



UWEZO UGANDA

PROCUREMENT MANUAL

[Approved by the Board on 22 June 2021]

JUNE 2021

TABLE OF CONTENTS

VISION	4
MISSION	4
INTRODUCTION.....	5
1.0 OVERVIEW.....	6
1.1 purpose of the manual	6
1.2 scope	6
1.3 distribution and application of the procurement manual	7
1.4 procedures for review and update	7
2.0 PRINCIPLES OF PROCUREMENT	8
3.0 ETHICS OF PROCUREMENT AND DISPOSAL OF ASSETS	9
3.1 Conflict of Interest as an ethical issue in procurement	9
3.2 Ethical principles that relate to the procurement process are:	9
4.0 PROCUREMENT PLANNING.....	11
4.1 The procurement plan	11
5.0 DISPOSAL OF ASSETS.....	12
6.0 THE PROCUREMENT PROCESS	13
6.1 Paperwork required in the Procurement Process	13
6.2 Standard documents (internally generated):	13
6.3 Source Documents (from suppliers):	13
6.4 Other documents needed for reference:	13
6.5 Use of Procurement Records	14
6.6 Procurement Requisition	14
6.7 Receipt of Bid Documents	14
6.8 Bid/ Contract File	15
6.9 Unsuccessful Bid Documents	16
6.10 Local Purchase Order (LPO)	16
6.11 Contracts	17
6.12 Procurement authority levels	18
6.13 Procurement Methods	18
7.0 PRE-QUALIFICATION OF SUPPLIERS	20
7.1 Supplier Identification Procedure	20
7.2 Receipt and logging of Completed Pre-Qualification Questionnaires	20
7.3 Creation of New Supplier List	21
7.4 Approval of New Supplier List	21
8.0 INVITATION FOR BIDS/PROPOSALS.....	22
8.1 Letter of Invitation	22

8.2 Bid Evaluation Process	22
8.3 Contract Management	22
8.4 Specific contracts guidance	22
8.5 Contract Payments	23
9.0 BREACH AND TERMINATION OF CONTRACT.....	23
10.0 PAYMENTS	23
10.1 Payments to the supplier	23
11.0 PROCUREMENT RECORDS/DOCUMENTATION	24
12.0 DISPOSAL OF PROCUREMENT RECORDS.....	25
12.1 Reasons for the Disposal of Procurement Records:	25

UWEZO UGANDA

VISION

A society in which all children are learning and realising their full potential.

MISSION

We are committed to demonstrating how to improve learning outcomes and keeping communities and leaders focused on learning through assessment, research, innovations, partnerships, and advocacy.

INTRODUCTION

The Uwezo Uganda Procurement Manual serves as an implementation tool that covers policies, procedures and guidelines that shall guide the procurement process, management and disposal of assets.

The manual provides crucial details on functional relationships and internal controls that promote value for money, transparency and accountability in the procurement and disposal of assets process.

The manual has been designed in such a way that it shall not only address best practices in the procurement procedures, but also address disposal functions and any other unique features of Uwezo Uganda procurement requirements as they arise.

We anticipate that this manual shall serve as a reliable reference source and guide to streamline the Procurement and Disposal of assets functions in a transparent manner.

1.0 OVERVIEW

1.1 Purpose of the manual

The purpose of the manual is to give guidance to those who requisition (end users of the goods, works and services requisitioned for), the suppliers and the evaluation teams on the procedure and best practices while carrying out organisation procurement and disposal of assets. The manual will also help in the segregation of duties among the parties that form the procurement process. If this manual is followed closely, it will create uniformity and adherence to procurement processes, close gaps and eliminate conflict of interest in the procurement process and promote value for money.

1.2 Scope

The Manual covers but not limited to:

- i) Steps in the procurement process
- ii) Procurement planning and implementation
- iii) Administration of the procurement process; handling receipts and acceptance of items procured and ensuring rightful channels have been followed
- iv) Disposal of un-useable/obsolete or surplus assets and equipment
- v) Contract management

1.3 Distribution and application of the procurement manual

The manual shall be a reference document which will be kept in both soft and hard copy for easy access by all involved parties at any one time in the procurement process at Uwezo Uganda. The manual shall apply to and involve anyone who will requisition or get involved in the purchase of goods and services and disposition of assets at Uwezo Uganda.

1.4 Procedures for review and update

As is the case with all Uwezo Uganda policies, the procurement manual will be reviewed every after two years and updated to match with prevailing situations or as shall be required by management. The revised editions of this manual shall be labelled with the edition and indicated on the cover page of the manual.

