

GAWLER RIVER FLOODPLAIN MANAGEMENT AUTHORITY

**Adelaide Hills Council
Adelaide Plains Council
The Barossa Council
Town of Gawler
Light Regional Council
City of Playford**

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P O L I C Y D O C U M E N T

Procurement and Operations Policy

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Related Policies	Dam (Bruce Eastick North Para Flood Mitigation Dam) Depreciation Policy
Related Procedures	Internal controls

The following Procurement and Operations Policy has been prepared in accordance Clause 8.2.9 and 8.2.10 of the Charter of the Gawler River Floodplain Management Authority. The purpose of the Operations Manual is to provide prudent management guidelines for the day to day management of the affairs of the Authority.

DEFINITIONS:

The following definitions shall apply:

“Authority”	Shall mean the Gawler River Floodplain Management Authority.
“Authorised Officer”	Any person appointed by the Gawler River Floodplain Management Authority, and shall include the Executive Officer, for the purposes of the Code.
“Code”	The Standard Code of Tendering.
“GRFMA”	Shall mean the Gawler River Floodplain Management Authority.

1.00 MONIES RECEIVED

- 1.01 A receipt shall be issued for all monies received by the Authority. All receipts shall be consecutively numbered and accounted for in a monthly operations statement.
- 1.02 The Executive Officer shall cause all cheques received by the Authority to be crossed "NOT NEGOTIABLE - Credit the GRFMA."
- 1.03 All monies received shall be banked promptly.

2.00 BANKING OF MONIES RECEIVED

- 2.01 Monies received by the Authority must be banked not more than one business day after it is receipted.
- 2.02 The monies banked must be reconciled daily with the monies received.
- 2.03 Cheques received and not banked must be secured in safe custody.

3.00 PURCHASING PROCEDURES

- 3.01 No goods or services are to be purchased by the Authority unless they have been included in the approved Budget of the Authority.
- 3.02 Goods and services shall be obtained only on the authority of the Executive Officer or the Chairperson of the Authority. All such requests for service shall be confirmed in writing. A copy of the request for service shall be retained and filed with the payment voucher for the service.
- 3.03 All goods must be assessed as to their qualities and safety aspects appropriate to the goods being purchased and to ensure that the goods are appropriate for the purpose for which they are required.

4.00 RECEIPT OF GOODS

- 4.01 All goods and services received shall be checked to ensure that:
 - quantity of goods conforms with the written request
 - goods in good order and condition
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- price charged in accordance with the written request and is fair and reasonable
 - all calculations are correct and comply with GST requirements.
- 4.02 The Executive Officer shall sign the duplicate copy of the request for service to indicate that the appropriate checks have been made.

5.00 ACCOUNTS FOR PAYMENT

- 5.01 Disbursements of the Authority shall be by Business Banking Online- Bank SA (EFT)
- 5.02 Where Business Banking on line is not available disbursements shall be by cheque.
- 5.03 All invoices, together with the copy of the request for service, goods received notification packing notes and cart notes and payment and posting voucher, are to form the originating documents for payment by either Business Banking on line or Cheque
- 5.04 All relevant supporting documents indicated in 5.03 shall be provided to the Authorised Bank Account Operators(Signatories) for signature. Any two required to authorise payment.
- 5.05 Authorised Bank Account Operators (Signatories) shall be appointed by the GRFMA Board.
- 5.06 Authorised Bank Account Operators shall not authorise payment transactions or sign the cheque unless it is accompanied by the supporting documentation which shows that the goods and services were requested, have been received in good order, have been priced correctly, and that computations are correct.
- 5.07 All Business Bankingonline(EFT) payments and cheques drawn shall be listed in a monthly operations statement of the Authority.

6.00 BANK ACCOUNTS

- 6.01 The Authority shall operate a Trading Bank Account with the Bank SA, a Division of St George Bank Limited.
- 6.02 Bank reconciliations are to be performed on a predetermined basis to ensure all receipts (Including Electronic Funds Transfer), payments and charges are reconciled.
- 6.03 The Authority may operate Term Deposit Investment Accounts and Trading Advance Accounts with the Bank SA, a Division of St George Bank Limited, and / or the Local Government Finance Authority of South Australia.
- 6.04 Any bank account can only be opened with approval from the Board.

