

Bravo Shoes Community Support (BSCS)

PROCUREMENT PROCEDURE MANUAL AND POLICY

Policy No. 01	Name	Designation	Signature
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REVIEW AND APPROVAL DATE:

About BSCS:

At Bravo Shoes Community Support (BSCS), we deeply care about the well-being of vulnerable children in Uganda. Our organization is driven by a strong commitment to improving their lives and ensuring their overall welfare. We understand the crucial role that families play in the development of children, and we prioritize efforts to prevent unnecessary separation.

Our primary focus is on empowering communities to create a nurturing and supportive environment for children. We work closely with local stakeholders, including families, schools, and community leaders, to address the root causes of vulnerability and provide targeted support. By strengthening community networks and resources, we aim to build a solid foundation for the holistic development of children.

BSCS takes a comprehensive approach to support children's growth and well-being. We provide a range of services and opportunities that address their educational, health, and socio-emotional needs. This includes access to quality education, healthcare services, nutritional support, and psychosocial counseling. By addressing these fundamental aspects, we strive to ensure that children have the necessary tools and resources to thrive.

We strongly believe that every child deserves a chance to have a brighter future. Through our programs and initiatives, we empower children to discover their talents, develop life skills, and pursue their dreams. We provide mentorship, vocational training, and entrepreneurship opportunities to equip them with the necessary skills for success in their personal and professional lives.

BSCS is committed to transparency, accountability, and collaboration. We work in close partnership with local communities, government agencies, and other non-profit organizations to maximize our impact. By leveraging the strengths and resources of different stakeholders, we create sustainable solutions and foster positive change.

PROCUREMENT PROCEDURES MANUAL AND POLICY

This manual serves as a comprehensive guide to the purchase and procurement control policies and procedures implemented at Bravo Shoes Community Support (BSCS). Our

organization recognizes the importance of safeguarding its resources and maintaining accurate records of all procurement activities. The purpose of this manual is to document the policies and procedural flow of the procurement process, ensuring that it operates with optimal efficiency and effectiveness.

As a national non-governmental organization (NGO) serving communities throughout the country, BSCS regularly procures various items in small quantities to support its programs and initiatives. In doing so, we adhere to proper procurement rules and regulations to uphold the principles of transparency and cost-effectiveness.

The policies outlined in this manual are designed to provide a framework for the procurement process, starting from the identification of needs to the final acquisition of goods or services. By following these policies, we aim to ensure consistency, fairness, and accountability in all our procurement activities.

The manual emphasizes the importance of maintaining detailed records of procurement transactions. This includes documenting the specifications of required items, soliciting quotations or proposals from potential suppliers, evaluating bids, and ultimately selecting the most suitable vendor based on objective criteria. The documentation of the procurement process is essential to promote transparency, enable effective decision-making, and facilitate audits or reviews.

BSCS recognizes that effective procurement practices contribute to the overall success of our organization's mission. By adhering to the policies and procedures outlined in this manual, we strive to optimize our procurement processes, minimize risks, and ensure the best utilization of resources. This, in turn, enables us to maximize the impact of our programs and initiatives in serving humanity across the country.

Through this manual, BSCS reaffirms its commitment to upholding the highest standards of integrity, transparency, and efficiency in all its procurement activities. By following these policies and procedures, we aim to promote trust, accountability, and the responsible use of resources in service to our beneficiaries and the communities we serve.

MANUAL OVERVIEW

1.1 Objectives

The purchase/procurement policies and procedures manual for Bravo Shoes Community Support (BSCS) is designed with the following main objectives:

- **Deliver a best practice approach and guiding procedures:** The manual provides a comprehensive framework and guidelines for internal procurement within BSCS. It aims to establish a standardized and consistent approach to procurement across all operational areas of the organization. By implementing best practices, BSCS seeks to enhance the

efficiency and effectiveness of its procurement processes.

- **Ensure fairness in supplier selection:** BSCS is committed to selecting suppliers based on merit, ensuring a fair and transparent procurement process. The manual outlines procedures to be followed in supplier evaluation and selection, including soliciting bids or proposals, evaluating supplier qualifications, and considering value for money. By adhering to these procedures, BSCS aims to foster a competitive environment that promotes fair and equitable opportunities for suppliers.
- **Promote proper documentation and contract management:** The manual emphasizes the importance of maintaining proper documentation throughout the procurement process. This includes documenting specifications, requests for quotations or proposals, evaluation criteria, and contractual agreements with suppliers. By practicing robust documentation and contract management, BSCS ensures clarity, transparency, and accountability in its procurement activities.
- **Regular monitoring of supplier performance:** BSCS recognizes the importance of monitoring and evaluating the performance of its suppliers. The manual establishes procedures for tracking and assessing supplier performance, including periodic reviews and evaluations. By monitoring supplier performance, BSCS can identify areas of improvement, address any issues or concerns, and foster stronger relationships with its suppliers.

Cost-effective purchasing: BSCS is committed to making cost-effective purchases without compromising quality or compliance. The manual provides guidelines for conducting price comparisons, negotiating contracts, and optimizing procurement decisions. By following these guidelines, BSCS aims to ensure that its purchases are made in the most cost-effective manner, maximizing the value of its resources.

Overall, the purchase/procurement policies and procedures manual for BSCS aims to promote consistency, fairness, accountability, and cost-effectiveness in all procurement activities. By adhering to these objectives, BSCS seeks to enhance its operational efficiency and optimize the impact of its programs and initiatives.

