



FIELD READY TÜRKİYE

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PROCUREMENT

MANUAL

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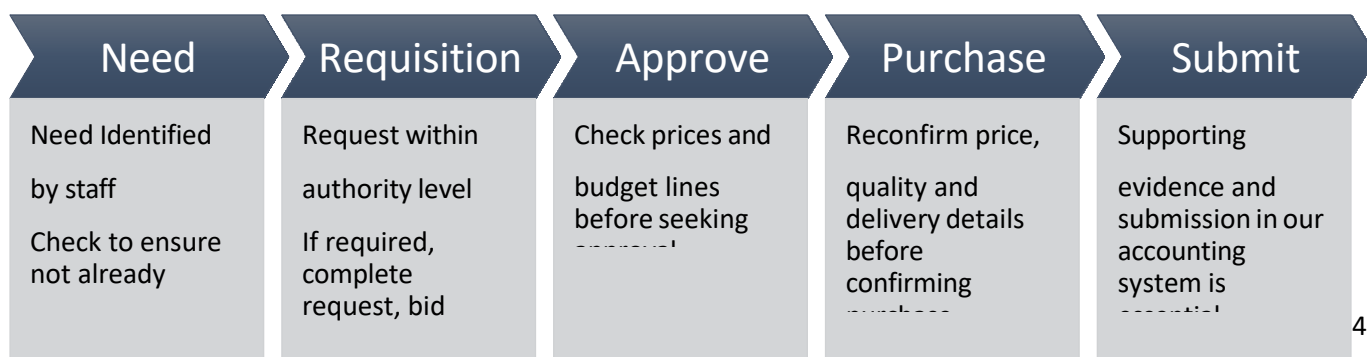
Table of Contents

Standard	4
Definitions	5
General Provisions	5
Procurement Procedures	7
Procurement Process	10
Payment Procedures	11
Procurement Code of Conduct.....	11
Equipment and Inventory	13
Procurement Documentation Flow Chart	15

Standard

Field Ready Türkiye will source goods, services and construction works that provide good value (balancing quality, time and total costs) for our programs and accountability to those we serve, through procurement processes which are fair, transparent and in compliance with donor rules and applicable laws. This policy applies to all Field Ready Türkiye staff, volunteers and partners that are procuring or in any way involved in the procurement of goods, services or construction works with Field Ready Türkiye funds.

For the purposes of this handbook, procurements are defined as purchases made to support either overall operations or program-specific activities, whether existing or planned. This includes normal and customary purchases of any value (for example: equipment, materials, office supplies, fuel, printing, and other items). Because of the varied nature of Field Ready Türkiye's programming and operational structure, procurement responsibilities may fall to different staff members. Senior managers must review all requests for purchases and should understand Team Member's purchase request (regardless of dollar amount) to ensure that the purchase is included in the budget and that the four basic tests (completeness, validity, accuracy and maintenance) are met. If it fails to meet these controls, the request will be denied. The basic procurement process is as follows:



Definitions

Goods	Tangible products or items that are being taken into Field Ready Türkiye's possession, such as Assets, vehicles, etc.
Services	Support or activities provided by another organization to Field Ready Türkiye, such as utilities, freight, vehicle rental, accommodation, communications, airtime, technical assistance, and audits/reviews by companies on a consultancy basis. "Services" does not include contracts with individuals as consultants, which are covered by HR recruitment processes.
Construction Works	The creation or repair of buildings.

General Provisions

Purpose

This procedure establishes guidelines for the process by which employees can request the purchase of goods and services. These rules may be superseded or adjusted if a donor agency's procurement requirements differ from those stipulated in this manual. The process begins with the initiation of a Purchase Request Form and ends with the payment of an invoice.

Persons Affected

This procedure applies to all employees authorized to initiate purchase requisitions, procurement personnel, finance staff, and suppliers.