7.00 FINANCIAL REPORTING

- 7.01 The Executive Officer shall prepare for every Board Meeting of the Authority:
- A monthly operations statement that shall show the details of all receipts and payments from all sources by the Authority.

- A monthly statement of operations comparing the receipts and payments with the approved budget.
- A reconciliation statement of all bank accounts with the monthly operations statement.
- A report showing the time spent each month by the Executive Officer on each duty under the contract job description.

7.02 The Executive Officer shall prepare a Draft Budget for consideration by the Board at its February meeting each year.

7.03 The Final budget will be approved by the Board at its June meeting.

7.04 Annual Reporting, Significant Accounting Policies

The Local Government Reporting Entity

- The Gawler River Floodplain Management Authority general purpose financial report is prepared in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.
- The Gawler River Floodplain Management Authority is a Regional Subsidiary under Section 43 and Schedule 2 of the Local Government Act 1999. The Constituent Councils are the Adelaide Hills Council, The Adelaide Plains Council, The Barossa Council, Town of Gawler, Light Regional Council and The City of Playford.
- All funds received and expended by the Authority are included in the financial statements forming part of the financial report.

Basis of Accounting

- The financial report is prepared on an accrual basis and is based on historical costs and does not take into account changing money values, or except where specifically stated, current valuation of non-current assets.

Employees

- The Authority has no employees.

Investments

- Investments are valued at cost. Interest revenues are recognised as they accrue.

Cash

- For purposes of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are used in the cash management function on a day to day basis, net of outstanding bank overdraft.

Infrastructure

- The Bruce Eastick North Para Flood Mitigation Dam was constructed in 2007. The valuation includes all materials, contractor's costs plus costs incidental to the acquisition, including engineering design and supervision fees and all other costs incurred.

Land

- The dam land includes the land on which the dam is constructed, rights of way access to the land and 'right to flood' easements over the land upstream from the dam that will be inundated by dam waters for short periods of time during a flood event. The Board valuation was undertaken at 30th June 2018.

Revaluation and Depreciation

- Refer to the separate Dam (Bruce Eastick North Para Flood Mitigation Dam) Depreciation Policy on this matter.

Revenue

- Revenue from the sale of services is recognised upon the delivery of the service to customers. Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. Dividend revenue is recognised when the rights to receive a dividend has been established. All revenue is stated net of the amount of goods and services tax (GST).

Functions / Activities of the Authority

- Revenues and expenses have been attributed to the following functions / activities, descriptions of which are set out in Note b.
- Administration: The operations of the Authority and its Board
- Other Environment: Flood Mitigation
- Functions of the Gawler River Floodplain Management Authority (excluding depreciation)

8.00 CODE OF TENDERING

Process

8.01 The GRFMA shall only enter into purchasing contracts as herein defined.

8.02 Before tenders are publicly invited the GRFMA shall

- a) Facilitate the preparation of Tender Documents.
- b) Appoint Authorised Officers for the management of the tender process (*refer to 10.31*)
- c) Invite tenders for the contract for a duration period of at least 14 days before the closing date for receipt of such tenders unless circumstances make a shorter period desirable as resolved by the GRFMA.

8.03 Tenders shall be invited by notice in newspapers circulating generally in the State of South Australia as to encourage and promote a reasonable measure of competition. The notice shall specify:-

- i. Tender Identification Number and/or a brief description of the tender sought;

- ii. Address from which Tender Documents may be sought or inspected;
- iii. The time and date when and the place or places where tenders close.

