



GLOBAL PROCUREMENT POLICY

POLICY TITLE:	ADM-013 Global Procurement Policy
POLICY VERSION:	Version 1.1
POLICY OWNER:	Administration
APPROVED BY:	Tom Hill, Chief Financial & Administrative Officer
EFFECTIVE DATE:	September 2018

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APPLICABILITY

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| <input checked="" type="checkbox"/> Employee Exempt | <input checked="" type="checkbox"/> Employee Non-Exempt | <input checked="" type="checkbox"/> Executive |
| <input type="checkbox"/> Board of Directors | <input checked="" type="checkbox"/> Volunteer | <input type="checkbox"/> Visitor |
| <input type="checkbox"/> Partner | <input type="checkbox"/> Contractor/Representative | |

FUNCTIONAL APPLICABILITY

- | | | |
|--|---|--------------------------------------|
| <input checked="" type="checkbox"/> All | <input type="checkbox"/> Communications | <input type="checkbox"/> Development |
| <input type="checkbox"/> Executive | <input type="checkbox"/> FEH | <input type="checkbox"/> Finance |
| <input type="checkbox"/> Human Resources | <input type="checkbox"/> Information Technology | <input type="checkbox"/> Legal |
| <input type="checkbox"/> Program | <input type="checkbox"/> Operations | |

APPLICABLE COUNTRIES

- | | | |
|--|--|-----------------------------------|
| <input checked="" type="checkbox"/> Global | <input type="checkbox"/> Bangladesh | <input type="checkbox"/> Cameroon |
| <input type="checkbox"/> China | <input type="checkbox"/> Ethiopia | <input type="checkbox"/> Ghana |
| <input type="checkbox"/> India | <input type="checkbox"/> Hong Kong | <input type="checkbox"/> Peru |
| <input type="checkbox"/> South Africa | <input type="checkbox"/> United States | <input type="checkbox"/> Vietnam |
| <input type="checkbox"/> Zambia | | |

POLICY DELIVERY PROCESS

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|-----------------------------------|---|---|
| <input type="checkbox"/> Training | <input type="checkbox"/> Acknowledgment | <input checked="" type="checkbox"/> Publish |
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EMPLOYEE ACTION

- | | | |
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| <input type="checkbox"/> Complete Training | <input type="checkbox"/> Signature | <input checked="" type="checkbox"/> None |
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POLICY REQUIREMENTS

- | | |
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| <input type="checkbox"/> Statutory | <input checked="" type="checkbox"/> Operational |
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PURPOSE

The purpose of this policy is to define the Orbis International global procurement policy, along with procedures and applications. The policy governs principles and processes used to procure goods, services and construction and establish accountability in regulating purchases throughout the organization. This Global Procurement Policy addresses:

- A. Definition of Terms
- B. Overview and Objectives
- C. Procurement Guidelines
- D. Procurement Planning
- E. Procurement Principles
- F. Role and Responsibilities
- G. Workflow Process
- H. Sole Source or Negotiated Contract
- I. Non Competitive Procurement
- J. Special Purchases: Equipment, IT, Vehicles, and Construction of WASH Facilities
- K. Preferred Vendors
- L. Bid Thresholds Procedures
- M. Completed Documentation
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- O. Non Compliance
- P. Obligation to Report
- Q. Revision History
- R. Annex 1: Procurement Bidding Process
- S. Annex 2: Procurement Thresholds

A. DEFINITIONS

1	Bid	Used interchangeably with offer. It is the price that is offered by a potential vendor to deliver goods or to perform a specific job.
2	Bid Committee	The group of designated staff members at Orbis (minimum of 3) established for independent review and evaluation of goods, service and construction to select the appropriate vendor. They document the process in the quotation analysis, coordinate the vendor recommendation based on established criteria such as eligibility, technical and financial requirements, etc.
3	Budget Owner	Staff member responsible for the program or project budget and who signs off for related purchases
4	Preferred Vendor Approved Vendor List	List of vendors pre-approved for selected goods and services. A completed procurement process qualifies vendors following certain criteria such as price, delivery requirements, reliability, quality, payment terms, and verifiable number of years in business, and solvency
5	Procurement Tender Process Purchasing Process	It is the process of acquiring goods, services, and construction, and based on established approved budget, purchasing what is needed to meet project and program objectives
6	Procurement (Logistics) Officer	Staff member responsible as the main liaison of all procurement processes; and responsible for the review of purchases, documentation, reporting and filing of all procurement transactions. Selected and trained. Should be deemed qualified for the demands of the role. He/she drafts procurement instruments, or methods for transactions, i.e. purchase orders and coordinates all activities for purchases of goods, services and construction