General Procedures

1. All procurements must be transparent using an open procurement process wherever possible and must ensure equal treatment of suppliers, without discrimination or favoritisms.
2. Procurement must be compliant with donor regulations, in particular, it must be based on justifiable needs and in line with the objectives of the project or program.
3. Procurement must only be carried out if funds are available for the proposed procurement and it is approved by the relevant budget holder.*

** 'Budget holder' means a person to whom the power to authorize expenditure commitments has been delegated via the Scheme of Delegation. It is the responsibility of the person delegating the authority to be sure that the budget holder is: competent; aware of what is budgeted for and remaining funds; and aware of these rules on procurement and relevant donor rules. Budget holders shall be responsible, within their delegated authority, for ensuring that:*

- ✓ *Procurement is based on justifiable need and in line with the objectives of the project or program.*
 - ✓ *Enough time is built into the project plan for the relevant procurement process.*
 - ✓ *This procurement policy and appropriate procurement procedures as set out above have been followed before giving the authorization to purchase.*
 - ✓ *There is a budget for the proposed procurement and there are sufficient remaining funds within the project budget to include all costs associated with the item including transport, storage, distribution, servicing, and running commitments.*
 - ✓ *Procurement plans are developed with all relevant project proposals to ensure accountability to beneficiaries and that project deliverables are achievable, and approval for any necessary exceptions is obtained prior to the grant being awarded.*
4. No procurement commitment should be made for a longer period than appropriate having regard to the life cycle of the grant, risk of project cancellation, and other external factors.
 5. Local procurement is preferred to have a positive impact on the environment, presuming it is good value for money and quality can be assured. International procurement should be considered when goods and services required are not available on the local market to the right quality, quantity or timeframe in line with the project needs.
 6. If legislation or donor rules are stricter than the rules or guidance in this policy, then the stricter rules must be followed in addition to these rules.

Responsibilities

1. The Procurement Manager shall ensure compliance with this procedure.
2. Employees are expected to select the most current Purchase Request Form and adhere to the guidelines of this procedure when making the purchase requisitions. Employees should obtain necessary approvals from their management and from the Finance Office prior to submitting the Purchase Request Form to the Procurement Manager.
3. The Program Manager (if applicable) and the CEO shall approve within the limits prescribed in this procedure for program-related expenditures. Approval means attesting that the purchase is a lawful, legitimate, and necessary expenditure of project funds; and that it's within the budget;
4. The Procurement Manager shall review all incoming Purchase Request Forms to ensure that they are completed in accordance with the current purchasing policies and procedures. The Procurement Manager shall return any discrepant Purchase Request Forms to the requesting employee for correction.
5. The Procurement Manager shall request written quotations, solicit bids, review bid packages, select a supplier, and monitor the receipt of the supplies in accordance to the guidelines presented in this procedure.
6. The Procurement Manager shall process the receiving documentation and generate the paperwork to authorize payment to the appropriate supplier.

Procurement Procedures

1. Thresholds have been put in place to ensure proportionality between the procedures followed for awarding contracts and the value of the contract; these are designed to mitigate organizational risk. The table below sets out the procedures that need to be used relative to the financial value of the purchase.

Procedure	Goods and Services
Open International Tender	\$150,001 +
Open Tender	\$10,001 - 150,000
Formal Quotations (Closed Quotations)	\$5,001 - 10,000
Simple Quotations (min. 3)	\$1,001 - 5,000
Single Quotation	\$151 - 1,000
Invoice / Receipt (Petty Cash)	\$0 – 150

The procedures for each threshold are implemented as follows:

- **Open International Tender** means a tender open to any company or individual within and outside the country of the program. The tender must be advertised on an international basis.
- **Open Tender (either local or national)** means a tender open to any company or individual in the area of the program, and if appropriate nationally. The buyer must advertise the tender locally and can choose to advertise it nationally and outside the country as well if appropriate goods are not available.
- **A Formal Quotation** process requires a quotation from at least 3 suppliers to be returned on a signed and stamped form, or on the official headed paper / email of the supplier.
- **A Simple Quotation** process requires quotes from at least 3 suppliers; these can be taken from a company catalogue, returned on a signed and stamped quotation form, or on official headed paper / e-mail of the supplier.
- **Single Quotation** means a quote from at least one supplier; this can be written by the supplier or from their catalogue.

A procurement contract refers to a legally binding agreement with a supplier to provide goods and/or services to Field Ready Türkiye. Purchase orders, short term contracts and framework agreements are all types of contract, and should have the relevant terms and conditions attached.

Contracts should normally be for 2 years or less in duration at country or regional level. A framework agreement refers to a legally binding agreement with a supplier to provide goods and/or services over a fixed period of time. The terms and conditions of supply are fixed, but the quantities to be procured and delivery schedules are not fixed and will be determined as and when the program needs the goods and/or services.