1.2 Intended Audience

The Manual serves as a comprehensive guide for various stakeholders within Bravo Shoes Community Support (BSCS) and its projects. It fulfills the following purposes:

- **New employees:** The Manual provides a resource for new employees to familiarize themselves with the policies, systems, and procedures related to the purchase/procurement function. It helps them understand the expectations and guidelines for procurement within BSCS, ensuring consistency and compliance from the beginning of their employment.
- **Procurement section:** The Manual serves as a guide for the procurement section, providing detailed procedures and processes to be followed when purchasing and procuring goods and services. It outlines the steps to be taken, documentation required, and the roles and responsibilities of the procurement staff. By following the guidelines in the Manual, the procurement section can ensure adherence to the organization's

procurement policies and achieve efficiency in their tasks.

- **Other employees working with Admin/Procurement staff:** The Manual also serves as a reference for employees who collaborate with the Admin/Procurement staff in the performance of their duties. It helps them understand the procurement processes, the information they need to provide, and their responsibilities in supporting the procurement function.
- **Management:** The Manual provides a tool for management to monitor and evaluate compliance with purchase/procurement policies and procedures. It enables them to assess the effectiveness of procurement practices, identify areas for improvement, and ensure that procurement activities align with organizational objectives and best practices.
- **Auditors:** The Manual assists auditors in their review and assessment of BSCS's purchase/procurement processes. It enables them to trace the flow of different procurement activities, including the products/items and services involved, and verify the proper authorization by approving authorities. The Manual helps auditors ensure transparency, accountability, and compliance with relevant regulations and policies.

1.3 Need for Procurement Policy

The BSCS is committed to set up efficient, effective, economical and sustainable policies and procedures in all purchasing/procurement activities. This policy:

- a) Covers the procurement of
 - Products/Items or services, fixed assets and;
 - General operating services/expenditure including consumable items, and other materials etc.
- b) Provides the BSCS with a more effective way of purchasing/procuring products/items and services,
- c) Ensures that the BSCS considers the environmental impact of the procurement process across the life cycle of products/items and services (if any).
- d) Ensures the BSCS is compliant with all policy regulatory obligations,
- e) Promotes effective governance and definition of roles and responsibilities,

1.4 Scope of Purchasing/ Procurement Policy

- a) The Procurement section shall have sole responsibility of purchasing/procuring all the supplies, equipment and services required for BSCS -operations in a timely and cost-effective manner. This includes inventory supplies, non-inventory (direct) departmental supplies, capital and minor equipment, spare parts for equipment, accessories and services.
- b) The Procurement section is authorized to utilize allocated amount of budget of the BSCS for required and approved purchases, after going through all standard operating procedures for purchase/procurement.

- c) No invoice/supplier's bill shall be paid against any **Purchase Order (PO)**, and **Material Receipt Note (MRN)**, (**Annexure 'P-5'**) against products/items purchased/procured along with duly signed **receiving note**. (if required)
- d) In case of Work Orders and Services procured, Admin/Procurement section shall verify the completion of the job. All the relevant documents shall be forwarded to Admin and Finance Department for payments.
- e) The Procurement section is also responsible for providing items of fixed assets/products/Items/supplies, their relevant price along with complete information to the any concerned department(s). All necessary documents, terms and conditions of the purchases with suppliers and get them signed from approved authorized signatories of the Admin/ Procurement Department.

Responsibility and Authorization for Procurement

- a) Admin/Procurement Department is responsible for purchase/procurement of all required items, equipment etc., order placement and deliveries, price negotiation, documentation, conducting market surveys and evaluation of substitute/alternate products/items etc.
- b) PO shall be prepared by **Admin Support Staff** and shall be authorized/ approved by **HoD** in case of general office supplies and other consumables having value up to **USD. 180**.
- c) PO for value more than **USD. 180** shall be prepared and signed by **Admin Support Staff**, reviewed by **HoD** and finally approved by **Executive Director** after preparation and presentation of Comparative Statement and Financial approvals.
- d) Admin/Procurement Department forwards Suppliers' bills/invoices/other supporting documents to Finance Department. **Head of Administration** who shall signs all bills/invoices/other supporting documents and forward to Finance Department for entering into the financial system.
- e) Capital fixed assets shall be procured in accordance with the budgeted amount allocated for this specific purpose. Purchase of non-budgeted and emergency products/items shall be made subject to prior consent and approval of **Executive Director and Head of Administration and Finance**.

Ethics and Integrity

- a) All employees of the BSCS shall observe the highest standards of ethics and integrity in undertaking purchasing/procuring activity and act in an honest and professional manner.
- b) The following principles, standards and behaviors must be observed and enforced through all stages of the purchasing/procuring process to ensure fair and equitable treatment of all parties:
 - full accountability shall be taken for all purchasing/procuring decisions and the efficient, effective and proper expenditure of donor's funds based on achieving value for money;
 - all purchasing/procuring practices shall comply with relevant rules regulations, and requirements consistent with the BSCS policies and code of conduct;

- purchasing/procurements are to be undertaken on a competitive basis in which all potential suppliers are treated impartially, honestly and consistently;
- all processes, evaluations and decisions shall be transparent and fully documented in accordance with applicable policies and audit requirements;
- any actual or perceived conflicts of interest are to be identified, disclosed and appropriately managed;
- any information provided to the BSCS by a supplier shall be treated as commercial-in-confidence and should not be released unless authorized by the supplier or Organization.

1.6 Value for Money

a) Value for money is a primary principle governing purchasing/procurement that allow the best possible outcome to be achieved for the BSCS. It is to note that compliance with the specification is more important than obtaining the lowest price, particularly taking into account user requirements.

b) An assessment of the best value for money outcome for any purchasing should consider:

- the technical merits of the products/items or services being offered in terms of compliance with specifications, contractual terms and conditions and including quality & timelines;
 - financial viability and capacity to supply without risk of default. (Competency of the prospective suppliers in terms of managerial and technical capabilities, compliance and financial track record); and
 - a strong element of competition in the allocation of orders or the awarding of contracts. This is achieved by obtaining a sufficient number of competitive quotations wherever practicable.
- c) Where a higher priced offer is recommended, there should be clear and demonstrable benefits over and above the lowest total priced, conforming offer.