8.04 The conditions of Tendering shall, without limitation to their contents:-

- i) Tender Identification Number and/or a brief description of the tender sought;
 - ii) Require the disclosure on every tender the full Christian names, surname, and address of the Tenderer; and when in the case of a partnership, the names in full of each member of the partnership and each of their respective addresses. Where the tender is by a Company there shall be set forth the name of the Company and the address of the registered office of the Company; including Companies CAN and ABN.
 - iii) Require all tenders to be submitted in the form prescribed and provide that any non conforming tender may be rejected from further consideration.
 - iv) State that every tender shall be enclosed in a sealed envelope addressed and labelled in the manner herein prescribed.
 - v) State that tenders may be lodged by post or by registered mail otherwise they shall be lodged in the tender box at the public office of GRFMA by being placed therein before the time specified for the closing of tenders, and further state that any tender not placed in the tender box **received** prior to the specified closing time shall not be considered unless the GRFMA is satisfied that:
 - a) the tender was delivered to the GRFMA before the specified closing time: or
 - b) was either posted or despatched by a recognised carrier providing a direct delivery service to the registered office of GRFMA in sufficient time to reach the GRFMA under normal circumstances before the specified closing time, but was still in course of delivery by post or by the recognised carrier at the specified closing time;
 - vi) State that no tender received by facsimile shall be considered;
 - vii) Where the tender is for the execution of infrastructure works, state that 'Tenderers are required to visit the work site and familiarise themselves with the conditions and facilities and that the GRFMA will not be liable for any claim on the grounds of insufficient information';
 - viii) Where it is appropriate to supply for information only quantities and/or items, the reference be made that GRFMA accepts no responsibility for their accuracy.
 - ix) Where the contract tendered for is a Lump Sum Contract, and GRFMA so requires it, state that every Tenderer shall deposit with the tender a Schedule of Quantities, Prices and computations to agree with the lump sum of the tender and signed by the Tenderer.
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- x) Where the contract tendered for is a Schedule of Rates Contract, require the Tenderer to state in Schedule of Quantities and Rates Schedule, the rates at which he offers to perform the contract and state the total price arrived at by summing the itemised amounts. The sum to be inserted in the tender shall agree with the total in the Schedule of Quantities and Rates and shall not be or be deemed or taken to mean a Lump Sum Contract, but shall be inserted merely to enable the Authority

to ascertain which tender is the lowest.

- xi) State whether or not and on what conditions, the contract is subject to a variation of price contingent on variation in rates of wages, price of materials or other factors and draw particular attention to the relevant provisions of the Tender Documents in this behalf; where the contract is subject to any such variation and the other Tender Documents do not prescribe a method of determining such variation the Conditions of Tendering shall require the Tenderer to lodge with his tender;-
 - a) written particulars clearly defining the method to be adopted in determining any and every such variation;
 - b) complete basic information necessary to enable the defined method of variation to be applied;
- xii) Unless a time is specified in the Tender Documents, require each Tenderer to detail in the tender, the time period within which the performance of the contract will be carried out. State that any tender which does not comply in every respect with the requirements of the Tender Documents may be rejected;
- xiv) State that GRFMA shall not be bound to accept any tender;
- xvi) State that GRFMA shall not be bound by any oral advice given or information furnished by any member or authorised officer of GRFMA in respect of the tender but shall be bound only by written advice or information furnished by GRFMA or by an Authorised Officer of GRFMA;
- xvii) Draw the attention of Tenderers to the provisions of the Code which may:-
 - a) be supplied on request or be available for inspection by Tenderers at a specified place; or
 - b) be included with the Tender Documents;
- xviii) Where GRFMA requires tenderers to lodge tender deposits:-
 - a) state, that such deposits are required as a guarantee of good faith;
 - b) state that the amount of any such deposit is a fixed sum of money and variable upon the tender price;

- c) require such deposits to be in the form of bank cheques, money orders, or Australian Currency Notes.
- d) state the conditions under which such deposits will be returned or forfeited, as the case may be.

xix) If so required by GRFMA require the successful Tenderer:-

- a) within the time specified by GRFMA, following the notification of its acceptance of the tender, to deposit with GRFMA security in the specified form for the due and faithful performance and fulfilment of the specified thereof; and/or
- b) within such time as shall be specified or if not so specified then as required by GRFMA to execute sign and deliver to GRFMA a deed or agreement as specified for the due and faithful performance and fulfilment of the tender and the contract arising out of the acceptance thereof;

xx) State that if the successful Tenderer (if any) shall fail, neglect or refuse to comply with the provisions of the last preceding paragraph (xix), GRFMA in addition and without prejudice to anything contained in the Conditions of Tendering or to any other right power or remedy of GRFMA, may by notice in writing to the Tenderer elect to rescind the acceptance of the tender and forfeit all moneys and/or securities theretofore deposited by the Tenderer in respect of the tender.

