PROCUREMENT POLICY

OF

Center of Participatory Research and Development-CPRD

Adopted in January 2017

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This document has been approved by 21th Executive Committee Meeting of Center for Participatory Research and Development-CPRD

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7. Procurement Policy

1. Rules to follow for Product/ service purchase, construction/ innovation, development

1.1. Purchase Requisition and Budget Approval

a. Purchase requisition and appropriate budget must be submitted against each purchase.

b. Purchase requisition should be submitted to the budget holder associated with account department

c. Permission must be taken from the chief executive for all types of purchase.

d. Purchase requisition should mention clearly the name of the person or sector for whom or which the product/ service will be purchased.

1.2. Purchase committee with terms and condition

a) If purchase demand exceeds the amount of 10,000 BDT, A three members committee will be formed in combination of Programme and finance staffs and their TOR will be as bellow .This is subject to approval of EC and CE.

b) The committee will call for tender or quotation at different vendor/ supplier level. Tender-providers' seal and mobile number along with their signature are required in the office's copy of tender or quotation. The committee is responsible to submit an assessment report to The Chief Executive of CPRD for approval.

c) The committee is responsible to disburse work order/Purchase order on organization's letter head hard copy or soft copy with the sign of Chief Executive of CPRD.

d) The Committee is also responsible to ensure all Vat and Tax related issues during purchase (according to Vat, Tax Rules of Bangladesh Government)

e) The committee is responsible to confirm that all Financial Transaction above BDT 10,000/- (Ten Thousands) shall be made through Account Pay Cheque.

f) To whom the tender/quotation will be given, each of them should have different address for their store/organization.

g) Associated vendor/ supplier should have government approved trade license along with their owner/ organization's account in public and private bank, which must be considered appropriate by the purchase committee. Moreover, they need to be registered by Vat and Tax authorities, or proof of regular Vat and Tax payment, and a recent copy of trade license should be attached with the tender or quotation. If any vendor/suppliers don't have trade license, they can be appointed with prior permission of the chief executive.

h) Vendor/ Supplier's tender or quotation will not be acceptable if it will be written in any other white paper rather than their official pad. While providing tender or quotation, the price of the products can be with or without adding VAT or Tax. In the final Purchase committee assessment sheet and while the vendor submit the bill, VAT/ Tax will be added accordingly.

i) At a particular date and time all the members of the committee should evaluate the tender or quotation and select the one on the basis of quality, price and energy efficiency of the product in a transparent method. If the committee don't get satisfied with the price, energy efficiency, they can cancel the tender/quotation. And the vendor/ supplier can't oppose the decision.

j) If the purchasing price is more than 15,000 BDT then two quotation and for more than 30,000 BDT three quotation are required. If necessary then the head of the purchasing committee and one other member of the committee can collect the quotation from the field. If the price exceeds the amount of 4 lakhs BDT, then it is necessary to give a purchase advertisement at national daily newspaper (in case of Dhaka) and local newspaper (in case of any other citied than Dhaka). The papers have to be well recognized and approved by the chief executive.

k) The committee will make a comparative analytical report with necessary paper and will recommend the deserving tender/quotation with an assessment sheet in a meeting.

l) Any two employee can buy products without quotation if the price is within 15,000 BDT.

m) The power of tender or quotation assessment / providing notice/ approving bill is entitled to the chief executive.

n) In case of product purchase from branded products' showroom, quotation is not necessary but committee and notice are required.

o) Authorities have the right to cancel any notice without any reason. No one can make objections or refund application against any cancellation. This condition needs to be mentioned in all papers.

p) Product/ service can't be purchased from any vendor/ supplier who might be any employee's relatives (father, mother, brother, sister, paternal/ maternal uncle, paternal/maternal aunty, in-laws, cousins or any close neighbors).

q) Any employee of Finance and Accounts department (persons involved with financial activities) and audit department cannot buy any product/ service directly.

2. Before Bill Payment

2.1. After completing purchase

a. Accounts/ Finance/ Admin department should confirm bill, invoice and notice.