2.0 PRINCIPLES OF PROCUREMENT

The principles of procurement shall assist in obtaining the best with less spending. To do this, it will be important to consider the optimum combination of acquisition cost, cost of maintenance, running costs and the disposal cost at the end of the lifetime of a product. The purchase and its fitness for purpose, describes the quality and ability to meet the contracting authority's requirements. Guiding procurement principles that shall be considered to achieve Best Value for Money (BVM) are:

- a) **Cost effectiveness and value for money:** Uwezo Uganda shall obtain quality and reliable goods and services at the least expensive (best) price. Competitive and independent quotes shall be solicited when more than one supplier is available and offers and quotations shall be reviewed objectively and impartially.
- b) **Transparency and documentation:** Criteria used by Uwezo Uganda shall always be transparent. Price quote comparison shall be used to ensure that Uwezo Uganda obtains competitive prices in the most transparent way. All documentation related to procurement shall be kept in secure files. Relevant documentation includes quotes, invitation to quote, quotations, the quotation evaluation record and the final decision, as well as the payment voucher (PV) and all supporting documents. Documents shall be kept securely for a period of seven (7) years.
- c) **Non-discrimination:** Uwezo Uganda is an equal opportunity organisation, and shall not discriminate against a supplier on the basis of race, ethnicity, age, sex, sexual orientation, marital status, origin, disability, creed, political belief, religion or health status in procuring any product or service. Procurement from any supplier who is related to an Uwezo Uganda employee or director should be avoided and in all cases fully disclosed, and the employee concerned shall exclude him/herself from the procurement decision process.
- d) **Zero Tolerance for Corruption:** Uwezo Uganda shall exercise zero tolerance for corruption in all matters, including procurement. No Uwezo Uganda employee or director may benefit or seek to benefit in any way whatsoever from any procurement. Any Uwezo Uganda employee or director who is offered any inducement, payment, gift or other reward to influence the procurement process, or is aware of another employee being involved in the same, must report the matter immediately to the Executive Director (or the Board of Directors where it involves the Executive Director).
- e) **Accountability:** All persons involved in the procurement process, shall seek to ensure that both the letter and spirit of the procurement policy is adhered to. The officer responsible for procurement shall exercise prime responsibility in ensuring that procurement is consistent with these principles and regulations. In addition, the Accountant shall exercise due scrutiny to ensure procurement is consistent with Uwezo Uganda Policies and Regulations before an order is placed and/or payment is made. All procurement decisions and documentation shall be subject to scrutiny during both internal and external auditing processes.
- f) **Credibility:** Uwezo Uganda shall only procure its requirements from eligible and credible suppliers, contractors, consultants, and service providers. Additionally, wherever practicable Uwezo shall apply competitive processes for securing quotes, ensuring fair treatment to all suppliers during the entire process.

3.0 ETHICS OF PROCUREMENT AND DISPOSAL OF ASSETS

Appropriate and right procurement and disposal of assets processes, which involve human choices, practices and relationships between providers and users of goods, services and assets, ought to be informed by ethics and sound ethical principles to ensure fairness, transparency and the common good of all parties involved.

3.1 Conflict of Interest as an ethical issue in procurement

One of the critical ethical issues for Uwezo Uganda that has to be guarded against in procurement is conflict of Interest. Conflict of interest is the direct or mutually exclusive clash between the interest of Uwezo Uganda and the private or personal interest of a procurement officer.

In the context of procurement, if Uwezo Uganda procurement officer is party within a transaction, he/she shall:

- a) Declare with immediate effect any potential conflict of interest,
- b) Not use information obtained for professional reasons for personal profit,
- c) Disclose and dispose the financial interest involved,
- d) Not participate in any conflicting procurement process,
- e) Excuse or withdraw from any procurement process where the procurement officer may have a conflicting interest.

3.2 Ethical principles that relate to the procurement process are:

3.2.1 All Uwezo Uganda staff involved in the procurement process shall be charged with the highest standards of loyalty and discretion. In summary, Uwezo Uganda staff, especially the procurement officer, should:

- a) Understand the rules and regulations pertaining to his or her profession,
- b) Know why the rules and regulations are necessary,
- c) Respect the need for the rules and regulations,
- d) Interpret and apply rules in accordance with their intent,
- e) Be able to perform procurement responsibilities effectively and efficiently and still abide by the pertinent rules.

3.2.2 Exceptions to the above requirements should be kept to a minimum and be fully justified and documented. If a rule or regulation must be reconsidered or changed, the procurement officer should pursue the appropriate process to submit the recommended revision to the Executive Director and include complete documentation to explain and justify the proposed change.

