

MASAKA DIOCEAN DIOCESAN MEDICAL SERVICES

LOWER LEVEL HEALTH UNITS'

PROCUREMENT AND FIXED ASSETS MANAGEMENT

GUIDE



MAY 2021

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LIST OF ACRONYMS

ASL	=>	Approved Suppliers List
CC	=>	Contracts Committee
EC	=>	Evaluation Committee
HC	=>	Health Centre
HOD	=>	Head of Department
HR	=>	Human Resource
HUMC	=>	Health Unit Management Committee
LLHU	=>	Lower Level Health Units
LPO	=>	Local Purchase Order
MD	=>	Masaka Diocese
PDC	=>	Procurement & Disposal Committee
PO	=>	Purchasing Officer
POO	=>	Pre-Qualification Questionnaire
Qty	=>	Quantity
SYD	=>	Sum of the Year Digits
UD	=>	User Department
VAT	=>	Value Added Tax
Wt	=>	Weight

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FOREWORD

This Guide has been prepared after sighting numerous and persistent procurement deficiencies in many of our Health Centres.

In today's fast-paced operational environment, the importance of the procurement function in reducing prices and costs, and in identifying better sources of supply, cannot be overlooked.

What was seen as just a purchasing function, is now a thrust into the spotlight and will be crucial in ensuring smooth operations and in determining the bottom line of these Health Units.

In fact many are beginning to approve that the role of the procurement function belongs at a senior level. Procurement really is a key responsibility of the most senior person in an entity.

A reason, the In-Charges of the HCs are considered the chief accounting officers for all procurements.

Also many entities are now shifting from a decentralized to centralized structure where all procurements go through one central section.

Besides allowing more comprehensive control and optimization of inventory / stock, centralization avoids duplication or redundancy of efforts which means lower costs and standardized processes.

Otherwise, good procurement no longer just picks the cheapest item, but chooses a product/service that can demonstrate the best value across its entire life cycle.

So, best value in the health context can mean that a product/service produces better clinical outcomes, lasts longer, or is of better quality.

We are hopeful that this manual will guide all staff members involved in the various procurement and fixed assets management actions conducted in the Lower Level Health Units of Masaka Diocese.

1 INTRODUCTION

Both procurement and fixed assets management play a very significant role in determining an entity's success or failure.

Whereas procurement is the process of sourcing and acquiring purchases to satisfy a specific need, fixed assets management is an accounting process that seeks to track fixed assets for the purposes of financial accounting, preventive maintenance, and theft deterrence.

Good procurement and fixed assets management practices ensure value for money as well as the effective and efficient operation of our HCs.

2 PURPOSE OF THE GUIDE

This Guide is meant to ensure uniformity and standardization in procurement and fixed assets management, amongst HCs in Masaka Diocese.

The Diocesan Health Coordinator's Office is desirous to have in place a harmonized policy, procedures and guidelines in acquiring purchases and managing of fixed assets in all its HCs.

Whereas a purchase is something bought or paid for, a fixed asset is an asset that has a useful life of more than one year.

3 HIGHLIGHTS ON PROCUREMENT

3.1 Defining Procurement

Procurement is the process of obtaining purchases that a HC requires to fulfill its internal and external needs.

This process among others, involves identifying/ sourcing, shortlisting, selecting, negotiating and acquiring suitable purchases from a given supplier or service provider through a direct purchase, competitive bidding, or tendering while ensuring timely delivery in the right quality and quantity.

3.2 The importance of Procurement

The procurement function is concerned with obtaining the required goods, services and works (i.e. purchases) from appropriate suppliers so as to enable the HC meet its strategic objectives in an economic, efficient and effective manner.

For our HCs, the limited funds available, ought to be managed in a manner that is accountable and which demonstrates both integrity and value for money.

Procurement should be viewed as a strategic function intended to

1. Improve our HCs' bottom line / surplus/ profitability.
2. Maximize output i.e. by getting more out of the limited funds available.

3.3 Scope and classification of purchase

3.3.1 Scope of purchases

By definition, purchases are items acquired or services obtained by paying money or its equivalent.

Within an institution, expenditure is made up of two distinct elements - pay expenditure (salaries and wages) and non-pay expenditure (i.e. all other expenditure).

Procurement encompasses all spending activity, excluding pay expenditure to staff. Non-pay expenditure includes the day-to-day running costs of the institution as well as its capital expenditure.

3.3.2 Classification of purchases

Generally, the HCs' purchases have been classified into 4 categories as follow:

1. Goods and Supplies e.g. Drugs & medical supplies, stationery items;
2. Works e.g. Constructions and cost of technical designs and drawings of all works;
3. Services e.g. Consultancy fees and transport charges;
4. Hybrid purchases i.e. that consist of a combination of any or all of the above.

3.4 Procurement Principles.

Just like any other function of financial management, procurement should be guided by principles.

Procurement principles govern the management of procurement, and also set the framework for a code of conduct for procurement practitioners and all other officials directly or indirectly associated with the procurement process.

All procurement and disposal activities in HCs should be conducted in accordance with the following basic principles so as to assist in obtaining the best with less spending:

1. **Integrity** – Integrity is basically about the reliability of the procurement process, and that of procurement practitioners. Conduct in a manner that builds trust and confidence.
2. **Competition** – All procurements to be conducted in a manner that allows maximization of competition and achievement of the best value for money.
3. **Separation of Duties** - in a manner that does not give control to one individual.
4. **Effectiveness** - Procurement activities to be conducted in accordance with the needs or predetermined plan and within a certain time frame.
5. **Economy and efficiency** – Procurement processes to be carried out as cost effectively as possible to avoid the wasteful use of the limited resources.
6. **Transparency** - All procurements to be made in a clear manner. Leaving paper trails and use of Committees to minimize the influence of individual staff in the procurement decisions.
7. **Openness and fair dealing** – Openness to all qualified persons, treating all bidders equally. Providing them same amount of information and in a way that does not favor one over others.
8. **Accountability** – Everyone involved in the procurement process to be responsible for their actions and decisions. And to keep the proper records.

3.5 Riddles in Procurement

3.5.1 Public vs Private Procurement

The most basic distinction between private and public entities is ownership, i.e. by private individuals and government, respectively.

While private procurement has little in the way of legislation, certain legal requirements must be met for public procurement. For instance in Uganda we have the PPDA Act 2003.

We are not public entities, neither can we match government in resources. Shaping of a HC's internal procurement process is influenced by a number of factors like the HC's size, HR, organogram etc.

3.5.2 Procurement vs Purchasing

Whereas procurement concentrates on the strategic process of sourcing purchases, for example researching, negotiation and planning, the purchasing process focuses on how goods, services and works are acquired and ordered, such as raising purchase orders and arranging payment.

Thus, purchasing is a small subset of the broader procurement function that is limited to transactional roles associated with acquiring of purchases that the HC requires.

3.6 Procurement Records

Management of procurement records should be given due attention in terms of resource allocation, personnel, equipment, space and accommodation.

The In-charge shall have the responsibility of ensuring that records are managed effectively and efficiently.

3.6.1 Use of Procurement Records

Procurement records shall be used for the purposes of transacting official business. The users of procurement records may include:

1. In-Charge,
2. PDC,
3. Finance and other departments,
4. Auditors and Procurement reviewers,
5. End users of goods or services works,
6. Authorized persons,

3.6.2 Paper work required in the Procurement Process

There is a lot of paperwork associated with procurement, which needs to be kept and properly filed so that it can be easily retrieved for audit purposes.

