



Survivors Nepal

Procurement Policy

2017 (2074 BS)

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PROCUREMENT POLICIES AND PROCEDURES

This procurement policy is developed as a guideline for procurement of goods and services for all programs/projects in Survivors Nepal. This procurement policy is based on the principle of assuring the most cost efficient and rational use of resources for goods or services that will best serve the organization both at the present and in the long term. Survivors follow a multi-quote system procurement policy for the supply of both products and services. In instances where long-term business relations have developed with suppliers to the extent of sole-sourcing, the relationship will be subject to market-related standards and competitive review. All assets are to be reflected in the organization's fixed asset register. Asset disposal shall occur in compliance with asset management guideline and or in consultation with the relevant donor if it contradicts Survivors Nepal's policy.

Procurement will be conducted following these principles:

1. *Contracts shall be* awarded only to responsible contractors/suppliers that possess the ability to successfully perform the contracts.
2. No more than a reasonable price (as determined, for example, by a comparison of price quotations and market prices) shall be paid to goods and services.

All procurement is planned in advance and recorded. The plan shall list:

1. Purpose of procurement
2. Description of goods, services or works
3. Estimated cost
4. Date required
5. Method of procurement (e.g. direct assignment, quotations or competitive bidding)

Different approaches apply to the purchase of non-expendable items, or fixed assets (such as computers, cars, printers and copying machines), on the one hand, and general purchases (such as office stationery) on the other. Non-expendable items are those with a useful life span of more than one year; they are permanent in nature and include (but are not limited to) office furniture, computer equipment, photocopiers and electronic equipment.

In the case of non-expendable items, or fixed assets, such as computers, printers and photocopying machines:

1. The purchase must be provided for by the agreement and approved by the Executive Director
2. At least two quotations must be obtained if the purchase value of a single item exceeds NRs 5,000.00, or as specified by the agreement
3. The Executive Director must confirm the choice (made from the quotations) of the item to be purchased by signing the quotation before the item is actually ordered.

A fixed asset register, listing the following details relating to non-expendable equipment, must be maintained:

1. Type of equipment
2. Serial number
3. Date purchased
4. Cost of purchase
5. Current cost (depreciated value)
6. Location (office assigned to).

All items removed from the asset register should be accounted for by the Executive Director. The asset register should be updated as soon as new items are purchased or acquired, but at least once a year.

PROCESS:

In the case of general purchases (fuel, stationery, refreshments, cleaning material):

1. A purchase order is completed before the item is purchased;
2. The delivery note, confirming receipt of goods, is signed by the person of the organization receiving the goods;
3. The invoice is approved by the Executive Director for payment and signed, along with the payment request form and he or she indicates the relevant budget line item;
4. The payment is made by cheque or electronic transfer;
5. Low cost items such as refreshments and cleaning materials are mainly purchased via petty cash.

Competitive bidding at the Survivors secretariat level

Competitive bidding will be employed for procurement of goods and services forecasted to have a value over NRs 50,000 and for consultants with estimated cost/value of NRs 100,000 and above. Competitive bidding will be through a Single-Stage: One-Envelope Bidding Procedure.

The process for competitive bidding will be:

1. Development of a scope of work/terms of reference, plus proposal evaluation criteria
2. Advertisement through list servers, print media, limited to known suppliers for very specialised services or through consultancy agencies as relevant with at least 2 weeks between advertisement and proposal deadline
3. Proposals received will include technical details (where relevant) as well as financial quote and both will be reviewed at the same time
4. Evaluation of proposals is by the grant management unit (and as needed, external technical experts) who will rate the proposals, based on criteria related to both cost and technical proposal or details of scope of work, with one preferred vendor and one back-up
5. Recommendation for award must be in written form and must address how each vendor has met or failed to meet the evaluation criteria
6. A contract with the vendor is finalised by the Survivors Nepal designated grant program officer and approved by executive director
7. After award, the relevant grant program officers will monitor the vendor's performance as per the contractual agreement.
8. *Standard bidding DOCUMENTS* – Will include instructions to bidders, evaluation criteria, the scope of work/terms of reference, bidding forms, conditions of the contract and contract forms.

Monitoring vendors

Only vendors providing goods and services valued over NRs 100,000 will be monitored. Monitoring of vendors will be done by the Survivors Nepal and on a 6-monthly basis.

The vendors will be monitored using a vendor performance checklist, which will cover the following:

1. Timeliness
2. Quality of parts/materials/deliverables
3. Technical quality of consultant product
4. Client satisfaction (where relevant)
5. Price

Payment for work will be disbursed against milestones where appropriate.