7	Procurement Planning Acquisition Planning Detailed Budget	Internal process to decide what to buy, when and the process to follow. This takes place before the actual purchasing process. All personnel responsible for purchases for program/project activities agree; the plan is comprehensive and adheres to the budget
8	Program or Project Manager	Staff member responsible to authorize and sign documents falling under their direct supervision based on budget. He/she liaises with the Procurement (Logistics) Officer to initiate the procurement process: drafting the purchase requisition, reception and the final payment of goods and services. This role will typically be performed by an Orbis Director
9	Purchase Order	A contractual document that specifies what is being purchased, quantity, and other terms and conditions. A written sales order indicating price, quantity, delivery, payment terms and all terms and conditions are indicated. This is a binding document when the vendor agrees to it by supplying the goods, services and construction
10	Purchase Requisition Form	A form used to indicate what will be purchased, the quantity, additional specifications, terms and conditions as required, where it will be delivered, and when it is needed. It is submitted to initiate the procurement process
11	Quote Quotation	It is the estimated price of a good or service presented by a vendor to provide goods or services, or construction
12	Receiver	Staff member responsible for the reception of goods on behalf of the project or program, who verifies in writing that process is done including the quantity and quality of goods received. This is performed under the supervision of the project or program manager, in coordination of the Procurement/Logistics Officer
13	Request for Quotation RFQ Invitation for Bids	It's a document that solicits a quotation from vendors to invite them into a bidding process to bid on specific goods or services or construction and submit their best price
14	Request for Proposal RFP	It's a document that solicits a proposal, from vendors through a bidding process, to invite them to present a proposal on how they will perform a service and submit their best price.
15	Requestor User	Staff member who initiates the request to purchase a good or service in writing through the purchase requisition form
16	Sole source Negotiated contract	When the procurement process is initiated by using only one vendor that satisfies the requirements, due to required criteria that preclude additional suppliers for the type of goods, service and construction required
17	Vendor Bidder Supplier Seller	Individual, company, or organization that provides quotes - price of goods or services to be considered for selection in the procurement process.
18	WASH	Water, Sanitation and Hygiene Project for construction of latrines in location of activities

B. OVERVIEW AND OBJECTIVES

It is in the organization's best interest that the procurement process is transparent, impartial and equitable. This Orbis Global Procurement Policy defines the framework, considerations, mechanisms and processes for procurement. The policy is being established to guide staff at Orbis International involved in the procurement/purchasing of goods, services, and construction, to support transparent and competitive procurement activities resulting in maximum value and benefits to the organization, grantee, donor and recipients. The process for recruiting consultants is not included in this policy. Procurement of IT services will be governed under this policy. This policy helps Orbis to:

- Establish and maintain policies, procedures and technical guidelines for bid procedures
- Seek open competition to obtain the best value for money
- Ensure that staff do not misallocate funds
- Avoid procuring low-quality goods or services that could potentially cause more harm than good
- Avoid procuring unnecessary goods and services
- Protect itself and its beneficiaries.

C. PROCUREMENT GUIDELINES

Orbis International is committed to promoting full and open competition. This requires that all personnel involved in the procurement process will abide by these guidelines.

- A. It is the policy of Orbis International to procure only those items which are required to perform the mission and complete the activities of the project or program. Procurement will be made with complete impartiality based strictly on the merits of suppliers' bids/offers and applicable related considerations such as delivery and quantity.
- B. Business will be conducted ethically in a manner above reproach and with total impartiality and preferential treatment for none.
- C. Orbis International employees will not solicit or accept, directly or indirectly, any gift, favor, entertainment, loan or anything of monetary value, from anyone maintaining business connection with Orbis International.
- D. All staff involved in the procurement process will avoid any action or circumstances such as gratuity (a payment or gift to obtain favorable treatment or influence an award), family relationship, or financial interest that might conflict with the proper performance of their duties or compromise the organization's acquisition process. They will assure that their conduct at all times is in a manner that maintains trust and confidence in the integrity of the procurement process.
- E. Conflict of Interest: No employee, officer, partner, member of the Board of Directors or agent of Orbis International will participate in the selection or award or administration of a contract if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when one of the following has a financial or other interest in the organization selected for award:
 - a. The employee, officer, partner, member of the Board of Directors of Orbis International
 - b. Any member of his or her immediate family

- c. His or her partner
- d. An organization that employs, or is about to employ any of the above.

Members of the Board of Directors, officers, partners, employees or agents of Orbis International will neither solicit nor accept gratuities, favors, or anything of monetary value from vendors, contractors, potential contractors or partners.

- F. Any staff member responsible for functions related to the acquisition of supplies and services will adhere to the following objectives.
 - a. Make all purchases in the best interest of Orbis International, the grantee, partner, or the donor
 - b. Obtain quality supplies, services needed for delivery at the time and place required
 - c. Buy from responsible sources of supply
 - d. Obtain maximum value for money on all expenditures
 - e. Deal fairly and impartially with all vendors
 - f. Avoid any conflict of interest or even the appearance of a conflict of interest in all organization supplier relationships
 - g. Ensure segregation of duties/responsibilities, where designated staff members are assigned specific roles and functions
 - h. Ensure conduct that maintains trust and confidence in the integrity of the procurement process
 - i. Obtain sufficient documentation to support a transparent, clear and understandable "audit trail", meaning that someone who had no involvement in the procurement actions can easily follow the entire procurement process/action, from beginning to end. The documentation should clearly demonstrate how the process was conducted, why the winning vendor was selected, and the quality of goods and services and construction.
- G. Segregation of duties and responsibilities: the responsibilities of carrying out procurement tasks and approvals are assigned to particular staff/functions to encourage proper segregation of duties. Proper documentation for delegation of duties should be in place to ensure which staff is responsible for which functions, and who the acting staff is to cover in case of out of office status.