3.2.3 During this process, the existing regulations, rules and procedures must be followed. The procurement officer must perform regulated tasks consistently according to the specified procedures and take a leadership role to help co-workers and stakeholders understand and follow them as well.

3.3 Specific ethical requirements

I. Integrity

Uwezo Uganda staff shall be expected to maintain superior standard of integrity and moral values. Integrity, while perhaps not subject to exhaustive and precise definition, must be judged on the basis of the total behaviour of the person concerned. Such elementary personal or private qualities as honesty, truthfulness, fidelity, probity and freedom from corrupting influences, are

clearly included. It follows that the staff must subordinate his private interests and avoid placing him/herself in a position where those interests would conflict with the interests of Uwezo Uganda.

II. Impartiality and Fairness

Impartiality implies objectivity, lack of bias, tolerance or restraint - particularly when disputes or differences arise. The staff member's personal views and convictions remain inviolate, but he/she does not have the freedom to take sides, to enter a dispute as a partisan, or publicly to express his convictions on matters of a controversial nature, either singly or as a member of a group.

According to the manual, "fair" is defined as "just, unbiased, and equitable; in accordance with the rules."

In the context of impartiality and fairness, and in accordance with the definition above, the procurement officer shall:

- a) Set aside all personal and organisational bias,
- b) Apply the same standards of evaluation to all the suppliers (equal treatment).

For example, if one supplier requests additional information, all suppliers should receive that information at the same time. Or, if one offer is disqualified in the evaluation process and the award placed with the next highest priced offer, the reason for disqualifying the lower offer must be applied to all evaluations uniformly.

Fairness shall imply being reasonable as well as impartial, and treating Uwezo Uganda's trading partners with professional, business-like courtesy, as well as with strict adherence to the policies and procedures for conducting the transaction.

III. Transparency

Transparency means unimpeded visibility. Transparency shall be paramount in all procurement activities.

Only when something is truly of a confidential nature, such as proprietary data belonging to a supplier, or proposals being evaluated prior to contract award, shall confidentiality be given a higher priority over transparency while still maintaining an overall transparent process.

IV. Confidentiality

Confidentiality shall need extra consideration in the procurement process, due to the delicate nature of the information that is handled in procurement processes, such as pricing of products, marketing strategies, etc. A breach in the confidentiality of the data handled in the procurement process could result in discredit of those involved in the procurement process.

Confidentiality might seem in contradiction with transparency, but what this means is, the way the overall procurement process is conducted needs to be clear and transparent, while truly proprietary data needs to remain confidential.

V. Due Diligence

Due diligence shall refer to carrying out duties carefully and thoroughly, and avoiding careless practices or techniques. Due diligence requires that all activities by procurement officer(s) be pursued in a manner that goes beyond the minimum effort. This shall entail:

- a) Check the references of potential suppliers,
- b) Develop impartial evaluation criteria,
- c) Analyse carefully the offers received,

4.0 PROCUREMENT PLANNING

Procurement planning is the process of deciding what to buy (description of the item to be procured), when to buy (during which period, time i.e. quarter of the budget period) and from what source (where to get the funding).

The procurement plan shall assist the Procurement Unit to:

- a) Decide what to buy, when and from what sources,
- b) Allow the Procurement Officer to determine if expectations are realistic, particularly the expectations of the requesting entities.
- c) Permit the creation of a procurement strategy for procuring each requirement that will be included in the procurement plan. Such strategy includes determining the applicable procurement method given the requirement and circumstances,
- d) Estimate the time required to complete the procurement process and award a contract for each requirement. This is valuable information as it serves to confirm if the requirement can be fulfilled within the period expected, or required, by the requesting entity,
- e) Assess the need for technical expertise to develop technical specifications and/or scope of work for certain requirements, especially where in-house technical capacity is not available or non-existent.

4.1 The procurement plan

At Uwezo Uganda, a procurement plan for each unit, shall be prepared for each financial year. It is the responsibility of the unit head to submit an annual unit procurement plan to the procurement officer, before the close of the financial year. The procurement unit shall integrate and consolidate the plans submitted by various units into one consolidated procurement plan.

5.0 DISPOSAL OF ASSETS

The Executive Director shall base decisions to dispose of obsolete assets on any or a combination of the following factors:

- If the asset is no longer required due to changed procedures, functions, or usage patterns;
- If the asset is occupying storage space and will not be needed in the foreseeable future;
- If the asset has reached its optimum selling time to maximise returns;
- If the asset is no longer complying with occupational health and safety standards;
- If the asset is found to contain hazardous materials harmful to the environment;
- If the asset is technically beyond repair but able to be sold for scrap;
- If the asset is confirmed to be obsolete and/or no longer of value to the organisation.

