PROCUREMENT MANUAL & PROCEDURES

Transparent purchasing | Best value | Ethical supplier management | Audit readiness

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Contents

1. Introduction and Governance…….. 3
2. Ethics, Integrity and Supplier Conduct……3
3. Procurement Planning and Requirements……4
4. Sourcing and Procurement Methods…… 4
5. Receipt, Opening and Evaluation…… 5
6. Award, Contracting and Supplier Notification…… 5
7. Contract and Supplier Performance Management……... 6
8. Warehousing, Inventory and Asset Control…….…… 7
9. Asset Disposal……. 8
10. Records, Reporting and Audit……..… 9
11. Complaints, Exceptions and Consequences……10
12. Implementation and Review……...11

1. Introduction and Governance

Purpose and objectives

This Manual establishes consistent, transparent, competitive and ethical procedures for acquiring goods, services and works for Silent Cry Foundation (SCF). It protects resources entrusted to the Foundation, supports timely humanitarian and development delivery, and strengthens accountability to beneficiaries, donors, partners, suppliers and regulators.

Scope and applicability

This Manual applies to all SCF offices, programmes, projects and persons authorized to request, select, approve, receive or pay for goods, services and works. Relevant requirements must be incorporated into agreements with consultants, implementing partners and contractors.

Policy hierarchy

Applicable Somali law, donor and grant conditions, signed contracts, SCF's governing documents and approved finance, anti-fraud and safeguarding policies must be read together with this Manual. Where donor rules are stricter, follow the stricter applicable rule unless prohibited by law. Escalate conflicts to the Executive Director and Finance Lead before proceeding.

Core principles

Value for money and whole-life cost; fair competition; transparency; proportionality; integrity; fit-for-purpose quality; timely delivery; segregation of duties; confidentiality; local-market awareness; sustainability where practical; safeguarding and do-no-harm; and a complete audit trail.

Roles and segregation of duties

The Board approves this Manual, budgets and reserved decisions. The Executive Director oversees implementation and approves within delegated authority. Requesting departments define needs. Procurement manages sourcing and records. Finance confirms budget availability and payment controls. Technical/end-user staff verify specifications and acceptance. Evaluators assess offers independently. No one person should control the entire process from request to supplier selection, receipt and payment.

Review

The Procurement Lead and Finance Lead review this Manual at least annually. Amendments require documented management review and Board approval. Staff involved in procurement must receive the current version and acknowledge their responsibilities.

2. Ethics, Integrity and Supplier Conduct

Conflict of interest

Staff, evaluators and decision-makers must disclose actual, potential or perceived conflicts before participating. Conflicts include family or financial relationships with bidders, outside business interests, gifts and relationships that could affect impartiality. Record mitigation, including recusal where needed.

Fraud, bribery and collusion

Bribes, kickbacks, bid-rigging, collusion, false invoices, theft, favoritism, manipulation of specifications and splitting purchases to avoid thresholds are prohibited. Suspected misconduct must be reported through SCF's approved reporting channel. Retaliation against good-faith reporters is prohibited.

Gifts and confidentiality

Staff must not solicit or accept cash, commissions or benefits intended to influence a procurement decision. Protect supplier information, quotations, proposals and evaluation scores. Share competition-related clarifications equally with all bidders.

Supplier eligibility and safeguarding

Conduct proportionate checks on identity, registration, ownership, references, capacity, relevant exclusion risks and past performance. Suppliers must comply with applicable anti-fraud, safeguarding/PSEA, child protection, labor, health and safety, confidentiality and data-protection requirements.

3. Procurement Planning and Requirements

Annual procurement plan

Departments forecast planned purchases against approved workplans and budgets. Procurement consolidates an annual plan showing estimated value, funding source, method, solicitation and delivery dates, responsible officer and approval milestones. Review quarterly and update when needs or budgets change.

Purchase requisition and budget

No purchase may proceed without an approved requisition describing the need, quantity, specifications/ToR, delivery date and location, project/budget code, estimated cost and justification.

Finance confirms funds are available and the purchase is allowable under the grant before solicitation or commitment.

Specifications and ToR

Specifications must be clear, neutral, proportionate and linked to outcomes. Avoid brand names unless objectively necessary; justify exceptions and allow ‘or equivalent’ where appropriate. ToR for services should state objectives, scope, tasks, deliverables, timeline, qualifications, acceptance criteria and performance indicators.