D. PROCUREMENT PLANNING

All purchases of goods, services and construction must be planned in advance in the workplan and/or approved in the budget. A draft procurement plan (detailed budget) for the project should be made available for reference to ensure that purchases are in order. Any ad hoc procurement needs that has not been indicated in the procurement plan must be justified in detail, within the budget authorization and requested following the appropriate signatory authorizations. To initiate the purchase of goods, services and construction, a purchase requisition form has to be filled out by the user, program/project assistant, or any staff designated for that role. The form is approved by the program/project manager and is submitted to the procurement/logistics officer. Through this form the budget owner (project or program manager) verifies the need for the purchase and the budget. The form is signed and is included in the documentation for procurement request to proceed with the purchase of goods, services and construction.

E. PROCUREMENT PRINCIPLES

The procurement process is designed to support the following:

- 1 Maximum value for money
- 2 Transparency
- 3 Compliance with donor requirements
- 4 Proper internal control
- 5 Efficiency
- 6 Sufficient budgetary management
- 7 Adequate documentation to allow complete audit or review at a later date.

F. ROLE AND RESPONSIBILITIES

The Procurement Officer/Logistics Officer: The staff member who in coordination with project or program team, is tasked with reviewing requisition forms, contacting vendors, and collecting bids. He/she coordinates with a committee as applicable for the selection of qualified vendors. This position should not be a member of the bid committee.

This staff member plays the key role in the procurement process. This role can be attributed to a qualified staff member to work closely with the project or program manager, the bid committee, the Finance team, and Operations Director. Under this function when it is well done, we will satisfy two of the most important procurement requirements: 1) carrying out a competitive and open procurement, and 2) maximizing the value for money. To the maximum extent possible, this staff member should ensure that the competitive bid process is maintained for all procurement that fall under the applicable requirement. The procurement officer ensures the following:

1. Once the order has been placed in the purchase requisition form, follow-up on the order with the vendor to ensure delivery as promised. Keep the requestor informed of expected delivery and update requestor with other pertinent developments, as necessary
2. Coordinate the reception of items with Receiver, to document the receipt of the goods/services, comparing the purchase order against the actual goods, services and construction received for accurate payment to the vendor
3. Keep record on file of the reception of goods, services and construction.

Generally, in branch offices (country officers and fundraising offices), a staff member is designated as Procurement/Logistics Officer. For purposes of maximizing the benefits of segregation of duties where program activities include a significant amount of procurement, the procurement duties should be separated from the receiving/payment/finance duties.

When engaging in Procurement at the Orbis International headquarters, for purchases to be sent to the field, the relevant Logistics/Program Manager will assume the role of the Procurement Officer. For purchases made in New York, the relevant Unit Heads will be responsible for the role.

- A. As necessary, the Procurement Officer communicates with the Requestor to clarify/expand specifications to ensure that at the completion of the procurement, the requestor has received the intended good or service
- B. Drafts the RFQ or RFP to contact a number of qualified suppliers, sufficient for meeting the competition criteria. Ensures that all offers are documented as per the competition criteria
- C. Ensures that suppliers receive the same information at about the same time
- D. Sets a date for reception of offers
- E. Coordinates with bid committee, to conduct price analysis and any other qualitative/quantitative analysis in the comparison of bids/offers received
- F. Ensures any specific donor requirements are met based on the source of funding, when applicable
- G. Coordinates with the bid committee to select the best vendor to fulfill the procurement using the pre-established criteria
- H. Completes the purchase order once the selected vendor has been approved.

The Requestor is responsible to draft the purchase requisition form. This staff member is from the project or program whose need will be met when purchasing goods, services, or construction. This role may be assigned to a staff member in the project or program team. They ensure that the purchase requisition form is completed and signed for the procurement process to be initiated. The form specifies which goods, service or construction is to be purchased, the quantity, and specifications or scope of work.

The Project or Program Manager is responsible for signing the purchase requisition form after it is completed by the Requestor based on budget provision and other related documentation as required for filing of the procurement.

The Receiver is the assigned staff member working closely with the Procurement Officer-Logistics Officer, and the Project or Program Manager; who verifies that the purchased good, service, or construction is received and meet the criteria and established requirements. Project or program team need to be involved.

