept the proposal subject to conditions that the Council may impose or reject the proposal.

43. APPOINTMENT OF OBSERVER

43.1 Where appropriate, the Executive Director: Finance and Services may appoint a neutral or independent observer in order to ensure fairness and transparency in the application of this Policy.

44. CONTRACTS HAVING BUDGETARY IMPLICATIONS BEYOND FIVE FINANCIAL YEARS

44.1 The University may not enter into any contract that will impose financial obligations beyond the 5 (five) years covered in the annual budget for that

Financial Year, unless the Executive Director: Finance and Services in his sole Discretion, decides otherwise.

44.2 Notwithstanding 44.1 above, a contract for recurring purchases of goods and or services may be renewed for such further periods as may be deemed necessary in the sole discretion of the Executive Director of Finance and Services.

45. AUTHORISED SIGNATURES

45.1 An Order for the purchase of Goods or Services shall be signed only by a Person who has been properly authorised by his/her Head of Department or Dean. Purchasing personnel shall verify authorisation by account name and code from a list prepared by the Finance Department.

45.2 For purchases made through the Purchasing Sub-Department, all correspondence with Suppliers shall be sent by the Purchasing Sub-Department, except in special cases where the technical details involved make it advisable to delegate authority to others. In these cases, the Purchasing Sub-Department shall receive copies of all such correspondence.

45.3 Only the Rector or the Executive Director of Finance shall be entitled to sign agreements with suppliers of goods and services that bind the University.

PART F: CONFLICT OF INTEREST AND CODE OF ETHICS

46. CONFLICT OF INTERESTS

46.1 General Principles

A conflict of interest refers to a situation where:

- (a) the personal relationship(s) or financial, economic or status interest(s) of an Employee, Council, including Member of the Tender Committee, or a member of the Working Group(s) (“the Member”) could reasonably be seen as influencing their duty to act in the best interests of the University; and/or
- (b) the interests of the University and any of its other stakeholders, including vendors is, or may be seen as competing.

(“collectively referred to as an interested member and/or interested person”).

46.2 Employees and Members of Tender Committee or Working Group who are also employed by the University

46.2.1 Employees and/or Members of the Tender Committee or Working Group(s) who are also employees of the University (hereinafter referred to as a ‘member’) involved in deliberations and/or decisions in respect of the Procurement Processes must remain impartial and objective when considering any transaction.

46.2.2 A member shall not use his or her position as a member of the Tender Committee or as an Employee, or confidential information obtained by him or her relating to the University, in order to achieve a financial, economic or status benefit by awarding a contract to himself or herself or to a third person, including another organisation or business.

46.2.3 The University employees are required to comply with the following:

46.2.3.1 An employee must in writing-

- (a) before he or she assumes office, declare any business that may raise conflict or possible conflict of interest with the University; and
- (b) notify the University of any conflict or possible conflict of interest before the University procures any goods or services from the employee or an organisation within which the employee holds an interest.

- 46.2.3.2. An employee may not conduct business directly or indirectly with the University that entails or may entail a conflict of interest with the University unless the Council is of the opinion that-
- (a) the goods, product or service in question are unique;
 - (b) the supplier is a sole provider; and
 - (c) it is in the best interest of the University.
- 46.2.3.3 An employee may not on behalf of University contract with himself or herself or any entity in which he or she has a direct or indirect financial or personal interest.
- 46.2.3.4 Contracting referred in 46.2.3.3 above relates to conduct that is aimed at receiving any direct or indirect personal gain that does not form part of the employment relationship.
- 46.2.4 When reporting in terms of this policy, employees must apply in writing to the relevant Executive Management Member responsible for their faculty or department, such as DVC Research and Innovation, DVC Academic, etc. and fully motivate the requirements as set out in 46.2.3.1 above.
- 46.2.5 The relevant Executive Management Member may provisionally approve (or disapprove) the application in terms of this policy and make a recommendation to the Executive Management for their approval and/or ratification.
- 46.2.6 Should a potential conflict of interest situation arise, the University should be represented by employees who are not directly or indirectly involved in the conflict of interest situation to ensure objectivity and to protect the affected employee(s) from undue transactions.
- 46.2.7 Should a staff member fail to disclose a conflict of interest, any other staff member may inform the relevant management structures of a conflict of interest of which the person became aware.
- 46.2.8 Staff members may have economic interests in non-university matters for personal gain, provided that such activities do not lead to possible conflict of commitment or a conflict of interest. Should any possibility of a conflict of interest emerge, employees need to disclose the potential conflict- of-interest situations. In such cases the University, at its sole discretion, may decide to alter or limit the participation of employees in such outside activities to

eliminate the possible conflict of interest always subject to the limitations on employees doing business with the University.