Assets may not be disposed, sold or given to any Uwezo Uganda director, employee, volunteer or intern, or his/her relatives.

The Executive Director in consultation with the officer responsible for operations may provide assets that are no longer needed by Uwezo Uganda of a value of USD 3,000 or less to other non-profit organisations free of charge, provided such transfers are fully documented.

The finance department shall advise the officer responsible for operations and the Executive Director the value of the asset under disposal.

Any decisions to dispose of assets and the reasons for taking them shall be clearly documented alongside the asset register, and must be duly authorised by the Executive Director. Evidence that the asset has been disposed of must be clearly indicated in the asset register to ensure a clear audit trail.

All disposal of assets, whether by sale or free of charge, shall be on an “*as is – where is*” basis. Uwezo Uganda shall not make any representations or issue warranty, not even implied, as to the fitness for purpose, saleability, or any other condition or quality of the asset to any buyer other than as expressed in the notice to dispose the asset. Asset buyers shall be responsible for any tax liabilities due for any assets that attract such taxes.

6.0 THE PROCUREMENT PROCESS

The procurement process involves needs identification, selection of suppliers/service providers, establishing payment terms, negotiation of contracts and actual purchasing of goods and services.

Procurement is concerned with acquiring goods and services for the organisation. It involves the following steps;

1. Needs recognition
2. Source options
3. Price and terms
4. Purchase order
5. Delivery
6. Receipt and inspection of purchases
7. Invoice approval and payment
8. Record maintenance

6.1 Paperwork required in the Procurement Process

There is a lot of paperwork associated with procurement, which needs to be kept and properly filed so that it can be easily retrieved for audit purposes.

6.2 Standard documents (internally generated):

- a) Purchase requisition,
- b) Local Purchase Order,
- c) Goods Received Notes,
- d) Payment Requisition,
- e) Payment Voucher,
- f) Purchase decision record (or equivalent).

6.3 Source Documents (from suppliers):

- a) Quotations and proforma invoices obtained,
- b) Proposals (e.g. for consultancy services),
- c) Contracts (e.g. for services),
- d) Invoices,
- e) Goods Delivery Notes,
- f) Receipts.

6.4 Other documents needed for reference:

- a) Budgets,
- b) Agreements,
- c) List of authorised suppliers with addresses and person contacts,
- d) Contracts,

- g) Units may retain a copy of a contract as an assurance that the terms of the contract are understood and met,
- h) Units should retain supporting documentation related to contracts/purchases that would not be in the possession of the Procurement Unit, e.g. sign in/log books, service reports, work tickets and time tickets, whenever such are applicable.

Management of procurement records shall be given due attention. The Procurement Unit shall have the responsibility of ensuring that records are managed properly by:

1. Maintaining an accurate, comprehensive and complete file for each procurement,
2. Ensuring that there is no backlog of un-filed procurement documents,
3. The Procurement Officer taking responsibility for systematic record keeping,
4. Ensuring that there is co-ordination of management of records in departments,
5. Ensuring that there is organized storage for closed records,
6. Separating active records from the closed ones to enable fast and easy access and retrieval,
7. Avoiding the fragmentation of procurement records (a situation where different documents pertaining to a single procurement activity are kept by different offices, such as accounts, registry and stores section),
8. Authorizing access to, alteration or destruction of records which must be documented,
9. Avoiding temporary files, and working with only single files for particular cases of purchases and disposals,
10. Maintaining adequate file movement control procedures,
11. Having a budget provision for records management.

6.5 Use of Procurement Records

Procurement records shall be used for the purposes of transacting official business. The users of procurement records may include:

- a) Procurement Unit,
- b) Finance Unit,
- c) Auditors and Procurement reviewers,
- d) End users of goods or services,
- e) Authorised persons,

6.6 Procurement Requisition

Every procurement requirement shall be initiated using a procurement requisition through Salesforce which shall include all relevant information. The user department initiates the procurement and fills the purchase requisition which is sent to the Procurement Unit. The purchase requisition should be linked to the procurement plan and the budget. The requisition should minimally contain the following details:

- a) Item or service description and specifications,
- b) Quantity and unit of issue,
- c) Budget line,

6.7 Receipt of Bid Documents

The bid documents will be received by the Procurement Officer but will remain sealed until the time for bid opening. The bid documents should at the time of opening be signed by the Procurement Officer and 2 other staff members. The bid documents should be recorded using a form developed by management, and be securely stored pending evaluation, adjudication and award.