The Bid Committee is a group of designated Orbis International staff members assigned to provide independent review, quotation analysis and reporting of evaluation of the procurement. Their functions are clearly defined and established by the applicable Orbis Director. They are accountable for the outcome of a successful process. The bid committee is made of a minimum of three (3) members with separate functions or roles. The staff members participation can be reviewed and changed as needed after twelve (12) or twenty-four (24) months by decision of the Orbis Director. All changes should be documented. As needed, a staff member with technical expertise is invited to participate. The bid committee is responsible for drafting the detailed sequence of the purchasing event by indicating the process, all procedures, activities, evaluation results and other information. The records for each procurement activity should be kept on file.

New York, Fundraising or Country Director will review and authorize purchases of goods and services by signing all procurement documents as required.

Chief Financial & Administrative Officer (CFAO) will authorize all purchases totaling over the equivalent of USD 50,000 prior to submission to the vendor. Purchases totaling over \$10,000 on United States Government funded restricted awards must also be approved by the CFAO.

Chief Executive Office CEO will authorize all purchases aggregate totaling over USD 50,000 when CFAO is not available.

G. WORKFLOW PROCESS

Once a purchase requisition form has been submitted to the Procurement Officer to initiate the process, the Request for Quotation/Proposal is prepared by the Procurement Officer and sent to prospective vendors or advertised publicly in newspapers, radio, or other venue for public tendering process. Orbis Branch offices or Cost Center Directors should contact the Controller's team (Accounts Payable) **prior** to vendor selection. Accounts Payable will verify the vendor against the current U.S. OFAC list of prohibited entities. Please submit the following information to Michelle.Roberts@orbis.org and Raochan.Ramlall@orbis.org:

- Name
- Address
- Country of business

NY Finance will respond within 48 hours.

The Request for Quotations/Proposals or Invitation for Bids should indicate the same item with the same specifications and is sent to the vendors at around the same time. Bids/quotations received from the vendors can provide a variety of models with same specifications. In essence, the goods, or service should meet the general specifications indicated in the Request for Quotations/Proposals.

All bids are returned to the bid committee to be compiled and recorded. The bid committee organizes the process of review of bids, schedules the time for opening bids and evaluation. With the coordination by the procurement officer, the selection of the best vendor is finalized, reviewed, and approved by the bid committee. Bids submitted by email must be sent to all members of the bid committee or be password protected.

The selection of the vendor follows the specific criteria as indicated in the RFQ, or RFP:

- a. Degree of fit with the specification/requirements
- b. Price, and currency
- c. Reliability and quality
- d. Warranty
- e. Delivery date
- f. Availability of spare parts
- g. Quality of service if after-sale service is likely to be a significant consideration
- h. Installation and/or testing
- i. Past performance of the vendor
- j. Payment terms.

The bid committee will draft a bid/quotation analysis report to indicate the background of the request, the process, the evaluation, and the results of the process in detail. Upon selection of the vendor, the bid committee must indicate their names and titles, and sign the completed documentation.

Once the procurement is finalized and all paperwork is signed, the order is placed by the Procurement/Logistics Officer with the qualified vendor. Complete documentation is filed.

H. SOLE SOURCE – NEGOTIATED CONTRACTS

A sole source procurement process is initiated when no competition was deemed appropriate or possible for the purchase of specific goods, services or construction. In these cases, a negotiated contract is arranged with sole source supplier or service provider. The procurement process using sole source requests should be limited and never used as a first choice for a speedy process to compensate for inadequate planning. The process implementation of activities with in-kind

donations during fundraising campaigns is not included in this policy. Orbis International may use sole source process in the following cases:

- The item is available only from a single source.
- When the product or service is not merchandised through wholesale or retailers.
- An item for which competitive pricing is not available because of the existence of patent, copyright, monopoly, including: A film, manuscript, or book; A captive replacement part or component for equipment; Software upgrades.
- The procurement is of an emergency nature and competitive solicitation will result in significant delays that could lead to unacceptable costs or consequences to the program/beneficiaries. Thorough review and documentation must be done in this case.
- In limited cases, the donor may request sole source procurement. In such a case the donor's written approval must be obtained prior to the procurement.
- All sole source procurement process must be repeated annually.

NOTE: When it is possible to obtain competitive pricing from two or more vendors, the sole source provision will not apply. Any request for sole source purchase should be reviewed properly. To ensure proper documentation is filed, the sole source purchase must be justified and approved within the budget provision and duly signed by the designated project or program manager. The procurement team is required to use all competition procedures to fulfill the requirements for full and open competition.

I. NON COMPETITIVE PROCUREMENT

In cases where procurement process did not follow the full and open competition requirement, it should be recorded: i.e. when the solicitation of bids is in process and only one (1) or two (2) suppliers respond when three (3) are needed for the requirement. This is a non-competitive procurement. Such cases happen when the Procurement team has contacted the qualified suppliers, and less than the three (3) required bids have been received. At the discretion of the project or program team, and/or Orbis Director, and due to project or program demands to complete an activity, a decision may be made to proceed or to restart the process. As needed, the procurement will proceed even though there is an insufficient number of bids received to qualify for the full and open competition. A justification should be included, be accurate and complete to support recommendation to complete the process. This document needs signatures of the designated managers. One way to avoid this situation is to inform all vendors adequately at the same time and advise them to follow all procedures properly.