1.7 Sustainable Procurement

- a) Sustainable Procurement is defined as the procurement of products/items and services that have less environmental and social impacts than competing products/items and services.
- b) The BSCS is committed to sustainable procurement and where appropriate shall prepare quotations and tenders to provide an advantage to products/items, services and/or processes that minimize environmental and negative social impacts

- c) Practically, sustainable procurement means the BSCS shall try to identify and procure products/items and services that:
- Have been determined as necessary;
 - Are environmentally sound, use, and disposal with a specific preference for products/items made using the minimum amount of raw materials from a sustainable resource, that are free of toxic or polluting materials
 - Products/items that can be refurbished, reused, recycled or reclaimed shall be given priority, and those that are designed for ease of recycling, re-manufacture or otherwise to minimize waste;
 - For motor vehicles – select vehicles featuring the highest fuel efficiency available, based on vehicle type and within the designated price range with due respect to specified technical and safety requirements; and

2.0 PURCHASE/PROCUREMENT FUNCTION

- a) Procurement is defined as *“Procurement is the business management function that ensures identification, sourcing access and management of the external resources that an organization needs or may need to fulfill its strategic objectives”*.
- b) Major and sub processes of purchase/procurement functions are as follows:

2.1 Products/Items Selection and Evaluation

- a) The products/items selection, evaluation and standardization of purchase /procurement process have the following objectives to:
- Identify and select products/items to be used throughout the organization and/or for the purpose of project undertaken that attains maximum quality threshold at the lowest possible costs.
 - Bring standardization in the process of purchase/procurement that will lead to reduce procurement and inventory carrying/holding costs.
- b) The Procurement Committee (PC) shall be responsible for products/items selection above USD. 350/= and evaluation and approve the final procurement to be made after thorough analysis.
- c) The PC members are as under;
- Executive Director (Head of PC)
 - Head of Admin, (Member of PC)
 - Head of Finance (Member of PC)
 - Concerned HOD (Member of PC)

Note: PC shall be deemed to be called as “Special Procurement Committee” (SPC) when the PC comprises the presence of a member of BoD of the BSCS.

- d) Further, in case of absence of a particular or recommended brand in the market, substitute

or alternate product/item has to be recommended. **Admin Staff** shall gather and collect every useful information and justifications, usefulness and validness of the alternate product/item in details and signs the same. However, in case of emergency, procurements shall be made on immediate basis.

- e) Final approval for products/items purchases/procurement shall be granted in the light of the recommendations given by the **Executive Director**.

2.2 Supplier/Vendor Selection,

2.2.1 Selection of Suppliers/Vendor

- a) Suppliers/vendors are assessed and approved for their ability to meet the requirements. The selection of supplier/vendor shall be made by the PC. The Admin/Procurement Department is responsible to assess, examine and evaluate the supplier's strengths and capabilities to ensure efficient and effective purchase/procurement function.
- b) **Admin Support Staff** shall verify all necessary requirements pertinent to supplier/vendor (i.e. Company's detail's and general information, legal status of the company, financial strength etc.). Supplier/vendor shall provide all requisite information pertinent to supplier/vendor and shall be approved by the supplier of the company/business by appending signatures on it.

2.2.2 Control and Performance Monitoring of Suppliers/Vendors

- a) Suppliers/vendors are continuously monitored on the basis of quality and performance and services. Monitoring shall be done through inspection of products and services by an **Admin Staff** of the BSCS.

2.2.3 Supplier/Vendor

- a) The **Admin Staff** is responsible to give opinion /remarks about the performance of the supplier/company. The main objective of analysis or exercise is to monitor the deliveries and services.
- b) Following are requisite parameters and criteria for suppliers/vendors:
- Timely delivery of products, supplies and services;
 - Errors in orders; (documents, rates, or services)
 - Number of rejections; (by user or admin)
 - Discrepancies in invoices/bills;
 - Price escalation/intensification;
 - Quality enhancements and reduction in cost;
 - After sale services and;
 - Provision of technical training and support.

2.2.4 Safe Custody of Warranty/Guarantee Certificates

- a) Warranty or guarantee certificates have been issued by the suppliers/vendors with the new products/items they offered to the organization. Such certificates shall be kept in a separate file along with the copy of PO at a secured location.

2.3 Processes and Procedures for Purchase/Procurement

- a) The budget and work plan of the BSCS, shall also include approved purchase/procurement. The purchase/procurement may be of the following categories:
- Capital expenditure
 - Building renovation/up-gradation
 - Electric installations
 - Office equipment & Furniture
 - Vehicles
 - Computer equipment
 - Studio and recording equipment
 - Revenue expenditure
 - Stationery
 - Other purchases not classified as capital expenditure
- b) The purchase/procurement shall be strictly in accordance with the budget and work plan. Any deviations from such plan shall require a justification and approval of **PC**.

2.4 Purchase/Procurement Initiation, Authorities and Limits

- a) The purchase/procurement process shall be initiated by the user departments. A Material Request shall act as the triggering document for the procurement process. The request shall be prepared by the user department and shall be authorized by the respective **Head of Department** for submission to the Admin & Executive Director. Once the request has been duly approved, it shall be submitted to the Procurement Department for further processing.
- b) The authorities and limits related to procurement process shall be as follows:

Amounts of purchase	Persons / Committees authorized to approve	Members of the Committee
For purchases up to USD. 350/=	<ul style="list-style-type: none"> ▪ Concerned HoD ▪ HoD Admin 	Joint approval of Concerned HoD, HoA and HoF
Above USD. 350 up to USD.3,500	Procurement Committee (PC)	Concerned HoD; HoA, HoF and ED
USD. 3,500 and above	Special Procurement Committee (SPC)	Procurement Committee and a member of BoD

- c) In view the frequent business travels of the members of the PC and the SPC, communication through e-mail, and approval through e-mail shall be taken. However, such mode is not encouraged and shall only be used in circumstances where no realistic alternative is not available.
- d) All the arrangements for obtaining approvals, arranging meetings among the members PC/SPC shall be the responsibility of the Admin/Procurement staff.