- 8.05 Where tender deposits are required by the conditions of tendering pursuant to Clause 8.04 (xix), then these shall be returned to all tenderers, except those whose tenders are still being seriously considered, within fourteen days after the closing date for receipt of tenders.
 - 8.06 GRFMA shall provide a locked tender box at its public office. One key to such box shall be retained by the Authorised Officer.
 - 8.07 Any tender which is received through the post before the closing time for the receipt of tenders shall be forthwith placed in the tender box by the officer responsible for the receipt and registering of mail or by another Authorised Officer.
 - 8.08 Should GRFMA require an extension to the original closing time for the receipt of tenders, notice shall be given in accordance with the notice given under Clause 8.03.
 - 8.09 Any GRFMA member or officer of who becomes aware of any incident connected with the receipt, opening, or dealing with tenders which affects or interferes with correct procedure or offends against propriety shall immediately report such incident to the Executive Officer of GRFMA.
 - 8.10 As hereinafter provided, no Board Member of GRFMA and no officer of GRFMA whether the Executive Officer, an Authorised Officer or otherwise shall permit any Tenderer, or any person or persons for or on behalf of such Tenderer, to discuss or attempt to discuss with them any tender.
 - 8.11 Should any Tenderer or any person on behalf of the Tenderer desire to make any verbal explanation or to submit verbally any additional information concerning the tender submitted by such Tenderer, they may make written application to the Executive Officer of GRFMA for
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permission to interview the appropriate officer and set out the reasons why they desire such interview. Where it is the opinion of the Executive Officer that the interests of GRFMA would be best served if such Tenderer or such person were permitted to interview the officer, he may grant such permission subject to the interview taking place with an officer or officers authorised by him to give such interview.

- 8.12 If in the opinion of the Executive Officer it is in the interest of GRFMA that clarification should be sought and obtained from a Tenderer or the representative should be sought and obtained from a Tenderer or the representative or agent of such Tenderer after the closing time for the tender submitted by such Tenderer and before it is accepted or rejected, with a view to obtaining such clarification concerning such tender, he may authorise an officer, or officers, to seek an interview with such Tenderer, representative or agent.
- 8.14 Immediately after every authorised interview has taken place such officer or officers shall make an accurate report in writing of the proceedings at such interview and deliver it to the Executive Officer.
- 8.15 Any such information as aforesaid may be requested by an Authorised Officer in writing or by telephone to such Tenderer, representative or agent, provided that any such telephone request shall forthwith be confirmed in writing. Any such information furnished by or on behalf of the tenderer shall forthwith be confirmed in writing.
- 8.16 GRFMA shall either generally or in any particular case authorise an officer to report on all tenders received. Such report shall be made in writing and shall, without limit to its content:-
- i) List all tenders received and the respective tender prices;
 - ii) Note any late tenders;
 - iii) Note any tenders which were excluded from consideration and the reasons for their exclusion;
 - iv) State in the case of each tender considered, whether the tender complies in each and every respect with the requirements of the Tender Documents;
 - v) Where any tender considered fails to comply in any respect with the requirements of the Tender Documents state in what respects it so fails to comply;
 - vi) State the recommendation of that officer as to the acceptance of tenders and the reasons for the recommendation.
- 8.17 Any prospective Tender may within a reasonable time before the specified closing time request information on any technical point of doubt in the Specification Plans or Drawings, but no such request shall be considered unless it is submitted in writing to GRFMA. Advice in writing in respect of the information requested shall be given by GRFMA with as little delay as possible and where, in the opinion of GRFMA, such advice could have an effect on tenders similar written advice shall be given forthwith by the Authority to all know prospective Tenderers.

9.00 TENDERS AND QUOTATIONS

General Principles

- 9.01 Contracts for supply of goods, rendering of service or construction of work may only be let after complying with this Policy.