Cost estimates and market research

Estimate costs using comparable purchases, market enquiries, published prices or other reliable evidence. Include delivery, taxes, installation, maintenance and other whole-life costs. Market research must not give one supplier an unfair advantage.

No splitting of purchases

Do not divide related requirements to avoid competition, approval limits or donor rules. Consolidate similar needs where this improves value without compromising programme delivery.

4. Sourcing and Procurement Methods

Proposed thresholds for Board approval

The following are proposed internal thresholds, not verified statutory or donor requirements. Apply the total estimated value, including foreseeable options, extensions and related lots: under USD 500—document a reasonable price check and one quote where practicable; USD 500–4,999—seek three quotations where a competitive market exists; USD 5,000–49,999—formal RFQ and at least three written quotations; USD 50,000–99,999—advertised formal ITB/RFP and evaluation committee; USD 100,000 and above—prior Board or Board-delegated approval before issuing the solicitation. Stricter donor rules prevail.

Methods

Shopping/price checks suit low-value, readily available items. RFQ suits clearly defined requirements comparable mainly on price and compliance. ITB suits well-defined goods or works. RFP suits complex services where technical approach matters. Framework agreements may be used for recurring needs when competition and terms are documented.

Direct/single-source procurement

Direct procurement is an exception, not a default. It may be justified by a genuine emergency, exclusive rights or technical compatibility, absence of a competitive market, or an unsuccessful competition where requirements have not materially changed. Record the rationale, alternatives, price reasonableness, conflicts and approval before commitment. Poor planning alone is not sufficient.

Emergency procurement

Where delay threatens life, safety, essential services or urgent programme delivery, an authorized emergency approver may accelerate the process. Record the emergency, why normal timelines were impracticable, supplier selection, price check, approvals and receipt. Retain competition to the extent feasible and complete a prompt retrospective review.

Solicitation documents and timelines

Documents must state requirements, eligibility, submission channel and deadline, bid validity, contract terms, evaluation criteria and complaint channel. Proposed minimum periods: 7 calendar days for simple RFQs, 14 days for medium-complexity tenders, and 21–30 days for major or complex competitions, unless a documented lawful exception applies. Provide all bidders equal information.

5. Receipt, Opening and Evaluation

Receipt and opening

Receive offers through the stated channel before the deadline and store formal tenders securely. Late offers are normally rejected and recorded. For formal competitions, at least two authorised persons should open and register submissions, including one person not involved in evaluation. For RFPs, keep financial proposals sealed until technical evaluation is complete.

Evaluation committee

Use at least three members for formal procurements where practicable, including procurement, technical/end-user and finance or another independent member. Members sign confidentiality and conflict-of-interest declarations and assess independently.

Evaluation stages and criteria

Use administrative screening, eligibility checks, technical evaluation, financial evaluation and a documented recommendation. Criteria and weightings must be approved before bids are opened and cannot be changed during evaluation.

Award methodology

State in advance whether award goes to the lowest-priced substantially compliant offer or the highest-scoring offer under disclosed technical/financial weightings. Consider whole-life cost, quality, delivery, service, warranty and relevant risks were included in published criteria. Lowest price alone is not automatically best value.

Clarifications, insufficient competition and rejection

Clarifications may explain an offer but must not allow a bidder to materially rewrite it or gain unfair advantage. If fewer than the required responsive offers are received, document outreach and price reasonableness before seeking approval to proceed or re-tender. Record reasons and approval when rejecting all offers.

Evaluation report

Record method, bidders, compliance checks, scores, price comparison, risks, conflicts, clarifications, rejection reasons, recommended supplier and approvals. Committee members sign the report.

6. Award, Contracting and Supplier Notification

Award approval and notification

Approve the recommendation under the Board-approved delegation matrix and budget. Notify the successful supplier in writing and unsuccessful bidders within a reasonable period. Provide factual debriefs on request without disclosing competitors' confidential information.

Purchase orders and contracts

No supplier may start work or deliver before an authorized purchase order, contract or written commitment is issued, except under a documented emergency exception. Contracts must identify parties, deliverables, quantity, price, timeline, acceptance, payment milestones, warranties, safeguarding/data obligations, dispute process and termination rights.

Supplier registration

Before award, collect appropriate supplier details, including legal name, address, registration/ID where applicable, contacts, references, relevant tax details, and declarations. Verify bank/payment changes through an independent channel. Protect supplier information.