2.5 Modes of Purchase/Procurement

a) Purchase/Procurement can be made through either of the following modes:

- Through tendering process;
- Regular Purchase;
- Urgent/emergency purchases/procurement and;
- On cash - for items valuing up to USD. **35** (the limit is extendable in case of emergency).

2.5.1 Purchasing Through Tendering Process

a) Under the following requisite conditions and circumstances for purchase/procurement through tendering process:

- Specific terms and conditions attached with the products/items and/or services to be purchased/procured. For example, mandatory requirement of seeking after sale services for any equipment, machinery or credit-based purchase/procurement;
- Fulfilling the requirement of purchasing/procuring products/items and/or services having monetary worth above **USD. 1,800** (a certain threshold defined as a matter of policy); and
- Unavailability of vendor/supplier in the open/local market (Monopolistic Supplier/Vendor). For example, purchasing/procurement of any products/items and/or services from international market having no specific distributor or authorized dealer in the country.

b) The process/procedure of tendering related to purchase/procurement process of products/items and services shall be as follows:

- **Tender Approval Criteria:** The BSCS shall, before tenders are publicly invited, determine in writing, the criteria for deciding which tender should be accepted. The evaluation panel (**PC** in this case) shall be established prior to the advertising of a tender and include a mix of skills and experience relevant to the nature of the purchase/procurement of products/items and/or services. For requests with a total estimated (Ex GST) price of **USD. 1,800** and above, the panel must contain a minimum of members of Special Procurement Committee-**SPC**.
- **Expressions of Interest:** The BSCS may seek expressions of interest/calls for quotations prior to the advertising of a tender.
- **Advertising Tenders:** Tenders shall be advertised in publication/newspaper, preferably on a Sunday. The tender must remain open for at least one week after the date the tender is advertised.

The notice must include;

- a brief description of the products/items and/or services required;
- information as to where and how tenders may be submitted;
- the date and time after which tenders cannot be submitted;
- particulars identifying a person from whom more detailed information as to tendering may be obtained;
- Information shall include;
- Information as the BSCS decides should be disclosed to those interested in submitting a tender;

- Specifications of the products/items and/or services required;
- Criteria for deciding which tender should be accepted;
- Whether or not tenders can be submitted by facsimile or other electronic means, and if so, how tenders may so be submitted.

- **Issuing Tender Documentation:** The details for issue of tender documentation shall be clearly mentioned in the advertisements for the tender.
- **Tender Deadline:** A tender that shall not be received in full in the required format by the deadline and at the nominated place specified in the invitation for tenders shall be rejected.
- **Opening of Tenders:** Tenders shall be opened in the presence of the **Procurement Committee** or delegated nominees. The details of all tenders received and opened shall be as per SOPs. Tenders shall be opened in accordance with the advertised time and place. There is no obligation to disclose or record tendered prices at the tender opening. For the sake of transparency, member (s) of the partner organization or donors are allowed/permitted to be present during tender opening meeting.

The Tenderer's Offer, Price Schedule and other appropriate pages from each tender shall be date stamped and initialed by at least **two (2)** BSCS officials (members from the PC) present at the opening of tenders.

- **No Tenders Received:** Where the BSCS has invited tenders, however no compliant submissions have been received; direct purchases/procurements can be arranged on the basis of the following:

- At least three quotations are obtained;
- Specification for products and/or services remains unchanged;
- Purchasing is arranged within one months of the closing date of the lapsed tender.
- **Tender Evaluation:** Tenders that have assessed by the BSCS by means of a written evaluation against the pre-determined criteria. The (PC) shall assess each tender to determine which tender is most advantageous.

Pre-determined criteria against which tenders shall be evaluated include;

- Lowest rate shall be taken provided that supplier/vendor has a reputable status in the market with registered legal status;
- Quality shall never be compromised regardless the price of selected products/items or service is a bit high.
- **Addendum to Tender:** If, after the tender has been publicly advertised, any changes, variations or adjustments to the tender document and/or the conditions of tender are required, the BSCS may vary the initial information by taking reasonable steps to give each person who has sought copies of the tender documents notice of the variation.
- **Minor Variation:** If after the tender has been publicly advertised and a successful tenderer has been chosen but before the BSCS and tenderer have entered into a Contract, a minor variation may be made by the BSCS, to the initial requirement.
A minor variation will not alter the nature of the products and/or services procured, nor will it materially alter the specification or structure provided for by the initial tender, but may alter the costs of the products and/or services.
- **Records Management:** All records associated with the tender process or a direct

purchase process must be recorded and retained by the procurement. For a tender process this includes:

- Tender documentation;
- Internal documentation;
- Evaluation documentation;
- Notification and award documentation.

For a direct purchasing process this includes:

- Quotation documentation;
- Internal documentation;
- Order forms and requisitions.

2.5.2 High Cost Purchase (Process Description)

- a) Concerned HoD will submit requisition to admin officer for goods value ranging from USD. 180/- OR above
- b) Admin officer shall submit the requisition to HoD admin and HoD finance for approval.
- c) In case of rejection, the similar shall be conveyed to concern HoD.
- d) In case of approval, admin officer shall prepare the RFQ and submit it to HoD admin and finance for amendments (if any) and approval
- e) Upon RFQ approval, admin officer shall send the RFQ to at least three vendors on merit i.e. vendor establishment, stock availability, in-time delivery capacity, quality of products etc
- f) Upon receiving the quotations (within specified time period) the admin officer shall open the sealed quotations in front of the purchase committee and get all the quotes signed by the committee members. Following members shall be present as per purchase value
 - For purchase value up to USD. 180/- (admin officer, requesting HoD, HoD Admin & HoD Finance)
 - For Purchase value from USD. 180/- to USD. 3,500/- **EMT**
 - For purchase value USD. 3,500- and above (**SPC**)

Note: “Special Procurement Committee” When the PC comprises the presence of one or more members of the BoD of the BSCS.