3.6.2.1 Standard documents (internally generated)

1. Purchase requisition / Purchase Request,
2. Local Purchase Order,
3. Goods Received Notes,
4. Payment Requisition ,
5. Payment Voucher,
6. Bid matrix, Purchase decision record (or equivalent).

3.6.2.2 Source Documents (from suppliers)

1. Quotations and proforma invoices obtained,
2. Proposals (e.g. for technical works and consultancy services),
3. Contracts (e.g. for services),
4. Invoices,
5. Delivery Notes,
6. Receipts.

3.6.2.3 Other documents needed for reference

1. Budgets,
2. Contract / Agreements,
3. List of authorized suppliers with addresses and person contacts,
4. Minutes of all procurement meetings and relevant approvals in writing,

NB: -	<i>Just like purchase acquired using the HC's funds, all donations received in-kind by the HC, ought to be acknowledged formally using LPOs or other appropriate documentation.</i>
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3.7 Procurement Organisation and Structure

For small HCs, one or perhaps a few people undertake all of the necessary procurement functions and processes with no clear division of responsibilities. But as these Units grow, this ad-hoc approach no longer applies.

Because of the advantages of economies of scale, and greater coordination and control of activities, today many entities are shifting from a decentralized to centralized structure where all procurements go through one central section.

Centralized structures have the benefit of a bulk purchase as opposed to the decentralized system that leaves the procurement control with the various departments which also at times delegate the purchasing roles, duties and responsibilities to the actual users.

3.7.1 The hybrid structure that is proposed for adoption

Our HCs are to adopt a hybrid structure that marries some aspects of the centralized and decentralized structure.

This structure is premised on the assumption that procurement is not everybody's responsibility. This function belongs at a senior level which is obliged to see to it that there is an appropriate framework within which purchases are made.

So with this structure, the big purchases can be competitive and centralized while for the small purchases (micro purchases), the respective roles may be delegated to the user departments.

The proposed structure is shown in Appendix 5.2.

This structure not only depicts persons / organs that share-out the different duties /responsibilities, but also shows how procurement information is to flow at different levels within the HC. I.e. as follows: -

1. Masaka Diocese Health Office – which is the regulatory authority
2. The In-charge – who is the chief accounting officer responsible for all procurement / fixed assets management activities in the HCs.
3. The HUMC – which is the CC whose functions are given in Section 3.8.2 of this Guide.
4. The Evaluation Committee – which is an ad-hoc and not a permanent committee that is formed on a case by case basis with approval of the CC to evaluate bid proposals received and make the required recommendations for contract award.
5. The Procurement and Disposal Committee (PDC) – which made up of staff and is charged with the responsibility for managing the day today procurement and disposal activities.

6. The Purchasing Officer (PO) – The person identified to buy the required items (purchases) for the HC
7. The User Departments (UD) – which initiate procurement and disposal requirements. These are the end user of all requirements.

3.7.2 Delegation of authority and Segregation of duties

3.7.2.1 Delegation of authority

Delegation of authority is the process of transferring responsibility for a task to another person / organ. Based on this, procurement decisions should be made by the appropriate delegated authority.

So, delegated authority is that person / organ with the mandate to authorize the effecting of the procurement decisions by signing the respective documentation.

At the outset of each year, clear delegation of authority and a segregation of duties should be identified for proper procurement management.

Generally, there are 3 key roles in the procurement process that should always be visibly segregated, i.e. Preparation, Review & Approval, and Authorization.

Besides minimizing confusion, clearly defining and separating the delegated roles ensures transparency and avoids: -

1. Conflicts of interest
2. Confusion over who is responsible for what
3. Combining responsibilities that should otherwise be separated

3.7.2.2 Segregation of duties

Decision making in respect of procurement management in each HC should be based on the principle of separation duties / responsibilities.

The segregation of duties in respect of the 3 key procurement roles should be as follows: -

1. Preparation – of request and other supporting documentation by the Purchasing Officer.
2. Review and approval – by the PDC through the respective HOD, to ensure that the procurement fits within the budget. (This person does not authorize the payment, but approves that the purchase is within the required specifications or budget line)
3. Authorization – of the purchase and payments by the correct delegated authority as per the agreed authorization thresholds.

In the context of this manual, the delegated authority is majorly split between these two: -

1. The **HUMC** (which is to play the role of the CC) and the
2. The **In-Charge** (who, heads the administration team) The In-charge's authority in regard to procurement is exhibited through the PDC which reports to him / her).

In regard to the clear separation of duties, the following are to apply: -

- a. In-Charges are to be the chief AOs in HCs because they are highest-ranking managers responsible for the overall operations and resources in their respective Units.
- b. The HUMCs are to play the role of the CC, while certain selected ad-hoc committees will play the role of the EC. The different departments of the HCs are to be referred to the User Departments.

- c. Within each HC, the In-Charge is required to ensure that there is a procurement and disposal team among his / her staff to establish a PDC.
- d. Refer to Appendix 5.3 for the Table that depicts the delegation of authority and segregation of duties in HCs

NB: -	<p><i>In the context of this Guide: -</i></p> <ol style="list-style-type: none"> 1. <i>Delegated authority is an authority obtained from another that has authority.</i> 2. <i>“AUTHORIZATION” means the sign-off by the delegated authority; in contrast “APPROVAL” means getting a formal recommendation from the Finance staff / HODs / Budget Holder.</i> 3. <i>A Purchasing Officer is any member of staff who impliedly or expressly places an order that is ratified by delegated authority. S/he is considered the Purchasing Officer for that made purchase.</i> 4. <i>Budget holders are the Heads of Department.</i> 5. <i>It is this delegated authority that gives the official permission to make a purchase. Their authorization is by signing the respective documentation.</i>
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3.7.2.3 Documentation Raising, Review and Approval

Appendix 5.4 provides a quick reference point for easy identification of who prepares which documents, who needs to review and approve these documents, and who should authorize the documents.

This provides transparency to ensure that roles and responsibilities are divided appropriately between the respective staff members.

Note that Appendix 5.4 should be used in conjunction with Appendix 5.3 to ensure adherence to the delegated authority and responsibilities.

3.8 Functions and Reporting

The In-Charge, the CC, the PDC and the UD's a HC should each act independently in relation to their respective functions and powers.

3.8.1 Functions of the In-Charge as the Accounting Officer.

3.8.1.1 Responsibility of the In-Charge

The In-Charge shall have overall responsibility for the successful execution of the procurement and disposal process in the HC and shall:

1. Work in consultation with the governing body i.e. HUMC which also doubles as the CC in the execution of his or her functions and powers for procurement and disposal of assets.
2. Certify the availability of funds prior to the commencement of any procurement activities;
3. Ensure that a market assessment is undertaken prior to commencement of a procurement process. This is to aid in comparing the market price with that of the best evaluated bidder;
4. Implement the recommendations of the Authority;
5. Seek formal consent from the higher authority in case of any requirement to deviate from the prescribed guidelines.

3.8.1.2 Disagreements between the In-Charge and the CC.

Where there is disagreement between the In-Charge and CC, the decisions of the CC shall take precedence.

3.8.2 Functions of the Contracts Committee.

As already highlighted, the role of the Contracts Committee shall be played by HUMC. This CC is to help the HCs in realizing the following, among others: -

1. Ensuring the application of fair, competitive, transparent, non-discriminatory and value for money procurement and disposal decisions.
2. Approving recommendations from the PDC and awarding of contracts.
3. Monitoring compliance with the adopted policies and guidelines by all staff and committees concerned with procurement and disposal issues.