Procurement code of conduct

The individuals and organizations involved in the procurement of goods and services are obliged to:

1. Undertake the task of procuring the goods/services properly, with a strong sense of responsibility for achieving the goals efficiently and appropriately
2. Work professionally, independently and honestly, and appreciate the confidentiality of good/services procurement documents to prevent any deviations in goods/services procurement.

3. Avoid influencing one another, either directly or indirectly, in order to prevent and avoid unhealthy competition.
4. Accept and be responsible for all decisions made in agreement with all parties.
5. Avoid and prevent direct or indirect conflict of interest between any related parties in the process of goods and services procurement.
6. Avoid and prevent the wasting or leakage of the grant money.
7. Avoid and prevent misuse of authority and/or collusion for personal interest and benefit, or for the benefit of another group/party that directly or indirectly disadvantages the funding agency.
8. Avoid accepting, offering, or promising to give or receive any kind of gift or reward to anyone who is known to be or is suspected of being related to goods/service procurement.

Emergency protocol:

Since much of its activities and work revolves around disaster response, an emergency protocol can be activated by the president for the expenditure of funds for up to Nrs. 10,00,000 by putting all the board member through email notice. The following procedure applies during emergencies:

1. The executive director assumes responsibility for checks and balances and all the procurement checks and balances mentioned above are suspended for up to two weeks from the start date of emergency protocol.
2. While the protocol is enacted, the president can inform the board members of the expenses and priority investment depending on the need of the affected community.
3. These expenses can only be the supplies and support for a disaster and not be used for any other expenses.
4. The same procurement principles (Value, transparency and integrity) apply to disaster protocol and the board president should audit the expenses and present it to management board for a retrospective approval.

FIXED ASSETS AND MANAGEMENT

All fixed assets procured under Survivors Nepal programs/projects should follow the asset management policies.

Tagging of Assets:

All fixed assets shall be tagged with identification numbers which shall correspond to the inventory list or the fixed assets register. Holders of the assets shall be responsible for the safekeeping, custodial care, proper use, maintenance and repair of the item issued to them. The holders shall be held liable for the loss or theft, replacement of, or damage to any and all items purchased with grant funds.

Safeguard of Assets

All acquisitions under the program shall be the responsibility of Survivors Nepal. Admin and Finance Officer shall maintain a fixed asset register for all purchases above the equivalent of NRs 5,000.00, which shall include the type of item, date of purchase, cost, funding source, serial number, inventory item tag number, condition, and location.

The management of consumable supply sets (i.e., office supplies, fuel, car parts, etc.) shall be done using an Inventory Sheet documenting the purchase date and use of these items. Asset management shall be reviewed during the capacity assessment and ensure their proper maintenance and use. All the assets shall have insurance coverage by a reputable insurance firm.

Disposition and Transfer of Assets

The assets remain to be the property of the Survivors Nepal until a decision as to its proper disposition after the project ends, is decided between the Survivors Nepal and the Funding Agency. Any transfer of an asset valued at more than NRs 5,000.00 shall be documented in a Property Transfer Document.

Fixed Asset Register

A Fixed Asset register shall be maintained and updated regularly to include without limitation

1. The legal form/ownership [SEP]
2. The source of Funding [SEP]
3. Reference numbers/codes/serial numbers/unique identifier codes [SEP]
4. Date of Acquisition [SEP]
5. Location/possession [SEP]
6. Condition of the asset (usable/poor condition), where applicable [SEP]

The Survivors Nepal undertakes to verify Fixed Asset register through an independent Audit Unit (External Audit) at the end of the financial year.

Insurance:

The insurance of building and the properties are mandatory by Law in Nepal. The products procured under projects are insured using common sense approach. Computers procured under the projects are protected under the insurance provided by the product companies. Survivors Nepal office is insured under Laxmi Intercontinental Pvt. Ltd and staff's insurance is covered by Survivors Nepal.

Special conditions:

Non-expendable items should not be removed from the office building unless for purposes relating to a programme. In such a case, prior authorization must be given by the Executive Director. A prescribed consent form must be completed prior to the removal of the item from the office building. If a staff member removes a non-expendable item from the office without prior consent and it is damaged or stolen, the staff member will take responsibility for the damage or loss of property. A policy does not normally allow for the lending of any nonexpendable items to a person or organization. However, the Executive Director may use his or her discretion if the need arises for lending out a specific item.