J. SPECIAL PURCHASES **Purchase of Equipment**

Equipment means a tangible item that is functionally complete for its intended purpose, durable, nonexpendable, and needed for the performance of a function.

At Orbis International, the process of purchasing equipment should follow a full and open competition. Major equipment purchases will be documented and authorized by the Project or Program Manager as well as the Orbis Director. Submission of a budget fixed asset template is required if the equipment will be capitalized. For equipment over USD 50,000 the authorization of the CFAO or CEO is required prior to finalizing the purchase of the equipment. Donations of equipment to partners must be adequately documented at the time of transfer. A package of documents shall be put together for the CFAO approval request and should include:

- a. Three bids/quotations (sole source justification if that is the case).
- b. A summary page of the bids listing, by vendor name, the items bid, specifications of the items and the amount bid per unit as well as in total.
- c. A brief statement assuring that the items being purchased are budgeted under the project work plan.
- d. The reason for the purchase of the major equipment, the location of use, and the ownership of the equipment for inventory purposes.

If the equipment can be leased, a brief cost-benefit analysis may be included in the documentation. This ensures that a lease vs. purchase comparison was made especially in case a project is almost ending so that the best option is chosen. For example: if a microscope were to be purchased for \$6,000 and there were two years left in the project, it should be documented that it would cost more than \$6,000 to rent the microscope for two years.

Purchase of IT Equipment

The Information and Communications Technology team is involved during the purchase of IT equipment for their review of the technical specifications and acceptability in connection of existing equipment. The Procurement Officer will include the recommendation from ICT in the documentation. The CFAO or CEO approval is needed when the order is over USD 50,000.

Purchase of Vehicles

A request for purchase of vehicle follows the standard procurement process. A vehicle is a self-propelled and capable machine usually with wheels and an engine; the vehicle is used for transporting people, or goods, on land, specifically on roads. Motor vehicles include trucks, cars, buses, motorcycles, utility vehicles and motorized bicycles.

At Orbis International, full and open competition will guide the purchase of all vehicles through the purchase requisition form and approval of the Project or Program Manager. The request for the purchase of the vehicle must be included in the procurement planning and submission of a budget fixed asset template if the vehicle will be capitalized. Donations of vehicles to partners must be adequately documented at the time of transfer. Ownership of the vehicle should be specified for inventory purposes. Complete documentation should be filed.

Construction of WASH Facilities

The construction of water, sanitation and hygiene facilities is applicable in country where activities are performed at a specific location surveyed adequately. The bidding process will follow the procurement bid threshold procedure along with specific requirements due to safety and quality assurance. The request for the construction will be approved by the Budget Owner and Country Director. All documentation should be kept on file for records.

K. PREFERRED VENDOR

A Preferred Vendor or Approved Vendor List, is a simplified method of filling anticipated and repetitive purchases of goods, services and construction with qualified vendors during a specified period (not to exceed 24 months). This process is used to reduce administrative costs and delays in accomplishing small purchases, such as general office supplies, day to day items or goods, services and construction of up to \$5,000 by eliminating the need of requesting written quotations each time. Insofar as feasible, Orbis International will rely extensively on preferred vendors for recurring purchases of small-dollar size items.

This bidding process of selecting preferred vendors for each category or goods or services, is to select three (3) vendors offering the best prices and quality goods at an agreed time, for a specified period of time. Any change to the listed price should be documented. A review of approved vendors may be compiled by soliciting feedback from projects, staff members, and other organizations, and through questionnaires. Some criteria are timeliness of delivery, reliability, cost, quality, payment terms, and approximate years in business (financial strength) and based on formal feedbacks on the quality of procurement. The updated list of approved vendors is effective after review and approvals.

After the bidding process, selected preferred vendors are recorded in a list, kept by the Procurement Officer to share with project or program teams as needed. At time of purchase, without making a formal solicitation process, an internal comparison of the criteria will be made to finalize which vendor provides the best value for money for the specified good or service. Staff members are not allowed to make choices of which preferred vendor they want; a list comparing quotations of three (3) preferred vendor should be established and kept on record.

A blanket purchase agreement or Preferred Vendor Agreement (PVA) between the vendor and Orbis International specifies the type of goods, the price offered and the one-year time period of the agreement. The preferred vendor with the best indicated offer is selected and approved. For each category of goods, or services, time of purchase, the selection of the preferred vendor is based on established criteria. The Approved Vendor List can be filed on the Intranet.