- g) After opening and signing all the quotations from all the vendors, the admin officer shall prepare a comparison sheet based on product quality, stock availability, market repute, delivery time, billing credit and product price,
- h) The admin officer will prepare PO and get approval from respective purchase committee.
- i) The PO details shall be entered into PO register and admin officer shall issue the PO to selected vendor.
- j) The vendor shall deliver the goods along with invoice and delivery challan to admin officer.
No item shall be received without invoice
- k) Admin officer shall inspect the product quality. In case the product quality is not up to the mark he will return the product to vendor with a gate pass.

- l) The vendor will re-deliver the product within 03 working days to admin officer with invoice and DC for inspection
- m) Upon satisfactory inspection, the admin officer shall accept the product and issue a serial numbered goods receiving note (GRN) to the vendor
- n) Admin officer shall hand over the product to requesting HoD and gets a receiving note
- o) The invoice shall be forwarded to finance department for payment processing
- p) The process will terminate here

2.5.3 Regular Purchase (Process Description)

- a) The admin officer (in coordination with all department heads) shall identify the items that need to be purchased on regular basis.
- b) After identification, admin officer shall document the quantity, quality & frequency of purchase and get it approved from the Procurement Committee (PC).
- c) After approval, admin officer shall develop a request for quotation (RFQ) with respect to the regular purchase items
- d) Suppliers/vendors are assessed and approved for their ability to meet the requirements. The selection of supplier/vendor shall only be made by the PC.
- e) The developed RFQ shall be floated to the shortlisted vendors requesting reply within 08 working days
- f) Upon receiving quotations from all the vendors, the admin officer shall establish a comparison sheet based on product quality, stock availability, market reputé, delivery time, billing credit and product price
- g) The admin officer will submit the comparison sheet to Procurement Committee (PC) for approval.
- h) Purchase agreement shall be signed with selected vendors,
- i) **It is important to note here that multiple agreements can be signed with respect to variety of products and the duration of purchase agreement shall be (01) one year.**

Rates can be revised as deemed appropriate.

- j) Upon vendor selection, the HoD shall submit a written request to AM-Admin regarding regular purchase for product value ranging from USD. 35/- to USD. 180/-
- k) Admin officer shall submit the written request to Administrator for purchase approval. In case of rejection, the similar shall be conveyed to requesting department
- l) As soon as Administrator approves the purchase, the admin officer shall submit a cash request to finance department and receives the cash or prepare a Purchase Order (PO) and submit it to Head of Admin, anything above 180/= be signed by Executive Director.

After approval, the PO details shall be entered into PO register and admin officer shall issue the PO to selected vendor.

- m) The vendor shall deliver the goods along with invoice and delivery document to admin officer. **No item shall be received without invoice.**

- n) Admin officer shall inspect the product quality. In case the product quality is not up to the mark he will return the product to vendor with a gate pass.
- o) The vendor will re-deliver the product within 03 working days to admin officer with invoice for inspection.
- p) The vendor shall only be given 2 chances to deliver quality product. If the vendor fails to deliver the right quality in third attempted his PO shall be cancelled and a new PO will be generated for alternate vendor to the similar product.
- q) Upon satisfactory inspection, the admin officer shall accept the product and issue a goods receiving note (GRN) to the vendor,
- r) Admin officer shall prepare GRN for the product and hand over the product to requesting HoD and gets a receiving note
- s) The invoice shall be forwarded to finance department for payment,

2.5.4 Urgent/Emergency Purchase/Procurement

- a) Following are some of the situations and/or circumstances where urgent/emergency purchases/procurements are required where;
 - Sudden break down of main and standby equipment,
 - To make arrangement of a substitute/alternative equipment where the existing equipment is under repair,
 - There is scarcity of any significant products/items in the stock.

In above situations and circumstances, Admin/Procurement Department shall be fully authorized to follow the standard procedure for procurements. Focus shall be made to arrange the required items on priority basis.

If cash is required for purchase/procurement of emergency products/items, an approved request from HoD for advance shall be forwarded to Admin and Finance Department for arrangement of cash or cheque on immediate basis.

- b) MDN shall be treated as urgent when the item is required within **two (2)** days of raising the MDN. When any item is required on an urgent basis, this fact shall be stated explicitly on the face of the MDN. The Admin/Procurement Department shall be responsible to expedite the procurement procedures and ensure availability of the required items.
- c) Any emergency purchase, which is demanded by any staff (verbally/written) shall be treated on priority basis. If items/goods are prepared/arranged by vendor and the order is cancelled, the case will be forwarded to Executive Director for final decision. If orders are placed by ED, then it would be discussed in SPC.
- d) For urgent/emergency purchases, requirement of obtaining quotations may be compromised subject to approval (verbal/written) of the **Executive Director**. However, if the product/item to be procured values exceeds **USD. 180**, then **three (3)** quotations shall have to be obtained.
- e) It is the responsibility of all the BSCS - staff to assist/help the procurement staff in the

completion of necessary documentation.

2.5.5 Cash Purchase/Procurement

Cash purchase (including urgent/emergency purchase) may be made in the following circumstances;

- Items needed in emergency,
 - In case of disposable items/non-capital items.
 - In case of capital items below USD 35/=
- a) Consumable items i.e. stationery, office supplies, maintenance, groceries etc. can be purchased by procurement department without prior approval. The Assistant Manager can approve the purchase. However, the documentation must be completed ASAP.
 - b) Capital items needed, which has value less than USD 35/= must be approved by the requesting/relevant HoD before purchase.
 - c) The Assistant Manager-admin & procurement is responsible to record capital items purchased in inventory.
 - d) In case of capital items, the GRN will be prepared by admin /procurement department and will get receiving from the concerned department.