3.8.2.1 Roles and powers of the Contracts Committee.

In particular, the CC shall be responsible for:

1. Approving all appointments to the PDC.
2. Resolving of recommendations from the PDC
3. Approving the HC's annual procurement plan and any amendments to the plan;
4. Approving evaluation reports from the EC;
5. Ensuring that before it is approved, a procurement is in accordance with the procurement plan;
6. Approving procurement and disposal procedures;
7. Approving bidding and contract documents;
8. Approving membership of the EC and negotiation teams;
9. Approving contract amendments;
10. Approving the reserve price for assets to be disposed of;
11. Verifying assets identified for disposal, ensuring they are valued and proving the reserve price.
So, the following activities, for the purposes of disposal of a HC's assets: -
 - a. Assessing and verifying assets identified for disposal by a UD or Board of Survey / Selected Committee for Disposal.
 - b. Causing the assets identified (in a) to be valued.
 - c. Approving the reserve price for the assets to be disposed of;
12. Approving pre-qualified suppliers for the HC's repeat purchases.
13. Ensuring adherence to this Guide;
14. Awarding contracts for all purchases that exceed 500,000/=.

3.8.2.2 Declaration of personal interests.

Where a members of a CC has any pecuniary or other interest that may conflict with the performance of the functions of the member, the member shall disclose the interest at the meeting.

Where a member has or discloses an interest in any matter before the CC, that member shall not take part in the proceedings or exercise if any powers by the committee relating to the item or the matter in which the member has an interest.

3.8.2.3 Decision making procedure relating to submission.

The CC shall consider each submission made, the recommendation of the PDC and approve or reject the submission made with a reason.

The decision of the CC should be unanimous or, where unanimity cannot be achieved, should be by simple majority of the members present.

3.8.2.4 Disagreements between the CC and the PDC.

Where there is disagreement between the CC and PDC, the decisions of the CC shall take precedence.

3.8.2.5 Proceedings of the Contracts Committee meetings.

Procurement and Disposal issues may be attended to in the routine HUMC sittings or stand-alone CC meetings depending on the urgency, economic value and other factors of the issue at hand.

The PDC is to be represented by its Chairperson on the CC.

For all stand-alone CC meetings, the Chairperson of the PDC should be Secretary to the CC. He/ she should record minutes of all procurement and disposal proceedings.

The CC Chairperson is responsible for guiding the Secretary in drawing up the agenda. He/ she shall ensure that the agenda specifies:

1. The date, time and venue of the CC meeting;
2. The submission to be considered;
3. Issues to be discussed; and any advisor to attend the meeting.

The minutes of each CC shall include: -

1. A register of attendance, signed by all members, advisors and observers;
2. A record of the decision made for each submission considered by the CC together with the details of any conditions to approved submissions, and reasons for the rejected submissions.

3.8.2.6 Responsibilities of the Secretary of a CC.

The Chairperson of the PDC, who indeed is the Secretary to the CC is responsible for:

1. Assisting the CC Chairperson in convening meetings and preparing agenda related to procurements and disposal of assets;
2. Organizing and providing of the necessary facilities for meetings of the CC;
3. Ensuring that the agenda, submissions and any other documentation are distributed to the CC members within a reasonable time before any meeting;
4. Recording the minutes of the meetings;
5. Keeping all procurement and disposal records of the CC including submissions and minutes;
6. Promptly notifying the relevant officials of the decisions of the CC;
7. Coordinating all procurement and disposal activities of the CC;
8. Preparing reports of the CC to the different stakeholders;

3.8.2.7 Co-opting of advisors and observers by the CC.

The CC may co-opt an advisor to assist it in the discharge of its functions. An advisor shall not take part in the decisions of the CC and shall only attend to the related part of the meeting, which considers the matter on which the advice is required.

The CC may rely on the Chairperson of the PDC or request any member of the PDC, a UD, an EC or negotiating team to attend a CC meeting as an adviser to offer clarification on a submission.

3.8.3 Functions of the Procurement & Disposal Committee

The HC should have a PDC charged with the responsibility of managing the day to day procurement and disposal activities. This Committee is subordinate to HUMC which is the Contracts Committee.

3.8.3.1 Establishment of the PDC.

The In-Charge shall cause the establishment of the PDC whose membership is selected among staff members. Staff members who are not in administration could also be represented on the Committee.

The membership on this PDC shall be determined by the anticipated: -

1. Number of procurement and disposal requirements;
2. Value of the procurement and disposal requirements;
3. Complexity of the procurement or disposal requirements.

This Committee should report to the In-Charge of the HC. It should have either 3 (three) members or 5 (five) members. The quorum of this Committee is of 3 (three) members.

This PDC should unless otherwise be chaired by the Assistant In-Charge.

A person shall be a member of the Team in his or her individual capacity. Where a member of this PDC is unable to attend a meeting, s/he shall not nominate an alternate members or proxy.

3.8.3.2 Roles and powers of the PDC.

The PDC shall:

1. Manage all procurement activities in HCs except, adjudication / resolution and award of contracts;
2. Advise the UD's on the individual procurement methods;
3. Perform the functions of the Secretary of the CC (under xxx)
4. Implement the decisions of the CC;
5. Consolidate the procurement and disposal plan of the HC;
6. Recommend procurement and disposal procedures;
7. Review and prepare the Statement of specification/ requirements, works for procurement;
8. Manage bid opening and closing;
9. Prepare bid documents;
10. Prepare advertisement of bid opportunities;
11. Issue bidding documents and receive bids;
12. Maintain a suppliers / providers' list for the HC's repeat purchases;
13. Prepare contract documents;
14. Maintain and archiving records of the procurement and disposal process;
15. Prepare monthly reports for the CC;
16. Prepare any such report as may be required from time to time and report any significant departures from the terms and conditions of the awarded contract;
17. Require reports from the UD's relating to contracts management;
18. Provide clarifications on bid documents;
19. Recommend the composition of ECs and negotiation teams for the approval of the CC;
20. Access independent advice as may be necessary in the discharge of its function;
21. Ensure compliance with the Manual and best practices.
22. To ward contracts below 500,000/=

3.8.4 Functions of the User Departments

Every UD ought to prepare a procurement plan based on the approved budget which should be submitted to the PDC for implementation and may seek technical assistance, where necessary.

Otherwise, the UD of a HC should perform the following functions:

1. Liaise with and assist the HC throughout the procurement or disposal process to the point of contract placement;
2. Initiate procurement and disposal requirements and forward them to the PDC;
3. Propose technical inputs to the statement of specification/ requirements, works for procurement to the PDC;
4. Certify invoices for payments to providers;
5. Report any departures from the terms and conditions of an awarded contract to the PDC;
6. Forward details of any required contract amendments to the PDC;
7. Maintain and archive records of contract management;
8. Prepare any reports required for submission to the PDC, CC or the In-Charge.

3.8.5 Functions of the Evaluation Committees

ECs are adhoc, not permanent and are based on the procurement transaction being evaluated based on the competency, skills and knowledge.

They are to be formed on a case by case basis with approval of the CC to evaluate quotations or bid proposals received so to recommend the most suitable for the contract award.

The main purpose of ECs is to assist in the evaluation high value procurements (i.e. whose total value exceeds 5,000,000/=).

The evaluation of micro procurements need not be evaluated by an EC. The PDC can conclude this by comparison of at least three quotations.

So, all evaluations of suppliers for high value purchases ought to be done by ECs, which in this respect report to the CC.