L. BID THRESHOLDS PROCEDURES

1. **Under \$250** - Individual items estimated at **under \$250** or complete orders falling under this threshold, can be purchased by any staff identified to make such purchases. Price quotations are not required. To the maximum extent possible, the preferred vendor should provide these goods and services. The email printout of the request, record of telephone

conversation with vendor indicating names, items to be purchased, vendor and amount, or receipt should be on file as evidence of purchase.

2. **Between \$251-\$5,000** - Individual items estimated between **\$251 and \$5,000** and/or complete orders falling under this category, will require two (2) requests for quotations. Written quotations are not sealed; they are requested from vendors by email, or by making a telephone call to the vendor, and documenting the conversation for price quotations. At least two vendors are to be contacted. Complete information should be internally documented in the files i.e. vendor name and contact information, date, item and price quoted, and any specific detail. The vendor providing the lowest price quotation should be selected. To the maximum extent possible, the preferred vendor (blanket purchase agreement) should provide these goods and services.
3. **Between \$5,001-\$10,000** - Individual items estimated between **\$5,001 and \$10,000** and/or orders falling under this category, require competitive bidding. The process is as follows:
 - a. Obtain three (3) sealed written valid comparable price quotation from separate vendors for similar items. "Valid" means quotes for very similar/like items. Email with password access is acceptable or submission to all members of the bid committee.
 - b. Items specifications must be similar and sent to the vendors around the same time. Vendors can present different brands/models to provide for comparability.
 - c. Lowest price quotation should be selected after comparison of quotes, while ensuring quality of items
 - d. Written quotations of all three (3) vendors and the process of quotation analysis is kept for the records
 - e. These purchases are budgeted and approved in the budget.
4. **Between \$10,001 - \$50,000** -Individual items estimated to be between **\$10,001 and \$50,000** and/or orders falling under this category will follow the same procedures as above (3). Three (3) sealed quotes are needed, or email with password access. Other approvals include the project or program manager or Orbis Director. All documentation should be kept on file.
5. **Over \$50,000** Individual items estimated to be over **\$50,000** and/or complete orders falling under this category will follow the same procedure as above (3). Three (3) sealed quotes are needed or email with password access. Prior to finalizing the purchase of such items, the CFAO or the CEO approval is required. The request of approval should include the complete documentation for the procurement. No purchase can be made without this written approval indicated in the documentation. All records of the purchase should be kept on file.

NOTE:

- a. It is not permissible to split orders to avoid the total being in any given range. For example, if three (3) computers costing \$6,000 were needed at approximately the same time, it is not permissible to place an order for one for \$2,000 and a second order for two (2) more units for \$4,000. All three (3) should be on the same order and the “rules” applicable to an order totaling \$6,000 should be applied.
- b. Acceptable sealed bids are: 1) an Email to the designated staff responsible for the procurement process (Procurement Officer, or his designated substitute), with a password for access when applicable 2) An Email to all members of the bid committee, or 3) A sealed envelope comprising the financial proposal separate from the technical proposal.
- c. Purchase can be made from a vendor not offering the lowest price. Reasoning for the selection of the vendor should be included in the documentation. This can happen when the vendor offering the lowest price does not meet additional requirements of the purchase.

M. COMPLETE DOCUMENTATION

Procurement records and files for all purchases must be kept. This is important that documentation of each procurement activity be properly recorded, signed, and classified. The Procurement/Logistics Officer will establish individual purchase file (electronically and physically as needed) and include the following:

- Every record of each purchase completed
- A clear track of the procurement process
- A basis for vendor selection
- Justification for lack of competition when competitive bids or offers are not obtained
- Basis for award cost or price
- Elements included such as the purchase requisition form, minutes, quotation/bid analysis, Purchase Order, contract, memo to file, all correspondence
- As necessary any shipping documents (airway bill/bill lading, packing list, etc.)
- All purchase duty free status as required, regardless of its value

N. TRAINING

This policy shall be made available to all employees worldwide. The CFAO will provide training of all aspects of this policy to applicable employees and third parties as needed. All designated employees are required to complete such training based on their functions on a timely basis, and as a condition of their employment.

O. NONCOMPLIANCE

All applicable employees and representatives are responsible for reviewing this Policy, familiarizing themselves with its content, and for compliance. Violations of this Policy may lead to disciplinary action up to and including termination from employment, or termination of a third

party business relationship. Following executive review and approval, and depending on the country, Orbis may be required or choose to alert law enforcement.

P. OBLIGATION TO REPORT: ORBIS'S ETHICS AND COMPLIANCE HOTLINE

Employees are obligated to report any suspected incident of conflict of interest or other, or any breach of application of this policy to the Legal Department, Finance or to the Ethics and Compliance Hotline, as set forth below. It is feasible to make an anonymous complaint via the Hotline; however, anonymous complaints can be harder to investigate. For all complaints made in good faith, even if mistaken, Orbis will protect concerned employee from retaliation.