6.8 Bid/ Contract File

A bid file should, as a minimum, contain the following documents:

1. Purchase requisition from the user unit
2. Procurement plan extract from the user unit
3. Approved Bid notice
4. Bid documents
5. A copy of the bid advertisement
6. Notice of bid opening
7. Copies of bid security documents where applicable
8. Evaluation report and recommendation for award
9. Notification Letter of bid award to the successful bidder
10. Copy of performance bond (where necessary),
11. Signed contract agreement
12. LPO signed by authorised persons,

20. Copy of delivery note,
21. Copy of the invoice,
22. Copy of the payment voucher
23. For use of restricted bid or direct procurement as an alternative procurement procedure, the written request for approval to the Executive Director,

6.9 Unsuccessful Bid Documents

Unsuccessful bid documents shall be separated from the successful ones. Unsuccessful bid documents should be organised in the bid register with the entry number that was allocated at the time of opening the bid documents. The unsuccessful bid documents should be stored in secure cabinets.

6.10 Local Purchase Order (LPO)

The LPO is the commitment document that triggers the process of supply of goods from the supplier. The LPO is a serialised accountable document, and it records the following details:

1. Supplier's name and address,
2. Bid or quotation reference number,
3. Contract number where applicable
4. LPO number and date,
5. Address of the buyer, place, date and time of delivery,
6. Item code number,
7. Full description of goods,
8. Quantity ordered,
9. The total cost,
10. Full authorisation

6.10.1 Local Purchase orders (LPOs) shall be required for orders which are not paid for at the time of the order and for which will need to make a future payment. LPOs may not be placed for orders whose total cost does not exceed the equivalent, in local currency, of US dollars 125. No order for goods or services whose value exceeds these amounts shall be placed without an authorised LPO or authorised contract.

6.10.2 LPOs shall only be placed after procurement requirements (see Section 5 on Procurement) and other applicable requirements have been fully met.

6.10.3 Official LPOs shall be compiled by the officer responsible for procurement. The LPO shall bear information regarding the order, such as precise specifications, quantities, quality, packing, delivery dates, costs and other such information as may be necessary to ensure the quality, appropriateness and timeliness of the good/service ordered. The officer responsible for procurement shall attach relevant supporting documentation such as proforma invoices or quotation and detailed specifications to the LPO. For printed materials the communications guidelines for publications and other printed material must be adhered to.

6.10.4 The budget holder shall sign the "prepared by" box once satisfied with the details and its appropriateness in relation to approved plans and budgets, before forwarding it to the Accountant for scrutiny regarding accuracy and compliance. The Accountant shall review the LPO and if satisfied sign the document and forward it to the Executive Director.

6.10.5 The Executive Director shall review the LPO and, if satisfied, indicate approval by signing and stamping the document before forwarding it to the officer responsible for procurement. The officer shall then record the LPO in the register established for the purpose and arrange to transmit the LPO to the supplier.

6.10.6 No LPO shall be valid without the signature of the Executive Director and the official Uwezo Uganda stamp.

6.10.7 A copy of the LPO (wherever possible the original version) shall constitute an integral and necessary supporting document for the Payment Voucher in relation to effecting payment.

6.10.8 The officer responsible for procurement shall prepare an accurate and timely report of all new and outstanding LPOs, and the status of each, and forward it to the Executive Director.

6.11 Contracts

6.11.1 All orders/requests for delivery of services by Uwezo Uganda for which it will need to make a future payment shall require a signed contract. No request for services whose value exceeds USD 125 or equivalent shall be placed without a signed contract or authorised LPO.

6.11.2 Contracts shall only be awarded to persons or entities who are deemed to be capable of performing the work with quality, and choice of person awarded the contract shall be fairly and openly determined and reasons for choice documented.

6.11.3 The preparation of contracts shall normally be initiated in Salesforce by the employee whose budget will be charged for the cost of the service, provided all necessary approvals for the activity have been sought in advance. He/she shall prepare a request for contract providing all relevant information including expected outputs, timeframe, report schedule and proposed costs in a form created for the purpose, and forward it via Salesforce to the Contracts Administrator.

6.11.4 The Contracts Administrator shall scrutinise the material and if satisfied prepare a contract in accordance with Uwezo Uganda standards, taking great care to ensure accuracy and comprehensiveness, assign it a serial contract number, and record the contract in register established for the purpose. The Executive Director shall review the contract and if satisfied sign and stamp two printed copies. The Contracts Administrator shall then witness on behalf of the organisation and arrange to have it signed by the contractual party and witnesses.