9.10 *Contracts exceeding \$100,000*

- 9.11 Subject to the Local Government Act or any other Act or Law and these procedures, where the value or estimated value of a contract for the supply of goods, the rendering of a service or construction of works exceeds \$100,000 tenders shall be called and the procedure be followed and in connection with the calling of such tenders shall, with all necessary adaptations, be in accordance with this policy.

9.20 *Contracts exceeding \$20,000 but not exceeding \$100,000*

- 9.21 Subject to the Local Government Act or any other Act or Law and these procedures, where the value or estimated value of a contract for supply of goods, the rendering of a service or the construction of work exceeds \$20,000 but does not exceed \$100,000, quotations in writing shall be invited so as to ensure a reasonable measure of competition, and the most advantageous quotation received, having regard to quality, suitability and other relevant considerations, shall be accepted.
- 9.22 The Executive Officer may approve in the case of an emergency or for any other extraordinary cause (particulars of which emergency or other cause shall be indicated in the approval) that this requirement be set aside in the particular case and may substitute alternative arrangements. All such approvals under this Clause must be reported in full to the next meeting of the Board.

9.30 *Contracts not exceeding \$20,000*

- 9.31 Subject to the Local Government Act and any other Act or Law and these procedures, where the value or estimated value of a contract for the supply of goods, rendering of a service or the construction of works does not exceed \$20,000, written quotations shall be obtained so as to ensure a reasonable measure of competition and the most advantageous quotation received having regard to value for money, quality, suitability and other relevant considerations, shall be accepted.

Particulars of those quotations shall be recorded appropriately.

- 9.32 The Executive Officer may approve in the case of emergency or for any other extraordinary cause (particulars of which emergency or other cause shall be indicated in the approval) that this requirement be set aside in a particular case and may substitute alternative arrangements. All such approvals under this Clause must be reported in full to the next meeting of the Board.

9.40 *Contracts Generally*

- 9.41 When several identical items are required, the quotation limits apply to the value of the total requirement, not the cost of each item.
- 9.42 If a reasonable number of quotations cannot be obtained, an explanation shall be recorded on the relevant purchase order for audit inspection.
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9.43 All invitations for quotations and tenders shall specify that the price offered shall include the Goods and Services Tax (GST).

9.50 Common or Professional Consulting Services

9.51 Where the Executive Officer considers a Professional Consulting Service should be rendered to the GRFMA in a case where, because of the established practises in a profession, the calling of tenders or quotations is not practical, he shall cause to be set forth particulars of the requirements with respect to those services in writing and furnish those particulars to such a number of suitably qualified consultants as he determines with a request that they submit to its proposals relative to those requirements.

9.52 The Executive Officer shall consider such proposals as are submitted and, subject to Sub Section 9.21 and 9.32, may authorise a contract for services with the consultant who submitted proposals or, where more than one has submitted proposals, with one of those consultants selected by it.

9.53 Before approving a contract for services for the Consultant to Sub Section 9.21 the Executive Officer:

- (a) Shall, in the case of a contract for the engagement of a consultant in the managerial, administrative, legal, computer and associated fields (hereinafter called a "Management Consultant"), consult with Board Members, and where appropriate, Audit Committee Members and Technical Assessment Panel Members of GRFMA (which may seek advice as it sees fit) and regard to any recommendations made following such consultation.
- (b) Shall in the case of a contract for the engagement of a management consultant or a consultant other than a management consultant, have regard to -
 - (i) the skill, knowledge, and suitability of the consultant
 - (ii) the experience and competence, including qualifications/certifications of the consultant in the field in which the services are required
 - (iii) the adequacy of the resources of the consultant
 - (iv) the location of the consultant's place of business in relation to the place from which the services are to be provided
 - (v) the assessed performance of the consultant in rendering services of similar nature to those that are required
 - (iv) the equitable distribution of contracts amongst consultants qualified as specified in (i) to (v) inclusive
 - (iiv) the scale of fees or estimate of costs in relation to the services proposed to be rendered

9.54 Upon acceptance of a proposal and the engagement of a consultant in accordance with this, the Executive Officer shall advise the consultant in writing accordingly and furnish to him/her:

- (a) particulars of the requirements of GRFMA with respect to the services requested;
- (b) the proposals submitted by the consultant;
- (c) the terms and conditions agreed upon between GRFMA and the consultant
- (d) information in respect to the calculation and payment of fees and expenses to be paid to the consultant, inclusive of GST.

