RECOVERY & ACCESS TO COMMONLY BEST OPTIMISM-SOUTH SUDAN (RACBO-South Sudan)

PROCUREMENT POLICY MANUAL

This manual is the property of the Recovery & Access to Commonly Best Optimism-South Sudan (RACBO-South Sudan).

April 2018

Prepared By RACBO-South Sudan Board of Directors, 21st, 04, 2018

Email: racbonet@gmail.com
## 2. TABLE OF CONTENTS

### I. INTRODUCTION

3. A. General Procurement Policy
3. B. Procurement Responsibilities
4. c. RACBO-SS Policy

### II. PROCUREMENT POLICIES

4. A. Procurement Instruments
4. 1. Purchase Orders
4. 2. Consultant Agreements
5. 3. Sub-Project Contracts
5. B. Full and Open Competition
5. C. Use of Small, Minority, Women’s, and Disadvantaged Businesses
5. D. Sole Source Basis
5. E. Code of Conduct
6. 1. RACBO-SS Employees
6. 2. Members of the Board of Directors

### 6. III. POLICIES RELATED TO THE PROCUREMENT PROCESS

7. A. Purchasing Necessary Items
7. B. Lease versus Purchase Analyses
7. C. Procurement Authority
7. 1. Purchases and Contracts
7. 2. Prior Approvals
7. D. Procurement Records
8. E. Cost/Price Analysis
8. F. Formal Solicitation Process
8. 1. Bidders’ List
8. 2. Prepare Request for Proposals (RFB/Ps)
8.3. Distribute RFB/Ps
9.4. Review Bids/Proposals
9.5. Contractor Selection
9.6. Contracting
9.7. Monitoring Performance
I. INTRODUCTION

3. A. General Procurement Policy. The purpose of this manual is to establish the policies and procedures of the Recovery & Access to Commonly Best Optimism-South Sudan (RACBO-South Sudan) concerning the acquisition of goods and services. RACBO-SS’s procurement policies and procedures are designed to ensure timely, efficient, and economic procurement, within the guidelines of good business practices. Unless stated otherwise, these policies and procedures will apply to all procurement actions irrespective of funding source and payment method. All purchases and procurements shall be reasonable and necessary (i.e., no unnecessary items shall be purchased).

3. B. Procurement Responsibilities. It is the responsibility of the Executive Director to ensure the implementation of the policies and procedures in this manual. Specific procurement responsibilities are identified in the RACBO-SS By-Laws (January 2015):

“The Treasurer shall receive and disperse funds in accordance with the policies determined by the Board of Directors.” (Article 21, PART IV)

“Some or all duties of the Secretary and the Treasurer may be delegated in writing to one or more of the executive staff.” (Article 20, PART IV)

In accordance with these provisions, the Executive Director has been authorized to write and sign checks drawn against the accounts of RACBO-SS, up to the amount of (15,000 USD) per check, for the following administrative purposes:

- Payment of contractors with whom the Board of Directors has negotiated a contract, provided that the contractors have performed the work to the satisfaction of the Board;
- Payment of on-going or regularly recurring expenses of the organization, including, but not necessarily limited to, monthly rent, telephone charges, utility charges, and equipment rental fees;
- Purchase of office supplies, postage, and other expendable items, as required;
- Payment of salaries to any and all employees of RACBO-SS, as authorized by the Board of Directors;
- Reimbursement of expenses incurred by RACBO-SS employees, members of the Board of Directors, and any others, in performance of duties directly related to the work of RACBO-SS, provided that proper documentation is supplied;
- Purchase of equipment necessary for the operation of RACBO-SS offices, including, but not limited to, facsimile machine, computer systems, copy machines, and office furniture; and
- Any other incidental purposes as may arise for the orderly operation of RACBO-SS offices.
4.1. RACBO-SS Policy.

RACBO-SS will follow the policies set forth in this manual, except as it is deemed necessary to adhere to certain rules set forth by a specific donor. In the case of conflict, RACBO-SS will defer to the donor’s policies except if it could prejudice or liable RACBO-SS by such action. In such a situation, the Board of Directors will decide what further course of action to take. It is the responsibility of the Executive Director to bring any potential policy conflicts immediately to the attention of the Board of Directors.

II. PROCUREMENT POLICIES

4. A. Procurement Instruments. RACBO-SS uses three basic procurement instruments:

(1) Purchase orders,

(2) Consultant agreements, and

(3) Sub-project contracts.

