

The Public Procurement and Disposal of Public Assets Guidelines

*Guidelines issued by the Public Procurement and Disposal of
Public Assets Authority under Section 97 of the Public
Procurement and Disposal of Public Assets Act No 1 of 2003;*

Details covered in this Guideline:

Guideline Subject:	Use of standard Letter of Bid Acceptance
Guideline Reference:	7/2003
Guideline Issue Date:	16 July 2003
Total number of pages	Three

Guidelines are distributed to all Accounting Officers who are responsible for distributing copies of this Guideline to at least the Chairpersons of the Contracts Committee and the Head of the Procurement and Disposal Unit of the Procuring and Disposing Entity.

Guideline Subject: Use of standard Letter of Bid Acceptance

Regulation 225(1)(b) of the Public Procurement and Disposal of Public Assets Regulations 2003, permits the use of the standard Letter of Bid Acceptance in the process of contract formation with a Provider where an immediate issue of a contract document is not envisaged.

1. Institutional arrangements

- 1.1. Accounting Officers are required to ensure that copies of this standard Letter of Bid Acceptance are held by the Procurement and Disposal Unit of the Entity for use as and when necessary.
- 1.2. Accounting Officers are also required to advise the Chairperson of the Contracts Committee that the Committee will need to ensure that Bids can only be accepted by use of the attached Letter of Bid Acceptance or by use of a contract document (from the suite of standard Bidding Documents issued by the PPDA).

2. Standard Letter of Bid Acceptance

- 2.1 As required by Regulation 228 (1) the Standard Letter of Bid Acceptance attached to this Guideline must be use by Procuring and Disposing Entities when accepting Bids from Bidders.
- 2.2 Electronic copies of this document are available from the Public Procurement and Disposal of Public Assets Authority.
- 2.3 Recipients' attention is drawn to Regulation 230 on the subject of contract formation with Bidders. The completed Letter of Bid Acceptance signed by an authorised signatory, financially commits the Entity prior to the issue of a contract document. The Letter of Bid Acceptance should not be used prior to obtaining all appropriate approvals
- 2.4 All officials involved in procurement should note that the use of Letters of Intent or Faxes of Intent are not a valid or permitted means to accept a Bid or to form a Contract.

Signed:

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Chairman of the Board of Directors	Executive Director of the Authority
Public Procurement and Disposal of Public Assets Authority	

Letterhead of the Procuring and Disposing Entity

[Name of Successful Bidder]

[Address of Successful Bidder]

Date:

Dear Sirs

Letter of Bid Acceptance

This is to inform you that your Bid detailed below has been accepted. A written contract is being drafted and shall be forwarded to you for your signature by [date].

Procurement Reference No:

Subject of Procurement:

Bidder's Bid Reference:

Date of Bid:

Contract Award amount:

Identification of Bid items
excluded from contract award:

Identification of correspondence
included in this Award:

Commencement Date:

Special notes:

You are required to confirm receipt of this letter and confirm that you are proceeding with the requirement.

Signature of this letter confirms the financial commitment of the procuring and disposing entity to the contract.

Yours faithfully

Accounting Officer

[Name]

[Name of the Procuring and Disposing Entity]