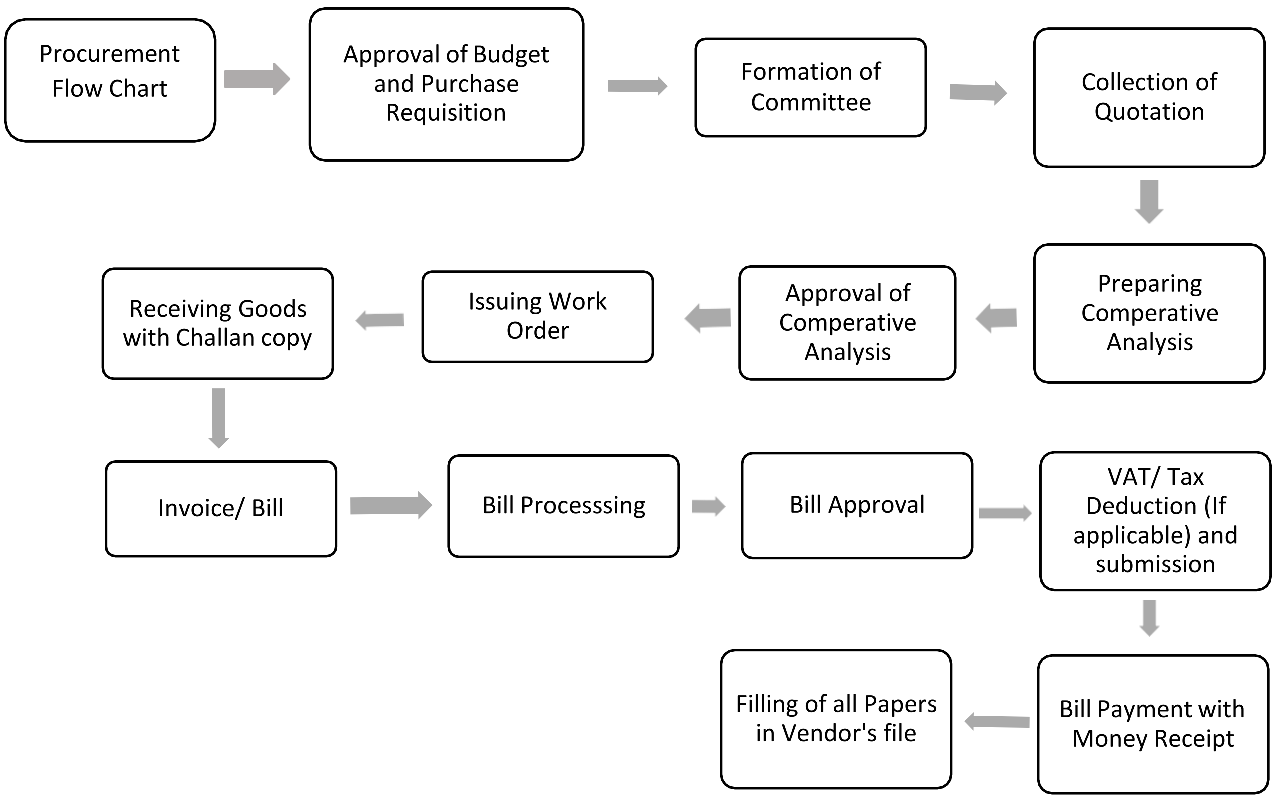
b. Admin department should check the quality of the product after receiving.

c. Vendor/ supplier must submit bill, invoice to the organization within 30 days of finishing duties; otherwise organizer has the right to cancel the bill.

d. Finance and accounts department must check whether the activities of the purchase committee is going according to the organization's policy or not, and whether any bill is repeated or not.

e. If the purchase is property relevant, then the admin departments duty is to check whether the property information is right or not, whether it is registered or not and to decide the id no. of the property.

f. Accounts/ admin department will check the following procedures-



g. Before submitting bill, accounts/admin department have to confirm the following documents-

i. Procurement Requisition,
ii. Committee Formation,
iii. Required Quotations
iv. Approved Comparative Analysis,
v. Work/ Purchase Order,
vi. Goods Receiving Notes,

vii. Invoice/ Challan,
viii. Bill processing and approval,
ix. VAT and Tax etc.

These above mentioned steps have to be completed accordingly.

2.2. Each bill amounting above BDT 10000 has to be submitted through A/C Payee Cheque with the name of the organization or associated owner.

2.3. According to suppliers/ vendors requests or terms and conditions and approval of chief executive, maximum 50% of the amount mentioned in the quotation/ tender can be paid as an advance. During the Bill Payment period, accounts department can only pay the whole amount if the suppliers/ vendor complete their 100% tasks as their quotation or tender.

2.4. After purchasing a product, it has to be documented in the store/ property register and in case of properties id no. has to be mentioned.

2.5. At last, accounts and finance department will end the process after mentioning the Cheque number and providing date, photocopy of the Cheque, Cut off Vat and Tax along with a signature on the bill.

3. Reserving Vendor/ Supplier's File

3.1. File has to be reserved separately based on the vender

3.2. After clearing the bill, only bill, money receipt, photocopy of cheque will be in the vendor's file. All main papers has to be reserved along with the accounting voucher

3.3. There must be a top sheet on the vendor file.

4. Selection of Annual Supplier (In terms of retail product purchase)

4.1. Providers can be selected at the division/district/upazilla level

4.2. Retail products mean- fuel, photocopy, stationary item, IT products (such as- printing katriz, keyboard, CD/DVD, mouse, pen drive, laptop charger, battery etc.).

4.3. Chief executive will form a three member committee, and those who will select provider for retail products; these will be expired after one year.

4.4. The committee will submit a report to the associated office supervisor after justifying product's quality and price twice a year,

4.5. Organization has the right to reject any supplier prior to 7 days of informing. This condition has to be mentioned in the contract agreement.

5. To Cut off VAT / Tax and Deposit Money

5.1. Vat/ Tax has to be cut off according to government rules. After giving the bill, the vendor/ supplier has to ensure money receipt and revenue stamp. If any supplier submit their VAT/ Tax through Government Treasury Challan, then no need to deduct VAT/Tax but the photocopy of submitted Challan must be kept in record.

5.2. The supplier's cut off Vat and Tax must be submitted at the required branch of Bangladesh Bank/ Sonali Bank through treasury Challan. For Vat it has to be within 15 days, for Tax it has to be within 1 month. The main copy of the Challan has to be reserved at the VAT/Tax's file and the photocopy has to be reserved with the accounting voucher.

5.3. The account and finance department has to pay the VAT/Tax through cash or cheque.

5.4. The accounts and finance department will inform all of the office staffs about the recent policy of government's VAT/ Tax related issues through proper circular.

6. In case of fulfilling donor agency's project, it is necessary to follow the donor agency's procurement policy. But while implementing a project, with prior permission of the chief executive, this policy can be modified as per required.

7. If any colleague or the purchasing committee violate any rules of the policy then proper actions, according to human resource policy, will be taken against them.

CENTER FOR PARTICIPATORY RESEARCH AND DEVELOPMENT-CPRD
DHAKA, BANGLADESH