2.6 Recording

- a) Recording of the products/items purchased and all related financial aspects shall be handled by the **Finance** Department & **Admin Officer** under supervision and authority of the **Head of Admin and Head of Finance**.
- b) After the products/items have been received by the BSCS and the inspection by the user department, the **Admin Officer** shall verify the following documents and record,
- c) c) Once the **Admin Officer** has verified all details, the **Head of Admin and Head of Finance** shall post the entry into the financial system i.e. General Ledger (GL) the **Head of Admin and Finance** shall approve by signing the voucher after reviewing the same in detail.
- d) d) Forthwith upon recording in the GL, the **Admin Officer** shall also update the **Fixed Assets Register**.

2.7 Payment Processing

- a) Once the transaction has been recorded in the GL, the payment to the supplier/vendor shall be processed keeping in view the credit period and funds available. All payments exceeding **USD. 35** shall be made through crossed cheque.

2.8 Applicability of the purchase/procurement procedures

- a) The policies and procedures detailed in this section shall not be applicable to the purchases which are of the nature that they may be expensed by the BSCS, such as purchases made out of petty cash for the purposes of meeting day to day operational requirements of the BSCS, which may include refreshment purchases, entertainment expenses and other similar expenses of similar nature.
- b) Therefore, the documentation requirements of this section shall require judgment by the relevant departments involved. However, the procedures shall not be overridden by reason of judgment, hence the judgment shall be exercised with due diligence.









2.9 Specific Steps and Responsibilities

- a) The specific steps involved in the process related to procurement and the related responsibilities are tabulated hereunder:

Responsibility	Functions
Executive Director	<ul style="list-style-type: none"> • Execution of duties as Chairman of the Procurement Committee. • Responsibility for the overall procurement process. • Representation on the Procurement Committee as a member.
Head of Admin	<ul style="list-style-type: none"> • Approving purchases within his authorized limits. • Approving purchases falling within his authorized limits. • Representation on the Procurement Committee as a member. • Reviewing the BPV / CPV along with the supporting documents in support of a purchase. • Approving payment to the supplier. • Reviewing each purchase critically and acting as an independent reviewer of the procurement process.
Admin/Procurement Department	<ul style="list-style-type: none"> • Arranging for calling of quotations. • Arranging meetings of Procurement Committee and the Special Procurement Committee for approval of purchases. • Prepare GRN • Approve OGP
Procurement Committee	<ul style="list-style-type: none"> • Reviews the procurements falling within its authorization limits. • Reviews the business case in support of the procurement. • Review the quotations received and prepare the Comparative Statement / Procurement Committee Report. • Recommending the supplier from whom to procure items. • Recommending other specifications for the procurement.
Special Procurement Committee	<ul style="list-style-type: none"> • Reviews the procurements falling within its authorization limits. • Reviews the business case in support of the procurement.

Specimen reports / documents / registers

1.  Material Demand Note (MDN) Annexure P-1

2.		Comparative Statement / Procurement Committee Report (PCR)	Annexure P-2
3.		Purchase Order (PO)	Annexure P-3
4.		Purchase Order Register (POR)	Annexure P-4
5.		Material Receipt Note (MRN)	Annexure P-5
6.		Goods Rejection Note (GRN)	Annexure P-5
7.		Outward Gate Pass (OGP)	Annexure P-6
8.		Approved Supplier / Vendor List (ASL)	Annexure P-7
7.		Pre-Qualification / Registration Form	Annexure P-8

 Register  Statement/Report /List  Document

3.0 PROCUREMENT COMMITTEE

3.1 Terms of Reference

- a) *Aim/Purpose*: The aim/purpose of the PC can be categorized as;
 - To ensure that the purchase/procurement Procedures are open, fair and transparent.
 - Ensure effective and timely implementation of procurement decisions.
- b) The board hereby resolves to establish a PC having the following composition of its members;
 - Executive Director (Head of PC)
 - Head of Admin (Member of PC)
 - Head of Finance (Member of PC)
 - Concerned HoD (Member of PC)

Note: PC shall be deemed to be called as “Special Procurement Committee” (SPC) when the PC comprises the presence of one or more than one BoD members of the BSCS.

- c) *Membership and Attendance*: The PC shall be appointed by the Board and to be chaired ED.
- d) *Frequency of meetings*: The PC shall meet normally, or need basis,
- e) *Minutes of meetings*: A simple note is written on the comparative sheet.
- f) *Duties and responsibilities*: The duties and responsibilities can be categorized as follows;
 - To select, evaluated and approve products/items and/or services to be procured after thorough analysis.
 - To conduct a simple review of proposals or tender.
 - To advise on the most appropriate procurement for specific projects.

4.1 Transportation

- a) It will vary from procurement to procurement and case to case.
- b) PO shall include explicitly includes terms and conditions regarding provision of products/items and services to be replenished by the supplier/vendor.