46.2.9 Employees who have economic interests in technology- transfer projects of the University are not allowed to participate in technology-transfer negotiations with those organizations in which they have such interests.

46.3 **Council Members not employed by the University**

A Council member-

- (a) must, before he or she assumes office, declare any business, commercial or financial activities undertaken for financial gain that may raise a conflict or a possible conflict of interest with the University;
- (b) may not place himself or herself under any financial or other obligation to any individual or organisation that might seek to influence the performance of any function of the Council; and
- (c) may not have a conflict of interest with the University;
- (d) may not have a direct or indirect financial, personal or other interest in any matter to be discussed at a meeting and which entails or may entail a conflict or possible conflict of interest with the University. The Council member shall before the meeting and in writing inform the chairperson of that meeting of that conflict or possible conflict of interest.

47. **REQUIREMENTS TO AVOID A CONFLICT OF INTERESTS**

47.1 **Disclosures at meetings**

To administer and monitor compliance with this Policy, the working groups and Tender Committee shall ensure that the standing agenda items for all meetings or Tender Committee shall include disclosures by Interested Members and Interested Persons.

47.2 **Duty to Abstain and Recuse**

47.2.1 Interested Members and Interested Persons who have a direct or indirect Financial Interest and/or Personal Interest may be required to abstain and recuse themselves from all *fora* or meetings of the Tender Committee, its sub-structures or any other *fora* or meetings of the management or structures of the University that appoint, evaluate or discuss the appointment or adjudication of Suppliers or transactions related thereto.

47.2.2 Interested Members and Interested Persons shall be automatically disqualified

from participating, at any level and in any manner whatsoever, in any meetings or proceedings of the Tender Committee or any of its sub-structures in respect of a Tender or Working Group in which such Interested Members and Interested Persons have a Financial Interest and/or a Personal Interest;

47.2.3 In the event of uncertainty on whether a direct or indirect Financial and/or Personal Interest constitutes a conflict of interest, the Members may resolve that the Interested Member(s) must leave the meeting to enable the Tender Committee to determine whether the Member is required to abstain and recuse him or herself as set out in clause 47.2.1.

47.2.4 Members who have been recused, shall be required to furnish the Tender Committee with a written statement no later than 7 (seven) Business Days prior to the next meeting of Tender Committee or any of its sub-structures, which shall set out the following information:

47.2.4.1 The reasons for his or her abstention and recusal from the proceedings of the Tender Committee or any of its sub-structures;

47.2.4.2 The nature of his or her Financial Interest and/or Personal Interest in the Tender then under adjudication,
Accordingly -

47.2.5 In the event of such an abstention and recusal, the reason(s) for the Member's abstention and recusal as set out in the written statement submitted, shall be noted in the minutes of the relevant meeting.

47.2.6 In the event that an Interested Member abstains and recuses himself or herself from a meeting of the Tender Committee or any of its sub-structures as required in this clause -

47.2.6.1 and the absence of such Interested Member(s) creates a void in the competencies, expertise or skills of the Tender Committee such that the Tender Committee is unable to make an informed, reasoned and justifiable decision, the Members shall be entitled (but not obliged), to co-opt new Persons onto the Tender Committee for the purposes of adjudicating specific Tenders ("**Co-opted Members**"). Such Co-opted Members shall be appropriately qualified and experienced Persons. The Co-opted Members shall hold the same rights and obligations of the Interested Members who had recused themselves and shall be bound to observe the terms and conditions of this Policy.

47.2.6.2 The Standing Orders shall, if necessary, be amended so as to contain

the terms and conditions set out in this Policy.

47.3 Disclosure Obligations

47.3.1 The provisions of this clause shall apply in addition to the provisions of Conflict of Interest clause above.

47.3.2 Members of the Tender Committee shall submit a written declaration to the Tender Committee which sets out all business and other affiliations, on request of the Tender Committee but in any event no less than once per annum.

47.4 Procedures in Connection with Transactions, Contracts and Arrangements

47.4.1 Scope

47.4.1.1 This section applies to any proposed transaction, contract, or arrangement in which a Member, officer, or Interested Person has a material Financial Interest.