It should be noted that:

- The values apply to the estimated cumulative value of goods or services to be procured over the life of a contract or framework agreement and are not an annual value.
- The values include the value of goods as well as the supplier's/agent's fee should that be applicable.
- Purchases must not be split to avoid the appropriate procurement procedure.
- The threshold values are the maximum values to be used; stricter limits should be put in place locally where appropriate.

2. Procurement should be planned – all proposals with a procurement value of over 50,000 USD must have a procurement plan completed at proposal development stage in line with the relevant activity/work plan.
3. A discussion and decision on specifications, quality standards and the key criteria for selecting suppliers should be taken before the procurement, and requirements should be outlined in the request for quotations or tender documents to enable genuine competition.
4. Goods and services must be fit for purpose, and quality standards and specifications must conform to relevant international safety standards.

The relevant international safety standards will depend on the goods or services you are buying.

It should be noted that:

- When procuring Field Ready Türkiye standard products, the goods should comply with the specifications and quality standards set out in the Standard.
 - Products Catalogue.
 - New vehicles and other equipment, where applicable and possible, should be bought from a reputable international recognized manufacturer or its official local dealership, and have a standard manufacturer's warranty all equipment should be bought new.
 - All construction of transitional, permanent and semi-permanent buildings must be safe and the buildings structurally sound for the purpose they are designed.
5. Reasonable time must be allowed to carry out the required procedure and to give suppliers time to prepare and submit their quotations or bids. Tenders must allow a minimum of 15 days for submissions of supplier bids; for International Tenders this should be a minimum of 30 days.
 6. The procurement must be awarded to the supplier offering the best value for money after considering the criteria for procurement, which may include areas such as:
 - ✓ Price
 - ✓ Quality and compliance with specifications
 - ✓ Timeframe and availability
 - ✓ Reliability and after sales service
 - ✓ Financial and technical capacity
 - ✓ All associated costs (including transport, storage, customs, local taxes, additional costs due to long lead-times).
 - ✓ Payment terms.
 - ✓ Use of local resources where possible and appropriate
 - ✓ Donor requirements, with particular attention to rules of nationality and origin where relevant.
 7. For single purchases, contracts or framework agreements where the estimated value requires a Formal Quotation process or Tender, a procurement committee must be formed to evaluate the bids. This committee should be made up of a minimum of 3 staff to ensure accountability. The committee will select the supplier which they believe provides the best value for money based on the evaluation criteria. Tender committees for Open and International Tenders should happen as a meeting to review all bids. In all cases, the recommendation must be documented and signed off by all members of the committee promptly, and then endorsed by the Director. The procurement person who has been responsible for managing the tender/quote process cannot be a voting member of the procurement committee.
 8. All suppliers should be treated in a professional manner. Staff involved in the procurement process must declare in writing to the budget holder (or if they are the budget holder, to their line manager) any personal connection to suppliers before supplier selection, to avoid any conflict of interest and excuse themselves from

the procurement process.

9. Any proposal put forward by a supplier that is known to have engaged in corrupts, fraudulent, collusive or coercive practices must be rejected.
 10. Bribery of any sort is unacceptable. Suppliers must be discouraged from giving gifts of goods or services to individuals working for or with Field Ready Türkiye, their family or friends, and high value gifts should not be accepted.
 11. Payment: a clear authorization must accompany the payment for any goods or services procured and a record should be kept of the procurement at the relevant office.
- Advance payments to suppliers are not encouraged; as it is rarely necessary if the most appropriate supplier is chosen (i.e. the supplier's financial capacity is a criterion in their selection). Where an advance is absolutely necessary, it must only be for purchase of raw materials and not for labour services, and authorization should be obtained from the Director.

Exceptions and Breaches

In specific situations outlined below, exceptions to the relevant procurement procedures may be considered. These exceptions, as detailed under the possible waiver criteria, include political considerations and alignment with foreign assistance program objectives. However, it is crucial to emphasize that, under no circumstances, can goods or services be procured from countries subject to foreign policy restrictions.

Procurement procedures need not be followed in the instances outlined above, particularly if it is impractical to do so. Instead, alternative procedures may be employed, with the exception of the Invoice/Receipt procedure, which cannot be used under this circumstance. For each occasion requiring an exception, prior written approval must be obtained from the Director. Additionally, donor approval is mandatory if applicable.