It is the RACBO-SS’s policy to not use the "cost-plus-a-percentage-of-cost" or the "percentage of construction cost" methods of contracting.

4.1. Purchase Orders.

RACBO-SS will use a purchase order to procure small quantities of office supplies and equipment. Purchases will be made from vendors offering the best value in price, support services, and delivery procedures. Purchase orders are not used for consultant services and subcontracts, travel advances and reimbursements, monthly or periodic bills (e.g., rent, telephone, utilities, equipment leases, and maintenance agreements), minor recurring expenses (e.g., courier services), and items paid from petty cash. Purchase orders will be prepared by the Administrative Assistant, with the approval of the Executive Director, and should clearly describe the item(s) being purchased, the estimated purchase amount, and the purpose of the purchase.

4.2. Consultant Agreements. Consultant agreements are contracts with individuals (i.e., consultants or independent contractors in business for themselves, not bona fide companies and not RACBO-SS employees) for specialized services that cannot (either because of time or skill level) be performed by RACBO-SS employees. RACBO-SS will use a consultant agreement when the individual is performing a specialized type of work under a contract that clearly specifies the scope of work, rate and terms of compensation, time period of performance, deliverables, and terms of the agreement.

5.3. Sub-project Contracts. Sub-project contracts are contractual relationships for project-related services. RACBO-SS will use a sub-project contract when none of the other procurement instruments are appropriate and when the contract will have very specific responsibilities for a major component of RACBO-SS’s award. Normally, a sub-project contract is for large dollar amounts where each party is seeking terms and conditions that will protect both parties. The sub-project contract should clearly describe the scope of work, the rate and terms of compensation, the period of performance, deliverables, and terms of the agreement. RACBO-SS’s standard contract language
shall generally be used in establishing project contracts (see Attachment A), although a simple letter contract, which specifies the scope of work, the rate and terms of compensation, the period of performance, deliverables and terms of the agreement, may also be used in certain cases (e.g., short-term or lower cost contracts).

5. B. Full and Open Competition. RACBO-SS strives to ensure full and open competition, guarantee the objective performance of the contract, and eliminate the possibility for unfair competitive advantages. Proposal selection shall be based on responsiveness to the solicitation, price, quality, deadlines of delivery, warranties, accountability and fulfilment of the service, and other relevant factors.

5. C. Use of Small, Minority, Women’s, and Disadvantaged Businesses. RACBO-SS will make positive efforts to utilize small, minority business enterprises (MBE), women’s business enterprises (WBE), and disadvantaged business enterprises (DBE), whenever possible. To further this goal, RACBO-SS will:

- Make information available to MBE/WBE/DBE companies and encourage and facilitate their participation;
- Consider whether firms competing for larger contracts intend to subcontract with MBE/WBE/DBE companies;
- Encourage contracting with a consortium of MBE/WBE/DBE companies when a contract is too large for one of them to handle individually; and
- Use local Chambers of Commerce and their Small Business Administration to identify MBE/WBE/DBE companies.

5. D. Sole Source Basis. RACBO-SS reserves the right to award purchase orders, consultant agreements, or sub-project contracts on a sole source basis when there is a predominate capability, significant prior knowledge of RACBO-SS’s programs and program philosophy, and a prior history of fulfilling similar assignments successfully and timely. A written justification will be prepared and kept on file for any sole source procurement.

5. E. Code of Conduct. RACBO-SS requires full and open disclosure when dealing with procurement. As such, RACBO-SS employees and members of the Board of Directors must avoid strictly any conflict of interest or the appearance of a conflict of interest. RACBO-SS employees and the Board of Directors must at all times provide full disclosure of their actions or relationships with prospective vendors, contractors, or consultants. If there is the slightest doubt as to the propriety of a procurement action, then the Executive Director should be contacted immediately.

