



SUPPLY CHAIN MANAGEMENT SYSTEM OF DELEGATIONS

(Incorporating Preferential Procurement)

Review for Approved by Council: 12 June 2020

PART A

This Policy consists of two parts:

Part A is the Supply Chain Management Policy, adopted in terms of section 111 of the Local Government: Municipal Finance Management Act, No. 56 of 2003 and the Municipal Supply Chain Management Regulations, Notice 868 of 30 May 2005;

and

Part B is the Preferential System of Delegations Policy, adopted in terms of section 2 of the Preferential Procurement Policy Framework Act, No. 5 of 2000 and the Preferential Procurement Regulations, 2011.

ANNEXURE A - Delegations

DOCUMENT APPROVAL				
Policy Review Date	Council Resolution No	Date	Effective Date	Chairman signature
<i>11 June 2020</i>	REFXXXXXX	<i>12 June 2020</i>	<i>01 July 2020</i>	XXXXXXX

KAI !GARIB MUNICIPALITY SUPPLY CHAIN MANAGEMENT SYSTEM OF DELEGATIONS – ANNEXURE A

DELEGATION OF POWERS AND DUTIES CLAUSE 4.2.81			
As far as contractual obligations are concerned: Personnel to be nominated in writing by the Municipal Manager, and Directors, subject to the under-mentioned criteria, and further subject to the municipality's Supply Chain Management Policy, financial regulations and council resolutions where applicable.			
4.2.81.1. RAND VALUE	APPROVAL / AWARD OF QUOTATIONS, FORMAL QUOTATIONS AND TENDERS (VAT inclusive)	LEVEL OF APPROVAL (With due regard to proper segregation of duties)	QUOTATIONS / TENDERS PROCESS FOLLOWED
Up to R2000		Level of approval Unit Managers	Petty cash Purchases in terms of the Petty Cash Policy AND / OR One (1) written quotation by the Purchasing Section : Unit Managers
R20 001 – R30 000		Directors	Three (3) written price quotations in terms of Paragraph 17(1)(a) Scm Policy
R30 001- R200 000		CFO, subject to the recommendation of the Manager: Supply Chain Management & Expenditure	Formal written price quotations in terms of Paragraph 18(b) – Committee system
R200 001 – R50 million		Bid Adjudication Committee	Competitive Bidding – Committee system
Over R50 million		Municipal Manager after recommendation from the Bid Adjudication Committee	Competitive Bidding – Committee system
4.2.81.2. RAND VALUE	APPROVAL OF (VAT inclusive)	DEVIATIONS in terms of Clause 36 of the Supply Chain Management Policy.	
		LEVEL OF APPROVAL	
R0 – R70 000		Manager: Supply Chain Management & Expenditure	
R70 001- R200 000		Chief Financial Officer (Director: Finance) after consultation with Manager: Supply Chain Management & Expenditure	
Over R200 000		Accounting Officer	
4.2.81.3	APPROVAL OF	REQUESTS FOR ORDERS FOR DIRECT PURCHASES & MUNICIPAL STORE ISSUES, after an award has been made in terms of sub-paragraphs 4.2.81.1 and 4.2.81.2 above	
		LEVEL OF APPROVAL (With due regard to proper segregation of duties)	
Up to R2 000		Level of approval Unit Managers	
R2 001 – R30 000		Directors	
R30 001 – R70 000		CFO, subject to the recommendation of the Manager: Supply Chain Management & Expenditure	
Over R70 000		CFO, subject to the recommendation of the Manager: Supply Chain Management & Expenditure	
4.2.81.4	CERTIFICATION	AND AUTHORIZATION OF PAYMENTS after an official order has been issued in terms of sub-paragraph 4.2.81.3 above	
	RAND VALUE (VAT inclusive)	LEVEL OF APPROVAL (With due regard to proper segregation of duties)	
R0 – R70 000		CFO	
R70 001 – R500 000		CFO	
Above – R500 000		Municipal Manager & CFO	
Eskom Bulk Electricity Purchases		Manager: Electro-technical Services & CFO	