If the procurement necessitates an exception from donor procurement rules, the application for exception should be submitted with the award, prior to undertaking any procurement activities. It is imperative to thoroughly document the reason for the exception and retain this documentation alongside the written approvals."

Situations where an exception is allowed are:

- When following the process would prevent Field Ready Türkiye meeting urgent humanitarian needs.
- Where following the process would cause a delay that would compromise security of Field Ready Türkiye staff and assets.
- If the time given for the procurement is too short due to factors outside Field Ready Türkiye control (e.g. late donor funding, delays due to security) and will result in an inability to operate. Failing to plan is not an acceptable reason for an exception.
- Where there is an evidenced local restriction on imports which prevents international procurement.
- Where there is a sole source supplier situation, in other words, insufficient suppliers to meet the minimum quotation requirements of 3
- Where a donor wishes to impose an obligation on Field Ready Türkiye which conflicts with (as opposed to stricter than) this policy.
- When the goods or services are needed to complete a project, and it would not be appropriate to get a different supplier to finish it as to do so would mean the project could not be completed (provided that the total amount of additional supplies, works or services does not exceed 50% of the value of the initial contract).

Exceptions must not be requested to:

- Avoid competition.
- Reduce administration.
- Give further work to a supplier because they have won a tender before.

1. Breaches of this procurement policy must be reported and investigated. Serious and consistent breaches may be considered malpractice and, if these are discovered or suspected, they must be dealt with in accordance with the Fraud and Dishonesty Policy and the Code of Conduct using the appropriate disciplinary procedures.

Procurement Process

There are Four key documents that should be used when undertaking any procurement:

Purchase Request (PR)

An internal document used to request purchases by certain party or a particular section to material or service is non-existent with the organization in order to be sent to the Procurement Section to assess the possibility of purchase by an approved supplier or direct purchase from the market after getting quotations and convert purchase request to purchase order.

Bid Analysis (CBA)

Procurement plans must be based on project funding and pre-approved by the Director. In instances when procurement at least three (3) bids from different vendors shall be obtained using a basic tendering process. This is to be conducted in a manner to ensure maximum practical competition among suppliers. Team Members must summarize these bids using a Bid Analysis Form. This analysis along with the bids themselves should be attached as supporting documentation in our cloud-based accounting system. As noted above, some donors may require this process to be undertaken for smaller procurements. In this case the donor requirements must be fulfilled. In instances where multiple vendors/suppliers are not present or cannot fulfil the needed items or services, a "Sole Source" justification should be provided using the same Bid Analysis Form.

Purchase Order (PO)

The PO is an external document used to place orders with suppliers and is the commitment to spend, it becomes a contract binding on both parties.

Purchase orders should be raised for all procurements regardless of size or means of payment (cheque, cash, bank transfer). POs should only be raised once the price of goods or services has been determined through the appropriate procurement process and a supplier selected.

A purchase order sets forth the descriptions, quantities, prices, discounts, payment terms, date of performance or shipment, other associated terms and conditions, and identifies a specific seller.

Goods Received Note (GRN)

A GRN should be used to acknowledge the receipt of goods from a supplier. It should be completed upon delivery by the person who receives the goods, i.e. the “receiver”. This person is responsible for checking what is received against the details on the PO – including confirming that the appropriate quantity and quality of goods has been received.

Ideally this person should be someone from the department that requested the goods, and not the person who ordered them.

Payment Procedures

Before delivery

- 1) A Vendor shall submit a signed and stamped pro-forma invoice to the Procurement Manager.
- 2) The Procurement Manager shall assemble the file documentation, including the Purchase Request Form, Payment request Form, and invoice and submit to the Finance Office.
- 3) The Finance Office shall complete the payment procedure and submit a copy of the wire transfer to the Procurement Manager.

After Delivery

- 1) A Vendor shall deliver the goods/services and submit a signed and stamped invoice to the Procurement Manager
- 2) The Requesting Employee and/or Procurement Manager shall inspect the quality/quantity of goods.
- 3) The Procurement Manager shall assemble the file documentation, including the Purchase Request Form, Payment request Form, and invoice and submit to the Finance Office.

Maintenance of Procurement Files and Records

The Procurement Manager shall maintain the following documents in the procurement file:

- a. A list of suppliers including contact details;
- b. Purchase Request Forms (Annex 1), Payment Request Forms (Annex 2), copies of wire transfers submitted by the Finance Office;
- c. Request for Quotations (Annex 3)
- d. Competitive Bid Analysis Sheets (Annex 4)
- e. Correspondence and agreements with suppliers.