47.4.2 Duty to Disclose

47.4.2.1 In connection with any actual or possible conflicts of interest, an Interested Member or Interested Person must disclose the existence and nature of his/her Financial Interest to the Tender Committee prior to the consideration of the proposed transaction, contract, or arrangement by the Tender Committee or any sub-structure of the Tender Committee.

47.4.3 Determining Whether a Conflict of Interest Exists

47.4.3.1 After disclosure of the Financial Interest by the Interested Member, the remaining Members shall determine whether a conflict of interest exists. Neither the Tender Committee nor any sub-structure of the Tender Committee shall vote upon any proposed transaction, contract, or arrangement in connection with which an actual or possible conflict of interest has been disclosed by an Interested Member until such time as the Tender Committee has addressed the actual or possible conflict of Interest.

47.5 Procedures for Addressing a Conflict of Interest

- 47.5.1 Where it is concluded that a conflict of interest exists, the chairperson of the Tender Committee or sub-structure of the Tender Committee shall, if appropriate, appoint one or more of the remaining Members or committee to investigate alternatives to the proposed transaction, contract, or arrangement.
- 47.5.2 After exercising due diligence, the Tender Committee shall determine whether the University can obtain a more advantageous transaction, contract, or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
- 47.5.3 If a more advantageous transaction, contract, or other arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Tender Committee shall determine by a majority vote of the the remaining Members whether the transaction, contract, or arrangement is in the University's best interest and for its own benefit and whether it is fair and reasonable to the University, and shall make its decision as to whether to enter into the transaction, contract, or arrangement in conformity with such determination.

47.6 Compromising or Violating the Conflicts of Interest Policy

- 47.6.1 If the Tender Committee has reasonable cause to believe that an individual has failed to disclose an actual or possible conflict of interest, it shall inform the Executive Director: Finance and Services, the Director: Business Processing and Operations and the Procurement Manager of the basis for such belief and afford the individual an opportunity to explain the alleged failure to disclose.
- 47.6.2 If, after hearing the response of the Executive Director: Finance and Services and the Director: Business Processing and Operations and the Procurement Manager and making such further investigation as may be warranted in the circumstances, the Tender Committee determines that the individual has in fact failed to disclose an actual or possible conflict of interest, it shall recommend to the University appropriate disciplinary and corrective action.
- 47.6.3 Compromising or the violation of the conflicts of interest clauses of the Policy and the Conflict of Interest Policy is a serious matter and may

constitute justifiable and legitimate cause for the removal or termination of an individual's employment, or the termination of any contractual relationship the University may have with such an individual or other party.

47.7 Records of Proceedings

47.7.1 The minutes of the Tender Committee shall contain –

47.7.1.1 the names of individuals found to have a Financial Interest in connection with an actual or possible conflict of interest; the nature of the Financial Interest; any action taken to determine whether a conflict of interest was present; and the decision of the Tender Committee as to whether a conflict of interest in fact existed;

47.7.1.2 the names of the Persons who were present for discussions and votes relating to the actual or potential conflict of interest; the content of the discussions; and a record of any votes taken in connection therewith.

47.7.2 In connection with a conflict of interest, the minutes of the Tender or sub-structure of the Tender Committee shall contain the names of the Persons who were present for discussions and votes relating to the transaction or arrangement; the content of the discussion, including any alternatives to the proposed transaction or arrangement; and a record of any votes taken in connection therewith.

47.8 Annual Statements

47.8.1 Each Member and officer shall annually sign a statement, which affirms that such person –

47.8.2 has received a copy of the Conflicts of Interest Policy and this Policy;

47.8.3 has read and understood the Policies;

47.8.4 has agreed to comply with the Policies; and

47.8.5 understands that the University is an organisation not for gain.

47.9 Periodic Reviews

47.9.1 The Tender Committee shall periodically consider whether and how the Conflicts of Interest Policy and the Conflict of Interest clauses of this Policy should be revised or amended to better meet its and the University's objectives. In connection with any periodic review conducted by the University

to ensure that it operates in a manner consistent with mission statement, the Tender Committee shall report on the matters referred to it and their resolution.