3.8.5.1 Establishment and Composition of the EC.

It is the In-Charge shall cause the establishment of the EC, by suggesting names to the CC for consideration.

The EC is to comprise of 3:5 members whose composition (in terms of quality and quantity) should to be based on the value and complexity of the procurement requirement.

Majority of the members should be those with technical expertise in the specific item being procured. Staff from UDs with appropriate skills and experience can also be enrolled.

The PDC should be represented on the Committee, but it is preferred that members of the PDC have a lesser number on the EC. Implying 1:2 in case of the 3:5 membership.

Members of the EC may be external to the HC where the required skills or experience are not available within the HC.

The CC may raise the number of members on the Committee (i.e. from 5) as deemed fit, but always, an odd number is recommended for voting purposes.

NB: -	1. Just like other committees, ECs have to record minutes of all their evaluation
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proceedings.

2. *In order to maintain independence of functions and powers, a member of a CC shall not be a member of an EC.*

3.8.5.2 Roles of the EC.

ECs shall basically carry out bid evaluation in an effort to acquire goods, works and services necessary to achieve the goals of the HCs.

Synonymous terms with bid evaluation are, quotation review panel, bid review board or tender review committee, to name a few.

Bid evaluation is the process that takes place after the tender submission deadline. It involves the opening and examining of the bids to identify the preferred supplier(s) for the HC.

The committee's work must be strictly conducted on a basis of impartiality and fairness, with due attention to considerations of economy, efficiency and transparency among eligible bidders.

Preferably, the EC should evaluate bids based on the predefined criteria and should recommend award to the Supplier that provides most economically advantageous deal to the HC.

Following are the major roles of the Evaluation Committees.

1. Determining and applying the agreed evaluation criteria;
2. Evaluating bids / proposals individually and/or discuss;
3. Ranking and/or developing a shortlist;
4. Interviewing/obtaining clarifications;
5. Preparing evaluation reports;
6. Recommending in the reports which bidder(s) should be awarded the contract;
7. Maintaining confidentiality throughout the process.

3.8.5.3 Meetings of the Evaluation Committee

There could be multiple ECs at a given time depending on the required procurements.

The following should also be noted: -

1. A meeting of the EC shall not be held unless all members of the committee are present.
2. A decision of the EC shall be unanimous except where the evaluation methodology requires individual scores or marks.
3. Where the EC is unable to reach a decision unanimously, the decision of the majority shall be the decision of the EC and shall be stated as such in the evaluation report
4. The minutes of a meeting of the EC shall be signed by all members of the committee and shall form part of the records of the procurement for which the evaluation is conducted.
5. The minutes of a meeting of the EC shall be an annex to the evaluation report.
6. The evaluation report shall state the disagreements of the members, if any, including the reasons for the disagreement, the discussions held on the issue in disagreement and the views of the members of the EC on the matter.
7. The evaluation report shall be signed by all the members of the EC.
8. Where a member of the EC does not or is not able to sign the report, the member shall in writing give reasons why he or she did not or was not able to sign the report.

3.8.5.4 Chairperson of the EC.

The Chairperson of the EC shall be responsible for: -

1. Chairing all the meetings of the Evaluation Committee;
2. Conducting the evaluation in accordance with the bidding document;
3. The security of the bids and the other documentation before the Evaluation Committee;
4. Submitting the report of the EC to the CC or PDC within the prescribed time;
5. Communication between the Evaluation Committee and a bidder or any other person.

3.9 Procurement Procedures & Thresholds

3.9.1 Procurement Procedures

Procurement procedures are the methods used to acquire the required purchases. These methods can be competitive and non-competitive. Competitive methods of procurement are preferred given their tendency to promote transparency, economy and efficiency, and limit favoritism.

Basically we have two main procurement procedures which include: - the Negotiated Procedure (i.e. procurement which does not require advertising) and the Tendering Procedure (i.e. procurement through advertising/invitation for bids).

So, whereas for the Tendering Procedures one has to advertise, this does not apply for Negotiated Procedures.

3.9.1.1 Negotiated Procedure.

Negotiated Procedure is a direct procurement method through which an entity can get the required purchases by merely approaching one or more potential suppliers and negotiates for specific price or service arrangements.

All Negotiated Procedures do not require advertising. Instead, the procuring person or entity directly get in touch with the possible suppliers and negotiates a contract with them. Under this procurement procedure we have the following major categories: -

1. Local shopping / micro procurement: –

This is a simple direct method of procurement used for very low price and small – volume items that are not routinely used by the HC. It is a process of obtaining supplies and services from local or indigenous sources.

This method of procurement shall be used for very low procurements and shall be used to achieve efficient and timely procurement where value does not justify competitive procedures.

It is to be used for procurements whose single time contract or annual aggregated purchase value does not exceed Ugx 200,000/= or Ugx 2,400,000/=, respectively. Such payments are usually from petty cash and are considered very low value procurements.

NB: -	<p><i>The following should be met when using this Local shopping / micro method of procurement;</i></p> <ol style="list-style-type: none"> a. <i>The original invoice or receipt evidencing the supplies procured and the price paid shall be obtained and signed by the official procuring the supplies.</i> b. <i>The PO in charge shall be responsible for ensuring that value for money is obtained to the extent practical under the procurement procedures.</i> c. <i>The method shall not be used where there are required continuous or</i>
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	<p><i>repeated procurement of services or supplies.</i></p> <p><i>d. The method shall not be used to split procurements in order to avoid using the appropriate procurement method.</i></p>
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2. Single quote / single bid / single source: –

Single source procurement is where a single supplier is selected from a number of suppliers. Here the required purchase is of a relatively high value (i.e. not a micro procurement), but, exceptional circumstances prevent the use of competition.

This is also considered a direct procurement as a purchase is made directly from a single supplier at a quoted price. This procedure is usually used where there is insufficient time for any other procedure such as in an emergency situation.

Besides emergencies, the other circumstances which call for the Single bid / single source / direct procurement are:

- a. If only one supplier is available and qualified to fulfill the requirements*
- b. If the advantages of using a certain supplier are abundantly clear*
- c. If the procurer requires a certain product or service that is only available from one supplier*
- d. For the continuation of work that cannot be reproduced by another supplier*

NB: - This direct procurement method may at times go beyond the ceiling for the Negotiated Procedure (i.e. Ugx 5,000,000/=), a reason any required purchase under this procedure should undergo a strict approval process. Such authorizations are only by the CC.

3. Triple quote / competitive negotiation / quotation procurement:-

This is the method of procurement used by comparing price quotations obtained from a number of suppliers. It is used to ensure a fast procurement process, since it does not require a lot of paperwork.

With is this procedure, essentially quotes are got from a minimum of three suppliers or service providers. A comparison of quotes is analyzed and the best selection determined.

This procurement method shall be used by the HC to obtain competition and value for money. It is used for procurements whose single time contract or annual aggregated purchase value exceeds Ugx 200,000/= or Ugx 2,400,000/=, respectively.

This method is usually appropriate for non-routine purchases. It is used when there are few suppliers for a given requirement or when special terms or specifications are required by the HC for items not widely available.

NB: -	<i>This direct procurement method may at times go beyond the ceiling for the Negotiated Procedure (i.e. Ugx 5,000,000/= for single time deal), a reason any required purchase under this procedure should undergo a strict process that is approved only by the CC.</i>
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3.9.1.2 Tendering Procedure.

Tendering requires advertising. It is a competitive procurement procedure used whenever there is a requirement to advertise, publicize or make announcements for getting the required suppliers.