4.0 AUTHORIZATION GRID

Functions and Activities of the Organization				System of Internal Controls at Micro Level	
Responsibility / Accountability (e.g. Prepared by)		Controls/Security (e.g. Reviewed / Checked by)		Approval and/or Authority	
Purchase Order	- ASS	AM-Admin	HoD	Up to 180/=	
General office supplies and other consumables					
Purchase Order	- ASS	AM-Admin	HoD-Admin,	HoF	
Capital fixed assets			HoF		
Suppliers' bills/invoices/other supporting documents authentication	ASS	AM-Admin	HoF		
Purchase Order Register	ASS	AM-Admin	X		
Purchase of non-budgeted and emergency products/items	ASS	AM-Admin	HoD-Admin	HoD-Finance	
Pre-Qualification	ASS	AM-Admin	HoD-Admin		
Evaluation of Market & prices	ASS	AM-Admin	X		
Purchase/Procurement Initiation (Material Demand Note)	HoD Relevant Department	X	HoD	Above 1800/=	
Comparative Statement/Procurement Committee Report	ASS	AM-Admin	HoD-Finance,	HoD-Admin, PC	
Cash Purchase/Procurement up to USD. 35	ASS	X	AM-Admin		
Material Receipt Note	ASS	HoD-Relevant Department	AM-Admin		
Goods Rejection Note	ASS	AM-Admin	X		
Outward Gate Pass	ASS	X	X		
Update the Fixed Assets Register	ASS	AM-Admin	X		
Special Procurement Committee	AM	HoD-Admin	SPC		
Above 1800/=					

4.1 Legends of Role / Function

Abbreviation	Role / Function	Abbreviation	Role / Function
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BoD	Board of Directors	AM	Assistant Manager
CM	Chairman	FSS	Finance Support Staff
ED	Executive Director	ASS	Admin Support Staff
HoD	Head of Department	PC	Purchase Committee
SPC	Special Procurement Committee	HoF	Head of Finance

5.0 ANNEXURES

P-1: Material Demand Note

[Your Company Letterhead]

[Date]

Material Demand Note No: [Insert Number]

To: [Procurement Department]

We require the following materials for [Insert Purpose]:

Item No. | Material Description | Quantity Required | Delivery Location | Required Date

[Insert Item Details]

[Insert Item Details]

[Insert Item Details]

Total Quantity: [Insert Total Quantity]

Please arrange for the delivery of these materials to the above-mentioned location on or before the required date. Kindly acknowledge receipt of this material demand note and confirm the availability and delivery details.

Thank you.

Sincerely,

[Your Name]

[Your Designation]

P-2: Comparative Statement

[Your Company Letterhead]

[Date]

Comparative Statement No: [Insert Number]

To: [Procurement Department]

Subject: Comparative Statement for [Insert Product/Service]

We have evaluated the quotations/proposals received from the following suppliers/vendors for the supply of [Insert Product/Service]:

Supplier/Vendor Name | Price | Delivery Time | Warranty/Guarantee | Other Relevant Details

[Insert Supplier/Vendor Details]

[Insert Supplier/Vendor Details]

[Insert Supplier/Vendor Details]

Based on the evaluation, we recommend the acceptance of the quotation/proposal from [Insert Supplier/Vendor Name] as it offers the best value for money and meets our requirements.

Please let us know if you require any further information or clarification.

Thank you.

Sincerely,

[Your Name]

[Your Designation]

P-2B: Procurement Committee Report

[Your Company Letterhead]

[Date]

Procurement Committee Report No: [Insert Number]

To: [Procurement Department]

Subject: Procurement Committee Report for [Insert Product/Service]

The procurement committee has evaluated the quotations/proposals received from the following suppliers/vendors for the supply of [Insert Product/Service]:

Supplier/Vendor Name | Price | Delivery Time | Warranty/Guarantee | Other Relevant Details

[Insert Supplier/Vendor Details]

[Insert Supplier/Vendor Details]

[Insert Supplier/Vendor Details]

Based on the evaluation, the procurement committee recommends the acceptance of the quotation/proposal from [Insert Supplier/Vendor Name] as it offers the best value for money and meets our requirements.

The committee has also considered other factors such as the supplier/vendor's track record, quality of the product/service, and delivery capability while making this recommendation.

Please find attached a copy of the comparative statement and other relevant documents for your reference.

Thank you.

Sincerely,

[Your Name]

[Your Designation] [Name of Committee Members]

P-3: Purchase Order

[Your Company Letterhead]

[Date]

Purchase Order No: [Insert Number]

To: [Supplier/Vendor Name and Address]

Attention: [Insert Name of Contact Person]

We are pleased to place an order with you for the following materials/products/services:

Item No. | Material/Product/Service Description | Quantity | Unit Price | Total Price

[Insert Item Details]

[Insert Item Details]

[Insert Item Details]

Total: [Insert Total Price]

Delivery Terms:

Delivery Date: [Insert Delivery Date]

Delivery Location: [Insert Delivery Location]

Delivery Method: [Insert Delivery Method]

Payment Terms:

Payment Method: [Insert Payment Method]

Payment Terms: [Insert Payment Terms]

Please confirm receipt of this purchase order and provide us with a written acknowledgement of the order. Kindly let us know if there are any issues with the delivery date or any other aspects of this order.

We look forward to doing business with you.

Sincerely,

[Your Name]

[Your Designation])

P-4: Purchase Order Register (Virtual)

Purchase Order No.	Supplier/Vendor Name	Item Description	Quantity	Unit Price	Total Price	Delivery Date	Delivery Location	Status
[Insert PO Number]	[Insert Supplier Name]	[Insert Item Description]	[Insert Quantity]	[Insert Unit Price]	[Insert Total Price]	[Insert Delivery Date]	[Insert Delivery Location]	[Insert Status]
[Insert PO Number]	[Insert Supplier Name]	[Insert Item Description]	[Insert Quantity]	[Insert Unit Price]	[Insert Total Price]	[Insert Delivery Date]	[Insert Delivery Location]	[Insert Status]
[Insert PO Number]	[Insert Supplier Name]	[Insert Item Description]	[Insert Quantity]	[Insert Unit Price]	[Insert Total Price]	[Insert Delivery Date]	[Insert Delivery Location]	[Insert Status]
[Insert PO Number]	[Insert Supplier Name]	[Insert Item Description]	[Insert Quantity]	[Insert Unit Price]	[Insert Total Price]	[Insert Delivery Date]	[Insert Delivery Location]	[Insert Status]
[Insert PO Number]	[Insert Supplier Name]	[Insert Item Description]	[Insert Quantity]	[Insert Unit Price]	[Insert Total Price]	[Insert Delivery Date]	[Insert Delivery Location]	[Insert Status]

Note: The purchase order register should be updated regularly to reflect the status of each purchase order, such as "Issued," "Confirmed," "In Transit," "Received," or "Cancelled." It can also include additional columns for payment status and remarks.