6.11.5 The officer responsible for contracts shall provide one original to the contractual party, file a second original in the contracts file maintained by him/her.

6.11.6 A copy of the signed contract (and an original of the invoice or request for payment) shall constitute an integral and necessary supporting document for the payment voucher in relation to effecting payment.

6.11.7 The officer responsible for contracts shall prepare a monthly accurate report of all new and outstanding contracts from Salesforce, and the status of each, and forward it to the Executive Director for review.

6.12 Procurement authority levels

6.12.1 Recurring purchases: Regular major purchases include (but not limited to) stationery, printing, and travel services. Uwezo Uganda shall solicit bids from at least three but ideally five suppliers once each year. The officer responsible for procurement shall analyse the bids and recommend the best suppliers for approval by the Executive Director. The selected supplier shall normally be used for all relevant purchases for a specified period not exceeding 12 months. Uwezo Uganda may purchase goods and services from a different supplier where this can secure comparable quality and reliability at better rates.

6.12.2 Purchases under USD 3,000 (or equivalent in UGX): Competitive quotes will be secured where practicable, but shall not be required unless the purchase shall be recurring.

6.12.3 Purchases over USD 3,000 (or equivalent in UGX): Uwezo Uganda shall seek independent quotations from no less than 3 independent suppliers. The officer responsible for procurement shall systematically analyse the bids on a special form provided for this purpose, and make a recommendation in relation to quality and reliability for the best price. The Executive Director shall approve.

6.12.4 Large purchases: All large purchases exceeding USD 75,000 (or equivalent in UGX) shall require a tender, which may or may not be advertised in the newspapers. However, bids must be sought from at least 5 suppliers.

6.12.5 Uwezo Uganda shall not further split its procurement requirements to defeat the use of approved procurement methods and expenditure thresholds.

6.13 Procurement Methods

Procurement methods shall always depend on the threshold. Below are some of the methods that shall be used:

6.13.2 Procurement through public advertising/ Invitation for bids

Uwezo Uganda shall use this method for purposes of competitive bidding and it is not restricted to only the prequalified suppliers. The Procurement Officer shall prepare a comprehensive bid document; present it to the Executive Director for approval. The Executive Director shall guide the appropriate media to use for advertising. Procurements exceeding USD 75,000 shall require this method of procurement.

6.13.3 Requests for Quotations/Proposals

This is the method of procurement used by comparing price quotations obtained from a number of suppliers. This shall be used to obtain competition and value for money. The Procurement Officer shall prepare a request for quotations in case of supplies and a request for proposals in case of services. Terms of reference shall be written in a way that is easily understood by the supplier. Quotations shall be sent to the prequalified suppliers and/or suppliers obtained through market knowledge in the absence of prequalified suppliers or insufficient number of prequalified suppliers and an order shall be awarded to the best qualified supplier whose quotation meets the requirements set in the request for quotation. This method of procurement shall apply to procurements exceeding USD 3,000 but less than USD 75,000.

6.13.4 Direct purchasing

This is where a single supplier is selected from a number of suppliers. This kind of procurement shall be used under the following circumstances;

- x There is insufficient time for any other procedure such as in an emergency situation.
- x The works, services or supplies are available from only one provider.
- x The existing contract could be extended for additional works, services or supplies of a similar nature and no advantage could be obtained by further competition.
- x It is essential or preferable to purchase additional works; services or supplies from the original supplier to ensure continuity for downstream work, including continuity in technical approach, use of experience acquired or continued professional liability, if the prices on the additional contract are reasonable.

This method of procurement may also apply to procurements below USD 3,000 (or equivalent in UGX).

6.13.5 Micro Procurement

This is the process of obtaining supplies and services from local or indigenous sources. This method of procurement shall be used for very low procurements (Less than USD 125 or UGX equivalent) and shall be used to achieve efficient and timely procurement where value does not justify competitive procedures. When using this method of procurement, the following should be met;

- x The original invoice or receipt evidencing the supplies procured and the price paid shall be obtained.
- x The procuring officer in charge shall be responsible for ensuring that value for money is obtained to the extent practical under the procurement procedures.
- x The method shall not be used to split procurements in order to avoid using the appropriate procurement method.