10.00 TENDERS - CALLING AND ACCEPTANCE

10.10 *Contract in excess of 100,000*

- 10.11 When the value of a contract for supply of goods and services or for the construction of goods and services exceeds \$100,000 tenders must be invited (*refer paragraph 9.11*).

10.20 *Public Invitation*

- 10.21 All tenders shall be publicly invited by press advertisements in order to give all persons interested an opportunity to tender. The closing date for the receipt of tenders normally shall not be less than 2 weeks from the date of the advertisement. The principle must be that an interested supplier should be allowed a reasonable time to submit a tender.
- 10.22 The advertisement may be drawn to the attention of likely tenderers by sending to them a copy of the specifications for the goods or services required.
- 10.23 GRFMA shall maintain a list of firms to whom a copy of particular specifications has been given.

10.30 *Delegated Authority*

- 10.31 Not less than two persons, that may include the Executive Officer, delegate, agent, consultant or Board Member, will have delegated authority to transact the receipting of tenders and consideration of recommendations concerning acceptance of tenders.
- 10.32 Appointments other than contemplated in 8.02(b) may be made by GRFMA at any time.
- 10.33 Tenders shall be returnable to the Executive Officer of GRFMA and shall be placed unopened in a tender box at the designated location. If a tender is opened inadvertently it shall be re-sealed in its envelope, shall be marked specification number and date of receipt. The Officer re-sealing the envelope (opened inadvertently by) shall initial the endorsement and give it to the Executive Officer to place in the tender box.
- 10.34 Each tender box shall be fitted with a lock and the key held by the Executive Officer or a nominated person.
- 10.35 The contents of the tender box shall be inspected by at least 2 persons (*refer paragraph 8.02(b)*) who shall separate any tenders to be opened that day. The remaining tenders shall be checked for closing dates and be placed in the tender box. Not less than 2 persons (*refer paragraph 8.02(b)*) will then meet to open the tenders which shall each be numbered in serial order according to the specification concerned. The date the tender was opened shall be noted on the tender. Each person present shall initial each tender. Any alterations appearing in the tender shall also be initialled by the persons present. The tender number, name and address of the tenderer, the date of opening shall be
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recorded in a register of tenders, and each member present shall initial the tender register immediately after the last tender is recorded for each specification.

- 10.36 The tenders shall then be forwarded for assessment and recommendation of GRFMA Board or delegated authority.
- 10.37 Tenders received after specified closing date and time shall be processed as set out above, shall be marked late and the tender register endorsed accordingly. The envelope containing such a tender be retained with the tender documents. A tender marked late shall not be accepted for consideration without approval of the GRFMA Board or delegated authority. A guiding principle in acceptance of a late tender for consideration will be evidence of posting by the tenderer before the closing date.

The tenders shall be returned with recommendations to the Executive Officer. Adequate reasons must be given for the rejection of a tender lower in price than that recommended for acceptance. In particular attention would be drawn to any features that do not comply with the specification.

- 10.38 Since it is essential that GRFMA's purchasing procedures should be seen to be beyond reproach, it is most undesirable for an person who has a conflict or potential conflict of interest in anyway with the potential supplier of goods or services to take part in the consideration of any tender or quotation submitted by that supplier. If this situation appears likely to occur, the person concerned should make a full disclosure of their conflict or potential conflict of interest to the Executive Officer and, if it appears desirable, the person should be excluded from any involvement in the particular transaction.
- 10.39 An unsuccessful tenderer shall be notified in writing that his/her tender was not successful.