Orbis encourages any employee with a concern about this Policy to discuss the matter with the policy owner, his or her manager, or the CFAO. In addition, anyone who wishes to report a concern may do so using the Orbis Ethics and Compliance Hotline, subject to the limits imposed by local law. The Hotline also allows for anonymous reporting where allowed by law; however, anonymous report may be more difficult to investigate, or to provide feedback on. **FOR**

INSTRUCTIONS ON FILING A REPORT ONLINE OR VIA TELEPHONE, GO TO:

[HTTP://ORBISINTERNATIONAL.ETHICSPPOINT.COM](http://orbisinternational.ethicspoint.com)

Q. REVISION HISTORY

REVISION VERSION	APPROVED BY	DATE	REVISION NOTES
1.1	Tom Hill	9-18-2018	Incorporating feedback from Directors

ANNEX 1

PROCUREMENT BIDDING PROCESS

Process	Notes
Step 1 – Purchase Requisition Form	
Prepare requisition for the purchase	The purchase requisition form is prepared by the team that needs the good or service. Included are the specifications, and description of what needs to be purchased
Step 2 – Solicitation process	
Contacting the vendors on RFQ or RFP Tendering process	The vendors are informed by phone, written request, or public tender to provide quotations for the goods or services based on the threshold
Step 3 – Receipt of bids	
Organize how bids will be received by date, and additional information for keeping track of the process	
Compile bids received and document on the bid analysis report	The bid analysis report indicate background, Project, selection criteria, budget provision, recommendation, names of vendors contacted. This is kept on file for records.
Step 4 – Opening the bidding process	
Schedule the meeting of the bid committee to open bids	The bid committee needs to be aware of the process for the evaluation. They have to know: Specifications of goods or services, time for delivery of goods, references of vendors, quoted price including taxes, terms of payment, warranty, and due date
Bid committee evaluates bids based on criteria as indicated in the RFQ or RFP	<p>Sample Criteria: Degree of fit with specifications/requirements</p> <ul style="list-style-type: none"> • Price • Reliability and quality • Warranty • Delivery date • Quality of service if after-sale service is likely to be a significant consideration • Past performance of the vendor • Payment terms
Submit request for approval to the CFAO when the order is over the equivalent of USD 50,000	
Step 5- Completing the bidding process	
Once approvals are received, a contractual document is prepared: PO, service contract, etc. As needed a price negotiation meeting might be scheduled with the vendor	
Follow up with vendor to ensure timely delivery and keep requestor updated on status	
Additional Notes	
Sole Source	When only one (1) vendor qualifies and satisfies the requirement because of some unique circumstances. A sole source justification document is included in the record.
The Information and Communications Technology unit (ICT) should review all bids for procurement of computer, printer, monitor, server, communications and other IT equipment and provide recommendation.	

ANNEX 2

PROCUREMENT THRESHOLD

TABLE SUMMARY

Dollar Threshold	Types of Bids	Approval Required
Under \$250 (Day to day purchases)	None required Preferred vendors acceptable	Follow all procedures required for proper signatures and authorizations for records
\$251 - \$2,000 (Small purchases)	Telephone price quotes documented (2 vendors) Written quotation at least two (2) vendors Preferred vendors acceptable	Follow all procedures required for proper signatures and authorizations for records
\$2,001 - \$8,000	3 written sealed valid comparable quotations	Follow all procedures required for proper signatures and authorizations for records
Over \$8,001 - \$50,000 Simplified acquisition threshold	3 written sealed valid comparable quotations	Follow all procedures required for proper signatures and authorizations for records
Over \$50,000	3 written sealed valid comparable quotations	Approval form CFAO or CEO is required prior to purchasing the goods or services. Follow all procedures required for proper signatures and authorizations for records

ANNEX 4

 ORBIS International - Country Office Name Location: _____												
Competitive Bidding Analysis												
CURRENCY: USD or Local Currency				Purchase Requisition Reference: _____								
Vendor's Name/Contact Person				(Quote #1)		(Quote #2)		(Quote #3)		(Quote #4)		Additional Notes
Telephone Number												
Pro-forma Invoice/Quotation Reference												
No.	Description of Goods or Services	Unit of Measure	Quantity Requested	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Additional Notes
Sub Total				-	-	-	-	-	-	-	-	
VAT				-	-	-	-	-	-	-	-	
TOTAL AMOUNT				-	-	-	-	-	-	-	-	
Delivery Terms												
Bid Validity												
Payment Terms												
BID/QUOTES EVALUATION (Indicate vendor selected, justification, and attached bids committee minutes or sole source justification (as per procurement policy): _____ _____ _____ _____ _____												
Prepared by:				Reviewed by:				Approved by:				
Signature:				Signature:				Signature:				
Name:				Name:				Name:				
Position:				Position:				Position:				
Date:				Date:				Date:				