48. CODE OF ETHICS

48.1 All office bearers, officials and staff involved in the procurement process undertake to uphold the Code of Ethics to protect the integrity of the Tender and purchasing process. This Code of Ethics is intended to supplement but not replace the University's Code of Ethics. In doing so, they pledge to –

- 48.1.1 give first consideration to the objectives and policies of the University;
- 48.1.2 strive to obtain the maximum value for each rand of expenditure;
- 48.1.3 decline personal gifts or gratuities from Suppliers in excess of R500 (Five Hundred Rand) per gift or gratuity subject to clause 49 below;
- 48.1.4 grant all competitive Suppliers equal consideration insofar as the University's Policy permits;
- 48.1.5 conduct business with potential and current Suppliers in an atmosphere of good faith, devoid of intentional misrepresentation;
- 48.1.6 demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product;
- 48.1.7 receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes;
- 48.1.8 make any reasonable effort to negotiate an equitable and mutually agreeable settlement of any dispute with a Supplier within the established policies of the institution;
- 48.1.9 accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions;
- 48.1.10 co-operate with trade, industrial and professional associations and with governmental and private agencies for the purposes of promoting and developing sound business methods; and
- 48.1.11 foster fair, ethical and legal trade practices.

49. GIFTS AND GRATUITIES

49.1 For purposes of this clause 49 –

- 49.1.1 "**Corrupt Activities Act**" means the Prevention and Combating of Corrupt Activities Act No. 12 of 2004;

- 49.1.2 "**Gift/s**" means any gift, gratuity (including gratification as defined in the Corrupt Activities Act), form of benefit or service given, issued or offered by a current or potential Supplier to an Employee/s or member of Management that is intended for the personal benefit of and/or use by such Employee/s or member of Management, where the current or potential Supplier does not expect or require the recipient of the Gift to pay for such Gift; and
- 49.2 All Employees shall, in writing, declare to and inform the Procurement Department of every instance where a Supplier has offered such Employee, for his/her individual or personal benefit any Gift with a value in excess of R 500.00 (Five Hundred Rand) per gift or with where the sum total of gifts received exceeds R1000.00 (One Thousand Rand) per annum. The written declaration aforesaid shall contain all information relevant to the Gift including, without limitation, the identity of the Supplier, the nature of the Gift, the rand value of the Gift and the date on which the Supplier offered the Gift.
- 49.3 No Employee may accept for individual or personal benefit, any Gift with a value in excess of R 500.00 (Five Hundred Rand) per gift or with where the sum total of gifts received exceeds R1000.00 (One Thousand Rand) per annum from any current or potential Supplier until such time as –
- 49.3.1 the relevant Employee has furnished the Procurement Department with a written declaration set out in clause 49.2 above; and
- 49.3.2 the Management has approved in writing of the acceptance of such Gift as set out in 49.4 below.
- 49.4 The Procurement Department shall, after having received the relevant Employee's written declaration as set out in 49.2 above, consider *inter alia* whether the acceptance of such Gift may –
- 49.4.1 be ethically, legally or morally acceptable or unacceptable, including, without limitation, whether such acceptance may create a bias or a favourable disposition to or preference for or treatment of the Supplier (including, without limitation, in respect of the business relationship between the Supplier and the University) giving, issuing or offering the Gift;
- 49.4.2 contravene the Corrupt Activities Act or any other law, any of the provisions of this Policy or contravene any other relevant agreement, code of conduct, code of ethics, policy document or any other document.
- 49.5 The Procurement Department shall, after having given due consideration to the factors set out in 49.4 above approve, approve subject to conditions or

disapprove, as the case may be, in writing of such Employee(s) or member of Management accepting the Gift for his/her personal benefit and/or use. Such written approval or disapproval, as the case may be, shall be emailed, faxed or hand-delivered by the Procurement Department to the relevant Employee within a reasonable time of the Procurement Department having considered the Employee's written declaration.

- 49.6 Employees shall be entitled to purchase Goods or Services in their personal capacities from current Suppliers on preferential terms and conditions ("**Preferential Terms**") where such Preferential Terms are offered to either all Employee/s or categories of Employee/s.
- 49.7 No Employee may solicit for individual or personal benefit, any Gift with any value whatsoever from any current or potential Supplier of Goods or Services.
- 49.8 No Employee may solicit donations, gifts and gratuities including the rendering of services or providing goods without fair or market related compensation from University Vendors or prospective vendors unless the necessary written consent has been granted by the Executive Director Finance and Services or his /her nominee.