7.0 PRE-QUALIFICATION OF SUPPLIERS

The pre-qualification process shall be two-fold:

- a) Develop an approved supplier list and update the supplier database periodically through an approval process through the Executive Director.
- b) Allow suppliers to tender prequalification documents for assessment and determination of suitability to supply. Generate a list of suppliers for the various service or product categories.

A comprehensive supplier pre-qualification procedure shall be conducted every three (3) years. However, annual supplier reviews shall be conducted by the procurement team who may recommend to Management an earlier pre-qualification procedure.

7.1 Supplier Identification Procedure

The Procurement Officer shall seek to make an initial determination of the suitability of the applicants and will request information on the following:

- a) The applicants' details, including organisation structure and ownership,
- b) Details of products and/or services (category) the applicant seeks to provide,
- c) Whether applicant is an agent, broker, stockiest or manufacturer of the product,
- d) Contracts and values undertaken by the applicant over the last two years,
- e) A minimum of three trade references from reputable firms made in the last two years,
- f) Audited financial statements for the last two years.

7.2 Receipt and logging of Completed Pre-Qualification Questionnaires

- a) The prequalification documents shall be delivered in person at the Uwezo Uganda offices or by email at **info@uwezouganda.org**
- b) The package shall be received and recorded by the Administration Assistant and acknowledged by the vendor representative making the submission. For online submissions, the bids shall be printed off by the Procurement Officer and handed to the Administration Assistant for recording.
- c) The Administration Assistant shall place the bid in the bid box.
- d) All submissions shall be within 21 days of the advertisement date,
- e) An opening committee shall be constituted to publicly open the bid box in the presence of the Executive Director.
- f) Each applicant and the category applied for shall be recorded,
- g) Within a pre-determined timeline, an evaluation committee shall be constituted to score all applicants based on the pre-determined weighted score.

The results shall be analysed as follows:

- a) Fully established vendors/market leaders in the procurement category. Market Leaders are suppliers well known by the general public as satisfactorily dealing in their field of activity for a long time.
- b) Applicants who meet the minimum pre-set threshold/score,
- c) Applicants who DO NOT meet the minimum threshold/score.

After analysing the results;

- a) The committee shall propose a recommended list of suppliers to management. The list will be in two categories;
 - 1) The market leaders. These will qualify to be included on the supplier list without any further action.
 - 2) Other suppliers. Suppliers who are not market leaders shall be subjected to a due-diligence exercise with their contacts before they are recommended

It should be noted that Suppliers may be exempt from the pre-qualification procedure where the committee deems this as not practical e.g. where the supplier is the only provider of the item.

7.3 Creation of New Supplier List

- a) All recommended applicants shall be collated by the committee into a New Supplier/Vendor List, broken down into the respective procurement categories,
- b) Each category should have at least three members.

7.4 Approval of New Supplier List

- a) The Supplier/Vendor list shall be presented to management for final review, input and approval.
- b) Once approved, a Vendor is included on the approved vendor list.
- c) Once in force, vendors outside the approved list shall not be used to provide supplies unless through an open tender process.
- d) A supplier pre-qualified to provide a particular item, category of products or services shall not be used to provide any other item, goods or services.
- e) If there is need to use a vendor to supply a category for which the supplier was not originally pre-qualified, such a supplier will be pre-qualified afresh and subsequently approval by Management shall be required.

8.0 INVITATION FOR BIDS/PROPOSALS

8.1 Letter of Invitation

A letter of invitation to bid shall be a formal competitive solicitation which is a call for a sealed bid or bid through authorised electronic means. The letter of invitation to bid shall contain the following but not limited to:

- a) Detailed specifications/requirements for the goods and services to be ordered,
- b) Initial timelines requirements, including any pre-bid meetings for the bid,
- c) Instructions to bidders,
- d) Currencies and Terms of Payments,
- e) Submission of bids,
- f) Any other vital information that will be considered while selecting the best bid.

8.2 Bid Evaluation Process

- a) Evaluate and tabulate bid responses for award,
- b) Award the best bidder as recommended, inform the best bidder,
- c) Award letter is issued by Procurement Unit to selected supplier,
- d) The Procurement Unit shall prepare the final contract documents and/or Local Purchase Order (LPO) and forward to Executive Director for review and approval,
- e) Fully signed copy of the contract and/or LPO is issued to the supplier.

8.3 Contract Management

A system for contract administration shall be maintained to ensure contractor conformance with the terms, conditions and specifications of the contract and to ensure adequate and timely follow up of all purchases. Uwezo Uganda shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions and specifications of the contract.