It involves the invitation of potential suppliers to bid for the supply of high value purchases that must be delivered within a finite deadline.

Similarly, unlike the Negotiated Procedure, the Tendering procedures are often considered time consuming and cumbersome as they have a number of steps to follow and documents to use. But they allow transparency and equality of opportunity to suppliers.

The tendering procedures has the following advantages, among others: -

- a. Decisions are made by a Committee (in this case the EC) which looks at multiple considerations when evaluating and selecting the most qualified bidders.
- b. Tenders are a good mechanism for avoiding fraud. Because of the competitive identification and selection of bidders. This depicts equitability or fairness in the process.
- c. Price is known at the award of the contract, and since the tendering process has to be documented, this creates clearness, visibility and liability.

NB: -	<p><i>The Tendering procedure requires advertising. If no advertisement is made, then a Negotiated Procedure is being used.</i></p> <p><i>So, the HC shall advertise when using the tendering procedure or when pre-qualifying suppliers for common user items. But: -</i></p> <ol style="list-style-type: none"> <i>a. Advertisements are to be made in newspapers, notices boards at the HC and other well used and assessable public places like churches, mosques etc.</i> <i>b. Advertisements shall give adequate time for prospective bidders to prepare their bids and also be able to submit them.</i> <i>c. A minimum of 21 days shall be allowed between the first day of the advertisement and the closing date for the bids.</i>
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Under the Tendering procurement procedure, the HCs are to have the following major categories for consideration: -

1. Open or restrictive tendering: –

Whereas open tenders are the tenders which are open to bidding by everyone, restrictive / selective tenders are not open to everybody. As the name suggests these are restrictive tender for only selected people.

With open tendering, the entity publically advertises and whoever feels can apply submits his / her quotation/ bid for consideration. Otherwise, an open tender is open for all.

With the restrictive tender, the entity can before or after advertising for a given requirement, share certain specific information with them and bidders are selected and rejected based on the information they submit. This method of procurement is also called: Limited Bidding and Selective Tendering.

2. Local or international tendering: –

Whereas with local tenders the advertisement specifically targets prospective bidders from within the Country, while with international tender, the invitation to bid goes across the borders.

Unless others, HCs are to only use the local tendering procedure with a blending of either the open or restrictive tendering.

3.9.1.3 Determining the procurement procedure to be used

The choice of a procurement procedure shall be in accordance with the following guidelines, and shall be on the basis of: -

1. The estimated monetary value of the purchase; or
2. The nature and complexity of the purchase ; or
3. The circumstances pertaining to the purchase.

The estimated monetary value of the purchase shall be the main criterion for determining the choice of procurement procedure to be used. This calls for having in place Procurement Thresholds.

In consideration of the above note, the circumstances pertaining to the purchase to be procured may be used as additional criteria in determining the choice of procurement procedure.

3.9.2 Procurement Thresholds

A threshold is a boundary beyond which, results in another condition. Therefore, procurement thresholds depict monetary limitations or brackets within which a given purchase can be made.

Procurement thresholds:

1. Are financial spending boundaries that help in the ascertainment of the most appropriate procurement procedure to be used
2. Help in determining the most efficient procedure of procurement to be used.
3. Apply to the aggregate financial value of all requirements for a year. For any purchase, it is the total annual budgeted value in a given financial year that is used to determine the proper threshold and the resultant procurement procedure to be used.

But PDCs must always know what kind of purchase they want to make –in the category of goods, services and works. While both goods and services have the same procurement threshold, works on the other hand can have a higher limit.

Splitting of purchase orders to avoid any threshold is not permissible, as the aggregation rule applies. I.e. to desist from splitting contracts in bits so as to fall below a certain threshold.

3.9.2.1 Aggregation in procurement

Aggregation in the above context refers to the grouping of similar purchases to ascertain their respective total monetary value in order to determine the right threshold and the ensuing procurement procedure to be used in getting them from suppliers.

Similar and regular contracts must be aggregated for the purpose of calculating the total value.

As a guide to determining the correct procurement thresholds, HCs: -

1. Ought to assess aggregation every time they are to procure something. If the HC makes multiple purchases of the same thing within a 12 months period, then the value of each purchase aggregates together to determine whether a procurement threshold is breached.
2. Are not allowed to bypass the rules simply by splitting a given contract into pieces. Splitting the requirements into bits will not remove the responsibility to treat a given requirement as being above the threshold.

3.9.2.2 PDC's role in the aggregation of purchases

The key procurement responsibilities for the PDC regarding thresholds:

1. Grouping or classifying of similar and regular purchases;
2. Determining if the requirement is a good, service or work (works usually have a higher threshold than goods or services, this can be re-set by the CC);
3. Estimating the value of each category of the potential purchases to determine the appropriate thresholds.

Following are the procurement thresholds that need to be followed when seeking to purchase the HC's goods, services and works

Table 1: Procurement thresholds and the applicable procurement procedure

Amount (Ugx)	Managing office / Committee	Authorizing Person	Procurement Procedure	
1 - 200,000	UDs	In-Charge	1. Negotiated (Thru Direct Purchasing)	Local shopping / micro procurement
200,001 - 499,999	PDC	In-Charge		Competitive negotiation
500,000 - 4,999,999	EC	HUMC Finance		Competitive negotiation
5,000,000 - 9,999,999	EC	HUMC Finance	2. Tendering (Thru Advertising)	Restricted Bidding
10,000,000 - 14,999,999	EC	HUMC Finance		Restricted Bidding
15,000,000 - 49,999,999	CC	HUMC Chair		Open Bidding
50,000,000 - 99,999,999	CC	HUMC Chair		Open Bidding
100,000,000 and above	CC	HUMC Chair		Open bidding

NB: -	<ol style="list-style-type: none"> 1. <u>Local shopping / micro procurement:</u> – <ol style="list-style-type: none"> a. The estimated value of the procurement should not exceed Ugx 200,000/=. b. A minimum of 1 written quote from a supplier is required. However, if one is able to get additional quotes, the better. 2. <u>Single quote / single bid / single source:</u> - <ol style="list-style-type: none"> a. This procedure is not reflected on the table because of its surpassing nature. b. This is direct single supplier procurement procedure that is above the micro threshold of 200,000/=. c. It is a non-competitive method that should only be used under specific
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	<p><i>circumstances like emergencies.</i></p> <p><i>d. The single quote / single bid / single source approach may at times exceed the ceiling of Ugx 5,000,000/= for the Negotiated procedure.</i></p> <p><i>e. So, use of this procedure must only be authorized by the CC, because of its outstanding nature.</i></p> <p>3. <u>Triple quote / quotation procurement:-</u></p> <p><i>a. A minimum of 3 suppliers are approached to negotiate for a given procurement.</i></p> <p><i>b. This procedure is used for procurements whose estimated value exceeds Ugx 200,000/= but does not exceed Ugx 5,000,000/=.</i></p> <p><i>c. An EC is required for all purchases over Ugx 5,000,000/=.</i></p> <p>4. <u>Tendering: -</u></p> <p><i>a. Tendering in brief, is an invitation to bid for large purchases through advertising.</i></p> <p><i>b. It is a formal and structured procedure for generating competing offers from different potential suppliers.</i></p> <p><i>c. This procedure is used for procurements whose estimated value exceeds Ugx 5,000,000/= but does not have a limit.</i></p> <p><i>d. We have open or restrictive tendering and local or international tendering procedures.</i></p> <p><i>e. Unless, otherwise, only the local tendering procedure is to be used in HCs, with a blending of either the open or restrictive tendering.</i></p>
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3.10 Procurement Process

A procurement process is a series of steps that an entity identifies and follows in order to obtain goods, works or services for its goals and objectives.

