

VICTIM SUPPORT AND DEVELOPMENT FOUNDATION

PROCUREMENT POLICY

A Company Setup under Section 42 of The Companies Ordinance, 1984.

Contents

1. Methods of Procurement:	3
2. Direct Purchase:	3
3. Written Quotation:	3
4. Call for Expressions of Interest:	4
5. Benefits of a Procurement Policy:	4
6. Ethical Guidelines:	5

Procurement Policy

1. Methods of Procurement:

- Goods or services may be acquired through one of the following options:
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 - Direct Purchase from a company/supplier. This includes cash transactions, credit card purchases, quick orders and cheque payments.
 - Written quotation.
 - Call for Expressions of Interest

2. Direct Purchase:

- Purchases less than Rs. 10,000 may be purchased to best advantage without quotations subject to the following conditions:
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 - rates should be reasonable and consistent with normal market rates for items of a like nature
 - requirements should not be split into components or succession of orders for the same goods or service for the purpose of enabling the goods or service to be obtained under the Rs. 10,000 limit
 - procurement should be approved by Manager Finance

3. Written Quotation:

- For purchases greater than Rs. 10,000 but less than Rs. 50,000 at least one written quotation should be obtained subject to the following conditions:
 - Rates should be reasonable and consistent with normal market rates for items of similar nature.
 - Requirements should not be split into components or succession of orders for the same goods or services for the purpose of enabling the goods/service to be obtained under the Rs. 50,000 limit.

- For purchases greater than Rs. 50,000 but less than Rs. 100,000, a minimum of three written quotes¹ must be obtained and must be based on a written outline of specifications which has been provided to the suppliers. The head of Victim Support And Development Foundation should approve purchase of this size.
- For purchases that are considered high risk and over Rs. 100,000, consideration should be given to undertaking a Competitive Tendering and Contracting (CTC) process. This should include documentation of a written brief or outline of specifications for the purchase. The Chairman of the Board should approve such purchases.

4. Call for Expressions of Interest:

- Expressions of Interest/ Request for Proposals (Competitive Tendering and Contracting) Procedures. Expressions of Interest (EOI) and Requests for Proposals (RFP) consist of procedures that are intermediate between obtaining written quotations and seeking tenders. It is generally used to cull an initial field of probable competitors who can provide innovative solutions to leading edge, or emerging issues within a given industry (e.g. a creative, or technological solution). Generally such purchases fall in the Rs. 50,000 and above categories.
- In the case of requests for Proposals or Expressions of Interest, a detailed overview of the product or service concept that is required is prepared and forwarded, usually with a covering letter, to a number of identified suppliers who are invited to submit written proposals.
- Similarly, requests For Proposals/Expressions Of Interest can be announced in a variety of advertising mediums to achieve greatest exposure to potential contractors and tenderers.
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- Under this arrangement, Victim Support And Development Foundation is subsequently able to negotiate variations to the specification with a preferred supplier.

5. Benefits of a Procurement Policy:

- As a consequence of adhering to this policy, Victim Support And Development Foundation will:

¹Three written quotations do not have to be obtained where the goods or services are proprietary (held under patent, trademark or copyright), or are only obtainable from fewer than three suppliers.

- Obtain the best value for its purchases, in both cost and quality terms.
- Have a fast and efficient purchasing process; demonstrate financial probity and accountability to its clients, stakeholders and the public interest.
- Successfully manage and prevent the potential for conflicts of interest.
- Monitor and evaluate performance in purchasing and procurement. Be protected from complaints and legal actions mounted by potential suppliers who believe they have not received fair treatment.

6. Ethical Guidelines:

- No matter how transparent or fool proof an arrangement may be its success lies in the behaviour of the officer(s) in-charge and his or her intention in following the laid down procedures and regulations. The set of rules laid below can serve as a guideline for any purchasing officer.
- The best value for the organisation's goods and services must be sought.
- There will be a documented process for all purchases, which allows for transparency of decisions and review of purchases.
- The conduct of procurement is subject to continuous auditing by the organisation and by external bodies such as the Board, Audit Officer and Stakeholders.
- Staff will ensure that they are not, or are not perceived to be in a conflict of interest with any supplier.
- Those staff who have, or may be perceived to have, a vested interest in the outcome of a purchase should disclose any conflict to their supervisor and discuss whether they should exclude themselves from any role in the purchase.
- Staff will be suitably skilled and qualified to attend to the completion of their purchasing and contracting role(s).

7. Reference:

Procurement Policy Document is adopted from "Sample Policies Manual" of The Pakistan Centre for Philanthropy.