



# **SUPPLY CHAIN MANAGEMENT PROCESS TURN-AROUND TIME POLICY**

**2020/2021 FINANCIAL YEAR**



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## 1. **BACKGROUND**

The MFMA SCM regulations provide that effective supply chain processes must be in place to render effective service delivery within the set legislative provisions.

The Expenditure Section must ensure proper financial control; uphold the principle of effective administration and a high standard of service levels. The SCM unit assists the various departments in ensuring effective service delivery and ensuring the delivery of good quality products and services in the shortest possible turn-around time.

## 2. **DEFINITIONS**

In this Policy, unless the context indicates otherwise, the following definitions are applied: -

**“End user”** means an MLM official who has requested the goods and services who will receive such and utilise for the purpose it is intended.

**“Official order”** means a system generated document used to order goods and services.

**“Working days”** means office hours between 07:30 and 16:00 Monday to Friday excluding public holidays and weekends

## 3. **OBJECTIVES OF THE POLICY**

3.1 The aim of this policy is:

- a) To set standards on turn-around times for the various supply chain processes.
- b) To eliminate any potential standing time in hampering effective service delivery.

#### 4. TURN AROUND TIMES FOR VARIOUS LEVEL OF PROCUREMENT PROCESSES

NO.	BID PROCESS INDICATORS	TURNAROUND TIME INDICATORS
1	<p>Three written quotations for goods and services with a transaction value between R2 000.01 and R 30 000.</p> <p>(Specifications, request for quotations, evaluations, award and official order)</p>	<p>5 working days from date of receipt of correct specifications / order requests from end-user excluding delays</p> <p>Excluding Section 36 approvals</p>
2	<p>Seven (7) day process for goods and services with a transaction value between R30 000.01 and R200 000.</p> <p>(Specifications, advert, 7-day notice on website and notice boards, evaluations, approval memo awards and order/appointment letter)</p>	<p>20 working days from closing date of the bid.</p>
3	<p>Turnaround time for the formal SCM bid process for goods and services above R200 000.</p> <p>(specifications, bid spec committee, ad, formal ad in local media, on website and notice boards, bid opening commercial report capturing, technical evaluations, formal bid evaluation committee and formal bid adjudicating committee approval and issue of order/appointment letter)</p>	<p>90 working days from closing date of the bid. Excluding unforeseen delays and extension of validity.</p>
4	<p><b>Bid Committees:</b></p> <p>Bid Specification Committee</p> <p>Bid Evaluation Committee</p> <p>Bid Adjudication Committee</p>	<p>Notice minimum 2 working days in advance.</p> <p>Notice minimum 2 working days in advance.</p> <p>Notice minimum 3 working days in advance.</p> <p>Special meetings may be convened as and when required, the above time frames will not be applicable.</p>
5	<p>Accredited Service Provider Database</p>	<p>07 – 10 working days from date of receipt of original vendor form with all qualifying supporting documents.</p>