The procurement process involves much more than just ordering and paying for a purchase.

This process includes everything involved right from identifying which purchases the HC needs, to the maintaining right documentation and records after the purchases have been received and paid for.

3.10.1 Availability and confirmation of funds

The PDC is responsible for acquiring goods, services and works for the HC. But confirmation of the availability of funds shall be made by the In-charge or by any officer authorized by him/ her before the start of the process of procurement.

A HC shall not initiate any procurement proceedings or activities, for which funds are neither available nor adequate, except:

1. Where the delivery of goods, services or supplies and consequent payments to a provider are anticipated to be effected from subsequent financial years.
2. In the case of framework contracts, funds will be committed at the time of issue of each specific call off order that falls under a given framework agreement.

The procurement may be initiated in accordance to with this Guide, before the receipt of funds, but a contract shall not be awarded before the availability of funds.

3.10.2 Due diligence before engaging suppliers

Due diligence in the context of this Guide refers to the requirement of carrying out duties carefully and thoroughly, and avoiding careless practices or techniques.

This shall require all activities by POs to be pursued in a manner that goes beyond the minimum effort, and this shall entail:

1. Checking the references of potential suppliers,
2. Developing impartial evaluation criteria,
3. Analyzing carefully the offers received,
4. Not cutting corners for the sake of convenience.

3.10.3 Procurement Cycle

In the context of this Guide, the Procurement Cycle begins with the identification of a need and ends with the conclusion of the awarded contract.

The goal of procurement is to award timely and cost-effective contracts to qualified suppliers and service providers.

A clearer understanding of the cycle can be gained once the goal of procurement is understood.

Otherwise, following is a quick overview of the steps in the procurement process:

1. Needs identification – and then consolidating the purchase requirements of all UD.
2. Budgeting for the required goods, works and services well in advance.
3. Drawing a procurement plan – what purchases are required, how and when to get them.
4. Initiation of the purchase requisition by the UD.
5. Approval and authorization of the purchase transaction.
6. Determining the procurement procedure / method
7. Identification, evaluation and selection of the best supplier – one who maximizes value.
8. Negotiating and contracting the selected supplier - the pricing structure, the scope of work, terms and conditions, timelines of delivery, etc.
9. Creating purchase orders / placing orders
10. Receiving and inspecting of the purchases - three-way matching.
11. Paying for the received items and attaching all supporting documents.
12. Ending or terminating the contract - as per the terms stipulated in the contract

NB: -	<p><i>a. The PDC must ensure the proper filing every document generated all through the cycle.</i></p> <p><i>b. A three-way match is the process of matching the invoice, purchase order, and receiving report to validate the details of a purchase before making a payment. The purpose of this process is to reduce the risk of fraud and financial loss by preventing the reimbursement of unauthorized purchases.</i></p>
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3.11 Procurement planning

Procurement planning is the process of identifying and consolidating requirements from different UD with the aim of having them as and when they are required. It is this process that finally results in a procurement plan.

The procurement plan is an instrument for implementation of the budget. It defines the procurement requirements for the HC. It helps in the early identification of the key procurement activities that will be required in a given period.

The HC shall draw a procurement plan from the HC's approved annual budget. The example of a Procurement Plan is in Appendix 5.6

Among others this plan will have to show what to buy (description of the item to be procured), how to buy (i.e. the type of procurement procedure to be used), when to buy (during which period, time i.e. quarter of the budget period) and from what source (where to get the funding).

Following are some of the key considerations in designing and completing a Procurement Plan:

1. Use the HC's budget to identify the goods, services and works needed to be procured by the HC.
2. Ascertain the items' specifications, the quantities required for each item and the respective estimated cost as per the budget.
3. Put naturally grouped items together (e.g. computers & computer software) so as to ensure that contracts are not split to fall in lax procedures.
4. If the items to be used are from the existing stocks, to make sure that these already stored items are well documented on the plan.
5. Use the procurement thresholds to identify what purchase procedures will be needed for each purchase.
6. Identify the cost for the implementation of particular procedures e.g. adverts, documentation, meetings, etc.

NB: -	<i>After finalizing the Procurement Plan, the PDC's next main assignment is to identify who the HC's Suppliers are to be. I.e. by coming up with an Approved Suppliers List (ASL) that is generated through the pre-qualification process.</i>
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3.11.1 Pre-qualification of Suppliers

Prequalification is a screening process whereby suppliers are assessed against pre-determined criteria such that only those who satisfy the prequalification criteria are invited to offer goods/services/works.

It is this screening process that is to result into the HC's pre-qualified suppliers' list. To appear on the list of approved suppliers, all enlisted suppliers should at one time have undergone through such an assessment.

Pre-qualification can also be referred to as a multi-use list or a register of suppliers.

The prequalification of suppliers' strategy is best used when the HC intends to procure common user items regularly over a period of time. So it is used where purchases are of a routine nature.

Supplier prequalification, if well managed, is a method which can reduce the risk and administrative burden created by repeated approaches to the market;

3.11.1.1 Guidelines of establishing and managing a prequalified supplier list

The HC's pre-qualification process shall be two-fold:

1. Develop an approved supplier list to be agreed to by the CC and update the supplier database.
2. Allow for a shortlist of suppliers to tender for supplies leading to framework agreements.

Following are the step-by-step guidelines on how HCs are to establish and manage a prequalified supplier list:

1. Categorize all regularly made purchases into appropriate groupings- as drugs & medical supplies, stationary items, etc.
2. Establish supplier lists under each category using existing HC's suppliers / providers.
3. For categories that have gaps, supplier should be asked to formally apply for the pre-qualification along with profiles and references.
4. All suppliers deemed suitable, should be listed per category and their details entered into a spread sheet.
5. All suppliers who participated in the process should be contacted. Unsuccessful suppliers should be thanked for their engagement in the process.

NB: -	<ol style="list-style-type: none"> 1. <i>The list of pre-qualified providers shall be updated periodically at least annually to enhance completion;</i> 2. <i>It is the CC shall approve the HC's list of pre-qualified providers;</i> 3. <i>Much as the prequalification process is distinct from the bidding process—which concentrates on the technical and financial aspects of specific bids, when establishing a pre-qualified supplier list, a similar process to that of an Invitation to Tender should be followed.;</i>
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3.11.1.2 Supplier Identification Procedure

The EC shall seek to make an initial determination of the suitability of the applicants and will request information on the following:

1. The applicants profile / details, including organization structure and ownership,
2. Details of products and/or services (category) the applicant seeks to provide,
3. Contracts and values undertaken by the applicant over the last two years,
4. A minimum of three trade references from reputable firms made in the last two years,

Suppliers will procure and fill in the Pre-Qualification Questionnaires (PQQ) at the HC. Applicants shall organize the PQQ and its supporting information in a bound format before submission.

3.11.1.3 Receipting and categorizing of Completed PQQs

1. The bound PQQ package shall be delivered in person at the HC,
2. The package shall be received and recorded in presence of the vendor representative making the submission,
3. All submissions shall be within 21 days of the advertisement date,
4. An opening committee shall be constituted to open the bids in the presence of the applicant's representatives,
5. Each applicant and the category applied for shall be recorded,
6. Within a pre-determined timeline, an EC shall meet to evaluate all applicants based on the pre-determined scores.