ANNEX 5

		ORBIS International - Country Office Name Address: _____ Purchase Order													
Vendor's Name & Address: _____ _____ _____				<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td style="text-align: right;">Purchase Order No. :</td><td></td></tr> <tr><td style="text-align: right;">Order Date :</td><td></td></tr> <tr><td style="text-align: right;">Expected Delivery Date :</td><td></td></tr> <tr><td style="text-align: right;">Shipped via :</td><td></td></tr> <tr><td style="text-align: right;">Payment Terms :</td><td></td></tr> </table>		Purchase Order No. :		Order Date :		Expected Delivery Date :		Shipped via :		Payment Terms :	
Purchase Order No. :															
Order Date :															
Expected Delivery Date :															
Shipped via :															
Payment Terms :															
Ship to: _____ _____															
No.	Description / Specifications	Unit of Measure	Quantity	Unit Price	Amount	Remarks									
					-										
				Sub Total	-										
				VAT											
				TOTAL AMOUNT	-										
This Purchase Order is issued under the attached Terms and Conditions and is not valid unless signed by Orbis and Supplier authorized representative.															
Prepared by: Signature: _____ Name: _____ Position: _____ Date: _____		Approved by: Signature: _____ Name: _____ Position: _____ Date: _____		Accepted by: (vendor representative) Signature: _____ Name: _____ Position: _____ Date: _____											
<u>TERMS AND CONDITIONS BETWEEN ORBIS AND SUPPLIER, (THE "PARTIES")</u>															
1. PRICES. All prices are firm unless otherwise agreed to by Buyer in writing.															
2. EXTRA CHARGES. No charges of any kind will be allowed unless specifically agreed to by Buyer in writing.															
3. OWNERSHIP OF DELIVERABLES/WARRANTIES. All Deliverables will be owned exclusively by Orbis. The Supplier will not use or allow the use of the Deliverables for any purpose other than Supplier's performance of the services without the prior written consent of Orbis. Supplier represents and warrants that Supplier owns all right, title and interest in and to all Intellectual property created or provided by Supplier to Orbis in performance of this Contract, and such Intellectual Property does not and will not infringe any patent, copyright, trade secret, trademark, right of privacy or any other right of any third party.															
4. AGREEMENT AND MODIFICATION. This Purchase Order shall constitute the entire agreement between the Parties, and no obligations not written in the agreement are binding upon them. No alteration of any of the provisions shall be binding, unless in writing and signed by the Orbis.															
5. SUB-CONTRACTING. Supplier shall not subcontract nor delegate performance called for under this Purchase Order without the prior written consent of Orbis.															
6. FORCE MAJEURE. Any delay or failure of either party to perform its obligations hereunder shall be excused if caused by an event or occurrence beyond the reasonable control of the party and without its fault – provided that written notice of such delay shall be given by the affected party to the other party within ten (10) days of the event or occurrence. During the period of such delay by Supplier, the Orbis may purchase services from other sources and reduce its fees to Supplier without liability to Orbis or have Supplier provide the services from other sources at the price set forth in this order.															
7. DELIVERY. Except as hereinafter provided, delivery shall be made in accordance with the time stated on this Purchase Order, Orbis reserves the right to cancel the order if delivery is not made as specified. When the Supplier has reason to believe that deliveries will not be made as requested in this Purchase Order, the Supplier shall provide written notice setting forth the cause and period of the anticipated delay.															
8. TERMINATION FOR CONVENIENCE. Orbis may terminate this Purchase Order by written notice in whole or in part, when it is in the best interest of Orbis to do so. If this Purchase Order is so terminated, the Supplier and Orbis may agree upon the amount to be paid to the Supplier by reason of such termination.															
9. DEFAULT. The Buyer may by written notice terminate all or any part of this Purchase Order if: <ul style="list-style-type: none"> ▪ the Supplier fails to provide the goods or perform services within the time specified, or ▪ the Supplier fails to perform any other requirement of this Purchase Order and does not cure such failure within ten (10) days after receipt of notice from Orbis specifying such failure. 															
10. DISPUTES RESOLUTION: The Orbis and Supplier shall use their best efforts to settle amicably all differences and disputes arising out of or in connection with this Agreement or the interpretation thereof.															
11. NON-DISCLOSURE: Supplier expressly agrees not to disclose, copy or otherwise distribute to any third party any portion of the content of any publication required by or received from Orbis without written agreement from Orbis.															
12. LIABILITY FOR INJURY. Supplier shall indemnify Orbis against any liability for all personal injury and property damage caused by the services performed by Supplier.															
13. NON-WAIVER. The failure of Orbis to enforce any of the provisions does not waive these provisions nor the right of Orbis to enforce every provision.															
14. APPLICABLE LAW AND FORUM. This Purchase Order shall be interpreted in accordance with, and shall be governed by the Laws of (insent Country Name Here).															
15. COMPLIANCE WITH LAWS. Supplier agrees to comply with the provisions of all local law or ordinance and all other rules, and regulations applicable to this Purchase Order and its performance.															
16. REMEDIES. If the services performed are deemed unacceptable within a reasonable time after delivery to Orbis, the Orbis shall have the right to reject services and deduct the cost from the Supplier's invoice.															