6. 1. RACBO-SS Employees. RACBO-SS employees shall not engage in conduct resulting in a real, potential, or apparent conflict of interest. A conflict of interest may arise when any action by a RACBO-SS employee, whether isolated, recurring, or continuous, is to the direct financial advantage of this employee, of their spouse, parent, or child or any other relatives. Employees shall not participate in the selection, final choice, or management of a contract, covered by donor funds, if a real, potential, or apparent conflict of interest would be involved. Such a conflict of interest would arise when any employee or any member of their family, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the
firm/organization selected for a final contract. RACBO-SS employees must at all times provide full disclosure of their actions or relationships with perspective vendors, contractors, or consultants. If any family member is to be employed or contracted, then prior approval from the Board of Directors is required. RACBO-SS employees shall neither solicit nor accept gratuities, favours, or anything of monetary value from contractors, sub-recipients, parties of sub-project contractors, or entities regulated by the states. RACBO-SS employees are, however, not allowed to accept gifts at of a nominal face value even if it is a 1 Dollar. As appropriate, either the Executive Director or the Board of Directors will be responsible for determining the disciplinary action that will be imposed for any conflict of interest violations according to “RACBO-SS ‘s Conflict of Interest Policy April 2018”

6. 2. Members of the Board of Directors. The Board of Directors shall not engage in conduct resulting in a real, potential, or apparent conflict of interest. A potential conflict of interest may arise when action by a Board member, whether isolated, recurring, or continuous, is to the direct financial advantage of this individual, or their spouse, parent, or child. As appropriate, the Board of Directors will be responsible for determining the disciplinary action that will be imposed for any code of conduct violations according to “RACBO-SS ‘s Code of Conduct Policy, April 2018”.

6. III. POLICIES RELATED TO THE PROCUREMENT PROCESS

7. A. Purchasing Necessary Items

Only items that are necessary for the efficient and effective operation of RACBO-SS will be purchased. This pertains both to items purchased for the indirect operations of RACBO-SS or direct project operations.

7. B. Lease versus Purchase Analyses. Where appropriate, an analysis will be conducted as to whether it is more cost effective or practical to purchase or lease a necessary item. This analysis will be performed by an appropriate member of the executive staff, the Executive Director, or the Administrative Assistant.

7. C. Procurement Authority. The authority to approve and execute procurement transactions on behalf of RACBO-SS is as follows:

7.1. Purchases and Contracts. Specific procurement responsibilities are identified in the RACBO-SS By-Laws (April, 2015):

“The Board of Directors may unanimously authorize any officer or officers, agent or agents to enter into a contract or execute or deliver any instrument in the name of and on behalf of RACBO-SS and such authorization may be general or confined to specific instances. In the absence of other designation, all contracts, sub-grants, or similar instruments shall be executed in the name of RACBO-SS by the Chair and the Treasurer; and when so executed, no other party to such instrument or any third party shall be required to make any inquiry into the authority of the signing officer.” (Article 17, PART III)

“The Treasurer shall receive and disperse funds in accordance with the policies determined by the Board of Directors. Some or all duties of the Secretary and the Treasurer may be delegated in writing to one or more of the executive staff.” (Article 20 and 21, PART IV). In accordance with these
provisions, the Executive Director has been authorized to write and sign checks drawn against the accounts of RACBO-SS, up to the amount of (15,000 USD) per check.

7.2. Prior Approvals.

Before proceeding with project purchases of goods or services, prior written approval may be required by the donor. For example USAID department for International development and some other donors require prior approval for all equipment purchases, and any subcontracts and sub-grants that are awarded under their grant or contract. Prior written approval is considered to have been provided if the item of cost requiring prior approval has been detailed in the proposal’s project description and budget, and it is incorporated into the budget of the final award. Supplies, materials and general support service contracts, of a recurring, administrative nature, do not require prior approval. Assistant under direction of the Executive Director, No procurement will occur without the required prior approval.

7. D. Procurement Records. For each procurement action, the Administrative Assistant shall maintain a procurement file with the following information:

- Signed copy of the procurement instrument (e.g., contract or purchase order);
- All amendments to the procurement instrument;
- Copies of all bids and offers;
- All purchase specifications including delivery requirements;
- Cost/price analysis that was the basis for the award cost or price;
- As applicable, a written justification as to why sole source or minimum competition was used;
- Written explanation as to why the winning contractor was selected; and
- Upon completion of the contract, written comments regarding the quality of the vendor’s services and guidance and recommendations regarding potential future work.

As stated in the Property Management Policy Manual, the Administrative Assistant shall maintain a property control log.

8. E. Cost/Price Analysis.

Cost/price analysis will be conducted for each procurement action. The cost analysis shall consist of a review and evaluation of each element of a cost proposal to determine its reasonableness, allocability, and allow ability.

The price analysis shall consist of comparing price quotations, market prices, and similar information. If a cost/price analysis is performed away from the RACBO-SS offices (e.g., state employees on behalf of RACBO-SS), then that procurement shall not be initiated until copies of the cost/price analysis has been received by RACBO-SS.