3.11.1.4 Suppliers' Evaluation

Making the right choice of suppliers is critical for HCs. Any inaccuracy in the suppliers' selection process can lead to time loss, disruptions and inefficiencies in the health service provision exercise.

Supplier evaluation refers to the process of assessing and approving potential suppliers by quantitative and qualitative assessment. The purpose is to ensure that a range of best Suppliers is available for use.

However, besides the potential suppliers, this process is also applied to the current suppliers in order to measure and monitor their performance for the purposes of: -

1. Reducing costs of the purchases required on the regular basis,
2. Mitigating the chances of risk involved, and
3. Driving continuous improvement in their performance.

Supplier Selection Factors

Much as there is no one best way to select suppliers, as entities use a variety of different approaches, regardless of the approach employed, the overall objective of in the selection process should be to reduce procurement risk and maximize overall value to the buying HC.

For many HCs, affordability may be a key consideration in choosing a supplier. However, cheap suppliers don't always represent the best value for money. So, it is always important to strike a balance between price / cost and other factors.

Also, for any assessment, "killer factors" (for any category of suppliers) ought to be agreed upon - These are principally the most relevant factors for a given assignment. Whoever does not meet or realize these factors, is rendered unsuitable.

As a criteria for assessing the suitability of a potential supplier, HCs may make use of the following Supplier Selection Factors:

a. Dr. Ray Carter's 10 Cs of Supplier Evaluation:

1. Competency
2. Capacity
3. Commitment
4. Control
5. Cash
6. Cost
7. Consistency
8. Culture
9. Clean
10. Communication

Besides the 10 Cs, following are the other Suppliers Selection factors that could be adopted.

b. Other factors of Supplier Evaluation are:

1. Reliability
2. Stability
3. Location and accessibility
4. Delivery and Transportation
5. Service provision
6. Engagement terms and conditions

How the HC weighs up the importance of these different factors should be based on its priorities and strategies.

These supplier selection factors can also be used in the HC's tendering process.

Otherwise, the most effective suppliers are those who offer items that match - or exceed - the needs of a given HC.

For example, if it wants to cut down the time it takes to serve its clients, suppliers that offer faster delivery will be rated higher than those that compete on price alone.

NB: -	<p><i>But HCs should:</i></p> <ol style="list-style-type: none"> 1. <i>Desist from buying from too many suppliers – a limited number of sources / fewer suppliers are easier to manage - and probably more cost.</i> 2. <i>Avoid having a single supplier - it's always worth having an alternative supply source ready to help in difficult times.</i>
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Analysis against the agreed criteria: -

- a. Each category of suppliers should be assessed differently. However, the potential suppliers therein should be scored using the EC's agreed criteria.
- b. In scoring, the EC should preferably use a grid-based tool (such as Decision Matrix Analysis to score each supplier against each against the agreed factors).
- c. With a grid based tool, they should then be in position to choose the supplier that scores best against the conditions that are most important to the HC.

NB: -	<p><i>A decision matrix is a list of values in rows and columns that allows an analyst to systematically identify, analyze, and rate the performance of relationships between sets of values and information. For example, as follows: -</i></p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" rowspan="2"></th> <th colspan="4" style="text-align: center;">Alternatives</th> </tr> <tr> <th style="text-align: center;">Wt</th> <th style="text-align: center;">Vendor 1</th> <th style="text-align: center;">Vendor 3</th> <th style="text-align: center;">Vendor 4</th> </tr> </thead> <tbody> <tr> <th rowspan="7" style="writing-mode: vertical-rl; transform: rotate(180deg);">Criteria</th> <td style="text-align: center;">Cost</td> <td style="text-align: center;">.30</td> <td style="text-align: center;">4</td> <td style="text-align: center;">4</td> <td style="text-align: center;">4</td> </tr> <tr> <td style="text-align: center;">Response time</td> <td style="text-align: center;">.17</td> <td style="text-align: center;">3</td> <td style="text-align: center;">3</td> <td style="text-align: center;">5</td> </tr> <tr> <td style="text-align: center;">Training time</td> <td style="text-align: center;">.17</td> <td style="text-align: center;">2</td> <td style="text-align: center;">4</td> <td style="text-align: center;">5</td> </tr> <tr> <td style="text-align: center;">Ease of use</td> <td style="text-align: center;">.17</td> <td style="text-align: center;">1</td> <td style="text-align: center;">4</td> <td style="text-align: center;">4</td> </tr> <tr> <td style="text-align: center;">Strong team</td> <td style="text-align: center;">.10</td> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> <td style="text-align: center;">2</td> </tr> <tr> <td style="text-align: center;">Team experience</td> <td style="text-align: center;">.10</td> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> <td style="text-align: center;">2</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: center;">1.0</td> <td style="text-align: center;">16</td> <td style="text-align: center;">23</td> <td style="text-align: center;">22</td> </tr> <tr> <td style="text-align: center;">Weighted total</td> <td></td> <td style="text-align: center;">2.8</td> <td style="text-align: center;">3.8</td> <td style="text-align: center;">3.9</td> </tr> </tbody> </table>			Alternatives				Wt	Vendor 1	Vendor 3	Vendor 4	Criteria	Cost	.30	4	4	4	Response time	.17	3	3	5	Training time	.17	2	4	5	Ease of use	.17	1	4	4	Strong team	.10	3	4	2	Team experience	.10	3	4	2	Total	1.0	16	23	22	Weighted total		2.8	3.8	3.9
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The results shall be analyzed as follows:

- a. Applicants who fully meet the pre-set score,
- b. Applicants who meet the minimum pre-set score,
- c. Applicants who do not meet the minimum score.

After analyzing the results:

- a. The EC shall notify the established / best suppliers of the HC's intention to include them in their vendor list,
- b. A site visit will be arranged for any new qualifying applicants while a letter of regret will be sent to unsuccessful applicants,

- c. The EC shall make a record of all its deliberations and decisions,
- d. The survey team prepares a report on their findings, overall opinion and recommendation,
- e. All members must sign on the report before submission to the CC who shall assess and make a final recommendation on an applicant.

It should be noted that Suppliers may be exempt from the pre-qualification procedure where the CC deems this as not practical e.g. where the supplier is the only provider of the item.

3.11.1.5 Creation of New Supplier List

1. All recommended applicants shall be collated by the committee into a New Supplier/Vendor List, broken down into the respective procurement categories,
2. Each category must have at least two suppliers and a maximum of 4 suppliers.

3.11.1.6 Approval of New Supplier List

1. The Suppliers List shall be presented to the PDC for final review, input and approval,
2. Once approved, a Vendor is included on the approved vendor list,
3. Once in force, vendors outside the approved list shall not be used to provide supplies unless through an open tender process,
4. A supplier pre-qualified to provide a particular item, category of products or services shall not be used to provide any other item, goods or services,
5. If there is need to use a supplier to supply a category for which the supplier was not originally pre-qualified, such a supplier will be pre-qualified afresh and subsequently approval by the Management shall be required.

NB: -	<i>Buying from carefully agreed suppliers could have a number of benefits. It eases the control the HC's suppliers, the HC can become more important to these suppliers, and there is a higher possibility of HC making deals that give it an extra competitive advantage.</i>
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3.11.1.7 Steps to be taken in ordering for a given purchases

After selecting a given supplier, the following are the steps to be taken in ordering for the required purchases from the pre-qualified suppliers (i.e. on the ASL).