10.40 Procedure

- 10.41 The Executive Officer will arrange:
- (a) for the insertion of an advertisement in the press and local paper inviting tenders for the goods, services or works.
 - (b) for likely tenderers to be advised of the advertisements and sent copies of the specifications.
 - (c) for a record to be kept of firms etc. to whom copies of the specification have been sent.
- 10.42 The Executive Officer receives the tenders and places them in the tender box
- 10.43 At least two Members (*refer paragraph 8.02(b)*) on the day that the tenders are to be opened extract from the tender box the tenders to be opened that day.
- 10.44 At least three Members (*refer paragraph 8.02(b)*) open the tenders and:
- (i) number each tender in serial order according to the specification concerned.
 - (ii) record the date of opening of the tender

- (iii) each member initials each tender and alterations that appear in the tender
- (iv) record in the register of tenders -
 - tender number
 - name and address of tenderer
 - date of opening
 - amount of deposit money received.

Each member signing immediately after the last tender entered for specification.

- (v) pass tenders, comment, deposit monies and register to the Executive Officer.

10.50 Executive Officer

10.51 Forwards the tenders for assessment and recommendation of the GRFMA Board or delegated authority

10.52 Arranges for the deposit of monies received.

10.60 Issue of Contracts and Variations

General Principles

10.61 Contracts shall be issued for goods or services for which the prices have been determined as a result of public invitation of tenders except those resulting in a decision under sub section 9.11.

10.62 Contracts are required to be executed under the seal of GRFMA following a resolution from GRFMA Board.

10.70 Authority to Issue

10.71 Subject to restrictions or special arrangements in these procedures, contracts for supplies and services may be issued by GRFMA within the limits of authority to incur expenditure as set down in GRFMA's policies.

10.72 Contracts for amounts exceeding the limits of authority to incur expenditure held at GRFMA may be issued only after the necessary prior approvals to incur the expenditure involved have been obtained.

10.73 It is a breach of authorisation to separate a single supply or service into parts with the object of issuing two or more contracts which individually do not exceed a limitation to incur expenditure, whereas the total cost would do so. Where orders are placed for services for an indeterminate period, e.g. the hire or servicing of equipment, the operative amount for the purpose of limitation is the cost per annum.

10.80 Progress Payment

10.81 Where the proposed terms of a contract for goods or services provide for progressive payments for delivery of completion, the letter accepting the tender shall state that progress payments will require the submission of bank guarantees by the contractor to the extent of the payments involved. Generally, bank guarantees will not be required for contracts for the execution of work on GRFMA property. In these cases the specification should provide

for progressive payments to be made following a certification of the value of work performed from the officer responsible for its supervision.

- 10.82 Terms of the Contract may be varied during its currency to provide for progress payments, subject to the restrictions of Sub Section 11.10.
- 10.83 Approval from GRFMA shall be sought where a contract proposes an alternative to the submission of a bank guarantee.

10.90 Register of Contracts

- 10.91 Particulars of every contract made under this Policy shall be recorded in a Register of Contracts and all payments on account of each contract shall be entered in that register.
- 10.92 Payments to be made against a contract shall be checked before payment against the relevant terms and conditions of the contract, the history of the contract as indicated in the Register of contracts, and previous payments made under the contract and, except with the prior approval from GRFMA or person who approved the letting of the contract, such payments shall conform in all respects with the terms and conditions of that contract.

11.10 Variation of Contract

- 11.11 The scope and value of variations to contracts for any amount less than 10% or \$20,000 are agreed upon involving those members and officers as per Clause 9(b).
- 11.12 Variations to Contracts shall be properly authorised -
- (a) for contracts not included in an approved budget, approval shall be in accordance with Sub Section 10.72.
 - (b) for contracts included in an approved budget approval shall, if practical, be by the Officer who approves the original contract provided the new value of the contract is within his financial delegations, or alternatively by any Officer acting within his financial delegations.
- 11.13 Any variations to the contract, the authorising Officer is to advise the accounts payable clerk the new value and to amend the commitment on GRFMA's actual budget.

11.20 Issue of Contracts

- 11.21 The Executive Officer:
- (i) has contract documents prepared and signed by the Contractor;
 - (ii) presents them to GRFMA for approval, through the bi-monthly meeting of the Board;
 - (iii) following GRFMA's approval has the contract signed under seal;
 - (iv) enters the contract details in the Register of Contracts;
 - (v) raises an order to commit the funds;

- (vi) posts a copy of the contract to the Contractor;
- (vii) files the original contract in the GRFMA filing system
- (viii) provides a copy of the register of contracts to the Audit Committee.