Procurement Code of Conduct

Conflict of Interest Policy

Conflicts of interest may arise when any Field Ready Türkiye Organization employee has a financial, family or any other beneficial interest in the vendor firm selected or considered for an award. No Field Ready Türkiye Organization employee shall do business with, award contracts to, or show favoritism toward a member of his/her immediate family, spouse's family or to any company, vendor or concern who either employs or has any relationship to a family member.

Competition Polic

- 1) All procurement transactions are conducted in a manner that provides, to the maximum extent practical, open and free competition.
- 2) In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors who develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals shall be excluded from competing for such procurements. Awards shall be made to the bidder or officer whose bid or offer is responsive to the solicitation and is most advantageous to Field Ready Türkiye Organization, taking into consideration price, quality, and other relevant factors.
- 3) Whenever possible, Field Ready Türkiye Organization shall provide positive efforts to utilize small business, minority-owned firms and women-owned business.

Procurement Guidelines

- 1) To ensure (grant) funds are used efficiently for their specified purpose and to document procurement transactions:
 - a. Employees shall purchase only those items necessary for the (grant) funded projects.
 - b. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which option is the most economical and practical expense for the project.
- 2) Vendors of goods and services shall provide the following:
 - a. All vendors must comply with Field Ready Türkiye's Anti-Fraud, Anti-Terrorism and Anti-Corruption Policy. These state, among other things, that Field Ready performs due diligence to ensure that vendors and partners are not affiliated with any terrorist organization/entity sanctioned or restricted by the US Federal Government or the United Nations. The team member raising/entering the vendor detail (i.e., not the finance staff) should carry out the background check to ensure that these conditions are fulfilled and attach evidence of this background check to the bill. Specifically:
 - I. **Terrorist Financing:** Field Ready Türkiye cannot procure from firms/individuals who are considered
 - II. "Specially Designated Nationals". Refer to: www.treasury.gov/offices/enforcement/ofac/sdn
 - III. **Excluded Parties:** Field Ready Türkiye vendors must be eligible for US Government contracts and must not appear in the registry of "Lists of Parties Excluded from Federal Procurement and Non- Procurement Programs." Refer to: www.dol.gov/ofccp/regs/compliance/preaward/debarlst.htm
 - Iç. **Source-Origin-Nationality:** Under no circumstances may goods or services be purchased, supplied from, contain any parts from, be manufactured in, or be shipped through any "foreign policy restricted countries." The Office of Foreign Assets Control of the US Treasury (OFAC) administers a number of different sanctions, blocking the assets and restricting trade to accomplish US foreign policy and security goals. Refer to: <https://home.treasury.gov/policy-issues/financial-sanctions/consolidated-sanctions-list-data-files> the list is searchable at: <https://sanctionssearch.ofac.treas.gov/> The United Nations Security Council also maintains a sanctions list. Refer to: <https://www.un.org/securitycouncil/sanctions/information> for information.

This list is searchable at: <https://scsanctions.un.org/search/>

- b. A clear and accurate description of the technical requirements for the materials, products, or services to be procured. Such a description shall not contain features which unduly restrict competition.
- c. Requirements which the bidder/officer must fulfill and all other factors to be used in evaluating bids or proposals.
- d. The specific features of “brand name or equal” description that bidders are required to meet when such items are included in the solicitation and are required by donor organization.
- e. Some form of cost or price analysis shall be made and documented in the procurement files in connection with every procurement action. Price analysis may be accomplished in various ways,
- f. comparison of price quotations submitted, market prices and similar indicia, together with discounts. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability and allowability.

3) Preference, to the extent practical, and economically feasible, shall be given to products and services that conserve natural resources, protect the environment, and are energy efficient.

4) Sole Source / Non-Competitive Procurement

Where the tendering process has been waived in favor of non-competitive procurement a contract may need to be negotiated with the supplier and approved by the funder. Field Ready may wish to enlist the funders and senior manager's advice and assistance in developing a contract through negotiation. Any proposed sole-source procurement should include a Sole Source Justification (Field Ready Türkiye uses the “Bid Analysis Form” for this purpose). In the absence of prices determined through competition certain factors should be considered in establishing a

fair market price. These may include published price lists, established commodity market prices, and recent prices paid under comparable supply conditions. For established partnerships (e.g., where Field Ready Türkiye is working to create and build the capacity of local manufacturing), sole source justification is inherently in place.