FORMS AND FORMAT OF SURVIVORS NEPAL

Forms and format used for procurement of goods and services are as follows;

1. Comparative Chart

Comparison is one of the most critical activities users perform on the web. It's a necessary step before your Supervisor will perform the desired action, like buying your product, signing up for membership, contacting you, or requesting a quote.

The first step to enabling comparison is providing consistent information for all comparable products or services. However, when that information is distributed across detail pages, the interaction cost and the cognitive load both increase: users are forced to remember information, take notes, flip between tabs, or open multiple browser windows.

2. Purchase requisition slip

The Purchase Requisition is the procedural method by which departments may request the purchase of goods and/or services which require processing by Procurement Services, the nature of the purchase, or the type of goods and services.

3. Purchase Order

A purchase order (PO) is a commercial document and first official offer issued by a supervisor to seller buyer indicating approval to buy the goods and services as mentioned its types, quantities, and agreed prices. It is used to control the purchasing of products and services from external suppliers.

4. Vendor Agreement

A vendor agreement is a legal agreement that clearly states the provisions and conditions of the work to be performed by a contractor. The key points to be included in a vendor agreement include date, time and location where the services must be provided.

5. Inter- Office Memo

A memorandum is a document that addresses specific people within the organization for the purpose of recording an agreement, delivering information or enabling some type of action. The memorandum or interoffice memo's purpose is to inform the reader -- not to persuade.

6. Payment Voucher

Survivors Nepal issues payment voucher as a proof that a monetary transaction has occurred between two parties. In business, a payment voucher can be used for a variety of purposes, sometimes taking the place of cash in a transaction, acting as a receipt, or indicating that an invoice has been approved for payment.

Annex 1:
Comparative Chart



Comparative Chart

S.No	Particulars	Cost includes	Package	Cost	Service Tax	VAT

Prepare by

Checked & forwarded by

Approved by

Annex 2:
Purchase requisition slip



Office Supplies Order Form

Requisitioned For:

Department _____

Order date: _____

Deliver to: _____

Account No: _____

Items Requisitioned:

S. No	Date	Particulars	Amount
Total			

Remarks

Approvals:

(Any office supply items over Nrs 10,000.00 must be approved and signed by your Authority Personnel)

Prepare by

Checked & forwarded by

Approved by

Annex 3:

Purchase Order

SURVIVORS

To,
The Manager
Concern party
Kathmandu,

Dear Sir,
Subject: Confirmation of Order

We confirm our order for concern product:

Product Name:

Address:

Contact Person:

Contact Number:

Cost:

Facilities/ Features:

Amount:

Warranty: (in case of furniture/ fixtures, computer etc)

Delivery: Thapathali, Kathmandu

Regards,
Sushil Koirala
President

Annex 4:

Vendor Agreement between Survivors Nepal and the Suppliers

आपूर्तिकर्ता, स्रोतकर्ता र बिक्रेताको लागि

सामान्य सेवा सम्झौता

सरभाइभर्स नेपालले प्रोजेक्ट अन्तर्गत कोष प्राप्त गरे अनुसार

सरभाइभर्स नेपाल, थापाथली, काठमाण्डौ

र

_____ बीच

(व्यक्ति वा कम्पनिको नाम वा दुवै)

_____ को लागि

(कार्य)

यो २०७_____ साल _____ गते, ठोकर्पा सामुदायिक स्रोत पुस्तकालय र

_____ (व्यक्ति वा कम्पनिको नाम वा दुवै) बीचका सामान्य सेवा

सम्झौता हो । यस अन्तर्गत तल निम्न लिखित कार्यहरू सम्पन्न गरिनेछ;

१ कार्यको विवरण

२ काम वा सेवाको अवधि

_____ (साल गते समय) देखि _____ (साल गते समय) सम्म रहेको थियो ।

सेवाको अवधि _____ (दिन/घन्टा) रहेको थियो ।

३ जम्मा खर्च

_____ को दरले _____ जनालाई र जम्मा खर्च रु _____

४ अरु कुनै टिप्पणी

सरभाइभर्स नेपालको लागि

नाम:

पद:

सरभाइभर्स नेपाल:

आपूर्तिकर्ता, स्रोतकर्ता र विक्रेताको लागि

नाम:

पद:

संस्था:

Annex 5:
Inter-Office Memo

Survivors Nepal

Inter Office Memo

Date :

No: -

From :

To :

CC :

Subject/Ref:

Dear Sir,

Prepare by

Checked & forwarded by

Approved by

Noting by Internal Audit & Compliance:-