P-5: Material Receipt Note/Goods Rejected Note

[Your Company Letterhead]

[Date]

Material Receipt Note/Goods Rejected Note No: [Insert Number]

To: [Supplier/Vendor Name and Address]

Attention: [Insert Name of Contact Person]

We have received the following materials/products/services from you:

Item No.	Material/Product/Service Description	Quantity Received	Quantity Rejected	Reason for Rejection
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[Insert Item Details]

[Insert Item Details]

[Insert Item Details]

Total Quantity Received: [Insert Total Quantity Received]

Total Quantity Rejected: [Insert Total Quantity Rejected]

Please note that the items mentioned above were inspected upon receipt and the quantities rejected were found to be defective or not meeting our specifications. The reason for rejection is mentioned in the above table.

We request you to take corrective action immediately and replace the rejected items at your own cost. Kindly confirm the receipt of this note and provide us with an acknowledgement.

Thank you.

Sincerely,

[Your Name]

[Your Designation]

P-6: Outward Gate Pass

[Your Company Letterhead]

[Date]

Outward Gate Pass No: [Insert Number]

To: [Security Officer/Gatekeeper Name]

We request you to allow the following materials/products/services to leave the premises:

Item No. | Material/Product/Service Description | Quantity | Vehicle No. | Driver Name | Destination

[Insert Item Details]

[Insert Item Details]

[Insert Item Details]

Total Quantity: [Insert Total Quantity]

Vehicle No.: [Insert Vehicle Number]

Driver Name: [Insert Driver Name]

Destination: [Insert Destination]

Please note that the materials/products/services mentioned above are being transported as per the relevant purchase order and delivery note. We request you to verify the items mentioned above and allow them to leave the premises.

Thank you.

Sincerely,

[Your Name]

[Your Designation]

P-7: Approved Supplier/Vendor List

[Your Company Letterhead]

Approved Supplier/Vendor List

Supplier/Vendor Name	Address	Contact Person	Phone Number	Email	Products/Services Supplied	Approval Date	Expiry Date
[Insert Supplier/Vendor Name]	[Insert Address]	[Insert Contact Person]	[Insert Phone Number]	[Insert Email]	[Insert Products/Services Supplied]	[Insert Approval Date]	[Insert Expiry Date]
[Insert Supplier/Vendor Name]	[Insert Address]	[Insert Contact Person]	[Insert Phone Number]	[Insert Email]	[Insert Products/Services Supplied]	[Insert Approval Date]	[Insert Expiry Date]
[Insert Supplier/Vendor Name]	[Insert Address]	[Insert Contact Person]	[Insert Phone Number]	[Insert Email]	[Insert Products/Services Supplied]	[Insert Approval Date]	[Insert Expiry Date]
[Insert Supplier/Vendor Name]	[Insert Address]	[Insert Contact Person]	[Insert Phone Number]	[Insert Email]	[Insert Products/Services Supplied]	[Insert Approval Date]	[Insert Expiry Date]
[Insert Supplier/Vendor Name]	[Insert Address]	[Insert Contact Person]	[Insert Phone Number]	[Insert Email]	[Insert Products/Services Supplied]	[Insert Approval Date]	[Insert Expiry Date]

Note: The approved supplier/vendor list should be regularly reviewed and updated to ensure that the listed suppliers/vendors are compliant with your company's procurement policies and meet the required quality and delivery standards. The approval date and expiry date columns should be used to track the validity of the supplier/vendor's approval status.

P-8: Pre-Qualification/Registration Form

[Your Company Letterhead]

Pre-Qualification/Registration Form

1. Company Information

Company Name: [Insert Company Name]

Company Address: [Insert Address]

City: [Insert City]

State: [Insert State]

Country: [Insert Country]

Zip Code: [Insert Zip Code]

Phone Number: [Insert Phone Number]

Fax Number: [Insert Fax Number]

Email: [Insert Email]

Website: [Insert Website]

2. Business Information

Type of Business: [Insert Business Type]

Registration/License No.: [Insert Registration/License Number]

Date of Registration/License: [Insert Date of Registration/License]

Bank Information: [Insert Bank Information]

3. Product/Service Information

List of Products/Services Provided:

[Insert Products/Services Provided]

4. Experience

Number of Years in Business: [Insert Number of Years]

Experience in the Industry: [Insert Experience in the Industry]

5. References

Provide references of at least three (3) clients:

Client Name: [Insert Client Name]

Contact Person: [Insert Contact Person]

Phone Number: [Insert Phone Number]

Email: [Insert Email]

Client Name: [Insert Client Name]

Contact Person: [Insert Contact Person]

Phone Number: [Insert Phone Number]

Email: [Insert Email]

Client Name: [Insert Client Name]

Contact Person: [Insert Contact Person]

Phone Number: [Insert Phone Number]

Email: [Insert Email]

6. Certification and Compliance

List of certifications, if any:

[Insert Certifications]

7. Declaration

I hereby declare that the information provided above is true and correct to the best of my knowledge.

Name: [Insert Name]

Title: [Insert Title]

Signature: [Insert Signature]

Date: [Insert Date]

Note: The Pre-Qualification/Registration Form should be used to assess the eligibility of new suppliers/vendors to do business with your company. The information provided in this form should be verified and validated through appropriate channels to ensure its accuracy.