7. Contract and Supplier Performance Management

Contract owner

Name a contract manager for every contract. The manager tracks deliverables, timelines, risks, acceptance and communications. Procurement maintains the contract file; Finance monitors budget and payment terms.

Receipt and acceptance

Check goods against the purchase order for quantity, specification, quality, damage and delivery. Accept services and works against documented deliverables and completion criteria. Record discrepancies and resolve them before payment.

Invoices and payment

Payment requires a valid contract/PO, supplier invoice, evidence of receipt or acceptance, and approvals. Finance performs a three-way match where applicable: order/contract, receipt/acceptance, and invoice. Advance payments require explicit justification, approval and safeguards.

Variations and performance

Changes must be justified, costed, approved before implementation and documented in a signed amendment. Do not use variations to bypass competition or materially change the original procurement. Monitor quality, timeliness, safety, safeguarding and value for money; document corrective actions and remedies.

Contract closure

Confirm deliverables, warranties, defects, final payments, asset handover, supplier performance and outstanding obligations before closing the file.

8. Warehousing, Inventory and Asset Control

Receiving and storage

Designated staff verify deliveries and prepare a Goods Received Note. Store items safely with appropriate access controls. Segregate and report damaged, expired, short-delivered or non-conforming goods.

Stock records and counts

Maintain stock cards or an inventory system recording item code, description, quantity, location, receipts, issues, balance, batch/expiry where relevant and custodian. Authorize all stock movements.

Conduct periodic counts and at least annual physical inventory, reconcile differences and investigate losses.

Humanitarian commodities

Food, medicines, nutrition supplies and relief items require suitable storage, expiry/batch traceability, quality checks, distribution records and beneficiary-protection controls.

Asset register

Record durable assets above a Board-approved capitalization threshold with cost, funding source, serial number, location, custodian, condition and disposal details. Tag and verify assets periodically.

9. Asset Disposal

Disposal review and approval

Obsolete, damaged, surplus or uneconomical assets may be proposed for disposal with details, condition, reason, funding restrictions and estimated residual value. Obtain approval under the delegation matrix and donor approval where required.

Disposal methods and proceeds

Methods may include competitive sale, trade-in, transfer, eligible donation, recycling or safe destruction. Choose a lawful, transparent method offering best value or mission benefit. Staff and related parties must not acquire assets through preferential or undisclosed arrangements. Record and deposit all proceeds into SCF accounts.

Disposal record

Maintain a certificate recording asset ID, condition, method, valuation where relevant, approvals, buyer/recipient, proceeds, date and evidence of transfer or destruction.

10. Records, Reporting and Audit

Procurement file

Retain the requisition, budget confirmation, estimate, specifications/ToR, sourcing evidence, solicitation documents, offers, opening record, evaluation report, conflict declarations, approvals, award notices, contract/PO, acceptance records, invoices, payment evidence, correspondence, variations and closure documents.

Retention and access

Retain records for the period required by law, donor agreement and SCF's retention schedule; apply the longest applicable requirement unless legal advice directs otherwise. Store records securely and make them available to authorised auditors, donors and regulators.

Quarterly reporting

Report planned versus actual procurement, competition levels, direct awards and justifications, cost variances, supplier performance, delays, emergency purchases, contract variations, complaints, inventory discrepancies and compliance exceptions.

Audit and investigation

Staff must preserve records and cooperate with authorized reviews. Escalate suspected fraud, collusion, safeguarding violations or conflicts through designated channels.

11. Complaints, Exceptions and Consequences

Supplier complaints

Solicitation documents must identify a complaint channel. Log and acknowledge complaints and arrange impartial review where practicable. Document responses and corrective action.

Exceptions

Exceptions require written justification, risk assessment, donor/legal permissibility checks and approval before commitment, except where a genuine emergency makes prior documentation impracticable. Document and review emergency exceptions promptly afterwards.

Consequences

Breaches may lead to cancellation, supplier exclusion were lawful, recovery action, disciplinary measures, contractual remedies or referral to competent authorities. Decisions must be evidence-based and proportionate.

12. Implementation and Review

Training

Staff who request, source, evaluate, approve, receive or pay for purchases must receive induction and refresher training on procurement, fraud prevention, conflicts, safeguarding and documentation.

Effective date

This Manual takes effect only after Board approval and communication to staff. It does not override mandatory law, donor requirements or signed contracts.

Review cycle

The Procurement Lead and Finance Lead review the Manual annually and recommend amendments to management and the Board.

Approved date: 01 July 2020