Ineligible and Restricted Goods in Procurement

a. Ineligible and Restricted Goods

These goods cannot be procured under any circumstances. Such items include:

- Luxury goods and gambling equipment
- Weather modification equipment
- Military or Surveillance Equipment
- Commodities and services for support of police or other law enforcement activities
- Other goods as defined by project donors.

b. Restricted goods

In line with US government regulations, restricted goods require review by senior management, such items include:

- Motor vehicles (includes cars, buses, motorcycles, scooters)
- Pharmaceuticals
- Used Equipment

- US Government-owned excess property
- Agricultural commodities
- Pesticides
- fertilizer

Equipment and Inventory

Field Ready Türkiye will maintain adequate controls and reporting to ensure the protection and wellbeing of the physical assets entrusted to its care. If a conflict arises between Field Ready asset policies and procedures and donor requirements, the more stringent of the two will prevail. This will be supplied by field locations and maintained by the Finance Lead. Property falls into three categories:

- Non-expendable property: Tangible personal property having a useful life of more than two years and a cost more than \$500 or more per unit (such as computers).
- Expendable property: Tangible personal property other than non-expendable personal property (i.e. less than \$500 per unit), such as furniture, mobile phones and other consumer electronics.
- Real property: Land, including land improvements, structures, etc., but excluding machinery and equipment.

A property listing (inventory) for each program/site must be maintained which includes all non- expendable and expendable property. The following information for each item is gathered in a spreadsheet that includes:

- Description of property
- Identification number (serial/model #)
- Donor that funded the purchase including specific grant
- Acquisition cost
- Acquisition date
- Location
- Condition
- Last physical verification date

The list should be updated as assets are acquired. A physical inventory should be taken at the end of each fiscal year (with a reasonable time of December 31) or at the end of a program.

Assets in field locations are expensed as procured in line with donor regulations.

Adequate safeguards should be put in place by each program to prevent loss, damage, or theft of property. Loss, damage, or theft to any non-expendable property should be documented immediately with a copy sent to the Finance Lead.

When assets are no longer required or capable of providing their intended service, the manager/budget holder (usually Innovation Lead) shall provide a memo to the Finance Lead outlining the plan for disposal. If alternate usage is not available within a program for a serviceable asset, the manager/budget holder should make Field Ready Türkiye management aware of the asset's availability.

subject to donor requirements. If the asset is to be sold, the authorized manager/budget holder must outline its method of determining a buyer and how a fair market value was established.

Competitive bidding is the preferred method of sale where possible. All sales must be pre- approved by the

Director.

Asset transfer procedures at project closeout/end of contract must be communicated to Finance Lead and Director if significant assets are to be transferred to Field Ready Türkiye

Deposits

In some instances, Field Ready Türkiye will need to provide deposits as security for goods and services. The most common instances are for rent and public utilities, such as telephone or electricity services. Deposits are to be tracked and recovered when the purpose for the deposit expires. Deposits are receivable and the amount is refundable when the service ends. An analysis of the account must be maintained with the due date noted. If possible, the amount of the deposit should be deducted from the final payment relating to the service. All receivables and advances, as well as payables, should be noted and monitored on a monthly basis for collection or disposition.

Procurement Documentation Flow Chart

Threshold Levels	Purchasing Rules	PR	Quotation	Tender	Anti-Terrorism Check (ATC)	Bid Analysis	PO/ Contracting	proof of payment	Invoice	GRN
\$150	Petty cash holder	N	N	N	N	N	N	Y	Y	N
\$151– 1,000	Single Quotation	Y	Y	N	N	N	Y	Y	Y	Y
\$1,001 - \$5,000	Three Quotation Process	Y	Y Min. 3	N	Y	Y	Y	Y	Y	Y
\$5,001 - \$10,000	Formal Sealed Quotation Process (Closed Quotation)	Y	Y Min. 3	Y	Y	Y	Y	Y	Y	Y
\$10,001 - \$150,000	Local Open Tender	Y	Y	Y	Y	Y	Y	Y	Y	Y
\$150,001 +	International Tender	Y	Y	Y	Y	Y	Y	Y	Y	Y