A formal solicitation must be conducted for each procurement greater than (or equal to) 5,000 USD. This solicitation will be performed in accordance with the following steps:

8.1. Bidders’ List. RACBO-SS will prepare and maintain an up-to-date list of qualified and capable individuals and contractors throughout Northern Bahr el Ghzal. The bidders’ list is maintained in the RACBO-SS main & sub- office and will be updated on a frequent and regular basis as additional firms/enterprise submits qualifications and expressions of interest.

8.2. Prepare Request for Bids/ Proposals (RFB/Ps): Upon approval by the Board of Directors, the Executive Director shall prepare RFB/Ps in consultation with the appropriate RACBO-SS Committee and the Project Team. Each RFB/P will contain the following information:

- Brief statement of purpose or intent
- Clear statement of the products or services required in sufficient detail to allow the preparation of a responsive bid
- Clear statement that the contracting agency will be RACBO-SS;
- Date and time by which Bids/proposals must be returned;
- Statement that all procurements will be in line with RACBO-SS Procurement, a copy of which will be provided on request;
- If applicable, statement that those public and quasi-public firms will be allowed to submit bids in competition with private firms;
- Evaluation criteria; and
- Any other information which it may be necessary or desirable to provide.

8.3. Distribute RFB/Ps. RACBO-SS will send RFB/Ps by mail, electronic mail, or hand delivery to all firms on the bidders’ list and or display it on public note board. RFB/Ps will also be sent to any other firms, non-profit organizations, or public agencies which express an interest in submitting a bid/proposal; show evidence of sufficient qualifications and experience to submit a serious bid/proposal; and meet the criteria for contractors.

9.4. Review Bids/Proposals. All bids/proposals will be reviewed by the Executive Director, the Project Team, the appropriate RACBO-SS Committee, or other appropriate individuals using standard evaluation criteria, such as price, quality, delivery terms, contractor integrity, financial and technical resources, accessibility to other necessary resources, and record of past performance. Any reviewer who has been an employee of any of the enterprise/organizations submitting bids/proposals, or who is directly related by blood or marriage to a senior employee of any organizations submitting Bids/proposals, shall notify the Executive Director of this, and, at the discretion of the Executive Director, may be excluded from participation in the review process. A ranking sheet (see Attachment B) should be completed by the reviewers and returned to RACBO-SS. At its discretion, the RACBO-SS Committee may interview one or more of the applicants.
9.5. Contractor Selection. The Executive Director in consultation with the appropriate RACBO-SS Committee and the Project Team will be responsible for selecting a contractor. Written documentation of the review process, including all ranking sheets, and the basis for contractor selection shall be prepared by the Executive Director and maintained in the RACBO-SS main office. If the recommendation does not represent a consensus, then any minority positions shall be recorded. No procurement will be made from a contractor identified on the General Services Administration maintained "List of Parties Excluded from United Nations Procurement and Non-procurement Programs."

9.6. Contracting. Once the selection has been made, the Executive Director will negotiate a contract with the selected enterprise/organization. The contract will adhere to the requirements of RACBO-SS and will be signed by a duly authorized officer or representative of the contracting enterprise/organization and by the Chairman and Treasurer of RACBO-SS. Prior to forwarding the procurement instrument for signature, the Executive Director shall verify that funds are available to cover the costs of the procurement, and review the reasonableness of the payment provisions.

The Administrative Assistant is responsible for obtaining the appropriate signatures and forwarding a final, original, signed copy to the contracting enterprise/organization.

9.7. Monitoring Performance. The Executive Director, an appropriate member of the executive staff, or the Administrative Assistant shall be responsible for monitoring the implementation of the procurement instrument and shall ensure the fulfilment of all written requirements. If the contracting enterprise/organization violates any of the terms or conditions of its award, then RACBO-SS’s responsible party shall notify the Executive Director immediately. The Executive Director is responsible for taking appropriate corrective action.

The Administrative Assistant shall provide RACBO-SS’s responsible party with sufficient advance notice about the date and hour of each delivery of goods, and shall prepare all the necessary conditions for receiving a delivery. Upon delivery, RACBO-SS's responsible party shall check the type and amount of delivered goods or services by noting them on the back of the delivery form. If a delivery is not in compliance with the terms of the procurement instrument, unless it is within normal commercial practices and there is no evidence of violation of any policies, then the Administrative Assistant shall be advised. The Executive Director, in conjunction with the Administrative Assistant, is responsible for taking appropriate corrective action.

The end