8.4 Specific contracts guidance

8.4.1 All orders/requests for delivery of services by Uwezo Uganda for which it will need to make a future payment shall normally require a signed contract. No request for services whose value exceeds USD 125 or equivalent shall be placed without a signed contract or authorised LPO.

8.4.2 Contracts shall only be awarded to persons or entities who are deemed to be capable of performing the work with quality, and choice of person awarded the contract shall be fairly and openly determined and reasons for choice documented.

8.4.3 The preparation of contracts shall normally be initiated in Salesforce by the employee whose budget will be charged for the cost of the service, provided all necessary approvals for the activity have been sought in advance. He/she shall prepare a request for contract providing all relevant information including expected outputs, timeframe and proposed costs in a form created for the purpose, and forward it via Salesforce to the Contracts Administrator.

8.4.4 The Contracts Administrator shall scrutinise the material and if satisfied prepare a contract in accordance with standard Uwezo Uganda formats, taking great care to ensure accuracy and comprehensiveness, assign it a serial contract number, and record the contract in register established for the purpose. The Executive Director shall review the contract and if satisfied sign and stamp three printed copies if an employment contract, or two printed copies for all other contracts. The Contracts

Administrator shall then witness on behalf of the organisation and arrange to have it signed by the contractual party and witnesses.

8.4.5 The Contracts Administrator shall provide one original to the contractual party, file a second original in the contracts file maintained by him/her and in the case of employment contracts provide the third original to the officer in charge of operations for the personnel file established for the staff member.

8.4.6 A copy of the signed contract (and an original of the invoice or request for payment) shall constitute an integral and necessary supporting document for the PV in relation to effecting payment.

8.4.7 The Contracts Administrator shall prepare a monthly, accurate report of all new and outstanding contracts from Salesforce and the status of each, and forward it to the Executive Director for review.

8.5 Contract Payments

All payments shall be made according to the terms and conditions spelt out in the contract agreement.

9.0 BREACH AND TERMINATION OF CONTRACT

A contract is based on the idea that parties must fulfil their agreed-upon duties in good faith, through doing whatever is written in the contract. If that does not happen, the contract shall no longer be valid and shall be terminated. However, breach conditions accepted shall vary according to what was specified within the contract.

10.0 PAYMENTS

10.1 Payments to the supplier

On completion of execution of a contract or delivery of goods, if the user (s) is satisfied with what has been delivered, three documents shall have to match when an invoice requesting for payment is presented. The invoice itself, the goods received note (GRN) document and the Local Purchase Order (LPO). The agreement of these documents provides confirmation from both the receiver and supplier. Any discrepancies shall be resolved before the Finance Department pays the bill. For specific payment requirements, refer to Uwezo Uganda finance regulations.

11.0 PROCUREMENT RECORDS/DOCUMENTATION

Procurement records include all documents relevant to the pre-tendering, tendering and contract administration phases. It should be possible to reconstruct the entire procurement and contract administration processes from these records.

Every event in the procurement process shall be recorded and all records appropriately filed. This is important in order to maintain an audit trail of the requirement from the initial receipt of the procurement requisition to the closing out of the contract.

The procuring entity shall be responsible for maintaining the procurement and contract records of each requirement. The procuring entity develops the filing system and maintains a complete record on the entire procurement and contract administration process for each requirement.

Although all records are maintained by the procuring unit, the entity responsible for contract administration should also maintain working copies of relevant documents, while sending pertinent documents to the procuring entity and other entities (such as finance).

Ideally, the general public should have controlled access to public procurement files; however, the confidentiality of proprietary information of suppliers, contractors and service providers must be safeguarded.

12.0 DISPOSAL OF PROCUREMENT RECORDS

Procurement records shall be retained for a minimum period of 7 years after the resulting contract was entered into.

12.1 Reasons for the Disposal of Procurement Records:

- a) The records are required to be disposed of under a particular policy, e.g. motor vehicles,
- b) The records are no longer required due to changed procedures, functions or usage patterns,
- c) The records occupy storage space and not being needed in the foreseeable future,
- d) The records have reached their optimum selling time to maximise returns,
- e) The records no longer comply with workplace health and safety standards,
- f) The records contain hazardous materials and or the records are beyond repair, but they can be sold for scrap.

13.5 All disposal of assets, whether by sale or free of charge, shall be on an “*as is – where is*” basis. Uwezo Uganda shall not make any representations or issue warranty, not even implied, as to the fitness for purpose, saleability, or any other condition or quality of the asset to any buyer other than as expressed in the notice to dispose the asset. Asset buyers shall be responsible for any tax liabilities due for any assets that attract such taxes.