Before the placement of an order, the POs will have to take the following steps: -

1. Identification of the requirement / need
2. Inquire from the stores of the availability of the item. But if items which are not available in stores;
3. Raise a purchase requisition
4. Approval of the purchase requisition by the HOD.
5. Sourcing for quotations and sending them to the PDC
6. The PDC approves the purchase requisition according to the budget line.
7. If the purchase requisition is below Ugx 5,000,000/= then;
 - a. The PO raises an LPO
 - b. The LPO is approved by the authorized signatory depending on the threshold
 - c. The Finance sends back the LPO to the PO
 - d. The PO sends the LPO to the supplier
 - e. The supplier delivers items to stores with a Delivery Note and an Invoice
 - f. Stores attach all documents and sends them to the PO

- g. The PO forwards the documents to Finance for payment
 - h. Finance sends the documents to the paying cashier
 - i. The paying cashier prepares the payment voucher and cheque for the supplier
 - j. Finance captures the information in the system.
8. If the purchase requisition is above Ugx. 5,000,000/= (this requires approval by the HUMC Finance Chairperson). But such a Supplier for the required purchases must have gone through the Tendering Process. If not then, the purchase requisition should be sent to the EC.

The EC shall then:

- a. Make an invitation for bids
- b. Sealed bids are opened and analyzed
- c. The selected supplier is awarded contract

3.11.2 Framework Contracts

Given that pre-qualification arrangements provide a list of suppliers who meet certain criteria. It is important that these suppliers have contracts.

Framework contracts are arrangements whereby one or more suppliers are contracted to provide services for a period of one or more years at an agreed price among other contract terms. So: -

1. They are long-term agreements made with suppliers to deliver goods or services with a set price on a recurring basis over a specified time period.
2. These contracts are mostly suitable for purchases that are required on a regular basis such as drugs and medical supplies, foodstuffs, stationary and any other items of routine nature.

Framework agreements can last anywhere from a few months to over a decade but typically last between 2 and 5 years.

Framework agreements use call off orders or blanket orders that allow multiple delivery dates over a period of time. Call off contracts are typically regarded as purchase orders which facilitate bulk orders over a period of time.

In the case of HCs, LPOs become individual contracts that fall under a respective framework agreement. With this arrangement, each order has to be referenced to the respective invoice.

But, HCs are to make framework contracts only under the following circumstances. I.e. when: -

1. The same goods or services are needed "on call", but where the quantity of the requirement cannot be defined in advance.
2. These goods or services are needed throughout a time period, typically one year.
3. The unit cost can be well-defined and details can be specified.
4. A single supplier is capable of delivering throughout the length of the contract.
5. Ordering in quantity facilitates more favorable contract terms, such as bulk discounts.
6. Making impromptu deliveries minimizes the stocking risk and costs.
7. Payment can be made on the basis of goods supplied or services done.

NB: -	<i>Framework contracts / blanket order purchases should never be made where the price of the required purchase is not guaranteed, where the quality of the product is unreliable, or</i>
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<i>where the supplier cannot be trusted.</i>
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3.12 Procurement Performance Evaluation and Measurement

3.12.1 The purpose of performance evaluation and measurement

Performance evaluation and measurement of procurement as a function is a good practice undertaken to ensure that procurement services are continuously improved.

3.12.2 Key Evaluation Indicators

Performance evaluation and measurement should focus on understanding the extent to which internal customers are satisfied; understanding different factors that may be causing problems; focusing attention on priority areas when seeking solutions to problems and identifying new approaches to improving performance.

3.12.3 Performance measures and targets setting

1. The realistic and measurable targets for key performance indicators are to be developed by the PDC.
2. The targets will be reviewed from time to time whenever circumstances warrant such reviews.
3. The areas to be covered when measuring the HC's performance in regard to procurement should be based on internal customer satisfaction in terms of:
 - a. Timeliness;
 - b. Availability of supplies in terms of supply range, quality, continuity of supply;
 - c. Reduction of lead time in the procurement process;
 - d. Quality in terms of appropriateness to requirements;
 - e. Cost reduction and cost avoidance; and
 - f. Customer service in terms of provision of information and technical support to customers and problem solving.

3.12.4 Evaluating and Measuring Suppliers' Performance

1. The supplier's performance may have a positive or negative impact on the HC's overall performance, so it has to be incorporated into the performance management programme.
2. Performance gaps, if identified, will be communicated to the supplier(s) as feedback in order to improve performance by addressing and eliminating weaknesses. The eventual result should aim at having capable and reliable suppliers.
3. Suppliers who have not improved on their performance should be removed from the register of suppliers.

4 HIGHLIGHTS ON FIXED ASSETS MANAGEMENT

4.1 Defining Fixed assets management

Fixed asset management is the process of tracking, maintaining and disposing off an entity's fixed assets to prevent any kind of losses.

In fixed assets management, often more attention is given to the stage of disposal. Many policy documents prioritize procurement and disposal only, yet also other aspects of fixed assets management are equally important.

Due to absence of fixed assets registers, many HCs face a significant challenge of trailing the location, quantity, condition, and maintenance and depreciation status of their fixed assets.

4.2 Describing fixed assets

A fixed asset is a long lasting, tangible piece of property owned by the HC. When an asset is acquired, it should be entered in the fixed assets register so as to be recorded as a fixed asset in the balance sheet. In other words, the asset should: -

1. Have a useful life of greater than one year
2. Retain its original shape and appearance with use.
3. Be of significant value – i.e. should have a value greater than the capitalization threshold

The capitalization limit is the amount of expenditure below which an item is recorded as an expense, rather than an asset.

4.3 Custody and Control

All assets purchased using the HC's funds/money are owned by the HC until they are disposed of. HC assets must be acquired, recorded, safeguarded, transferred and disposed of in a responsible and accountable manner, and are to be controlled and safeguarded against misuse, loss, theft or damage.

4.4 Recognition Criteria

An asset is to be recognized in the HC's books when:

1. The risks and rewards of ownership of the asset have passed from the supplier to the HC
2. The cost (or fair value in the case of donated assets) can be measured reliably
3. The asset complies with the HC's capitalisation thresholds

4.5 Capitalisation Thresholds

The HC follows the same procurement policies and procedures for the purchase of fixed assets as it does for the purchase of any other goods and services.

In our HCs, assets are to be classified as capitalized fixed assets if their cost value is greater or equal to 200,000/= (including VAT).

Such fixed assets are capitalized because of their considerable value, for computation of depreciation and the resultant inclusion in the Balance sheet.

4.6 Categorizing of fixed assets

Fixed assets should be recorded at cost of acquisition. Cost includes all expenditures directly related to the acquisition and the preparations for its intended use.

There are numerous categorizations of fixed assets. Fixed assets can be categorized by either their cost value, their form or their function.

4.6.1 Classification criteria by value

Fixed assets are hereby broken into two major categories i.e. capitalized fixed assets and inventoried fixed assets.

1. Capitalized fixed assets

Capitalized fixed assets are those fixed asset recorded or acknowledged as assets in the balance sheet. It is this act that is called "capitalizing".

All assets whose cost value is greater or equal to 200,000/= (including VAT) are to be classified as capitalized fixed assets.

All capitalized fixed assets must: -

- a. Be depreciated.
- b. Be recorded in the Health Unit's fixed assets register.
- c. Not be removed from the Health Centre's premises, or used other than in course of the HC's proposes, except with approval of the respective delegated authority.

2. Inventory fixed assets

Inventoried fixed assets can be those items whose cost value is between 1,000/= and 199,999/= (including VAT). These items are expensed off in the year of acquisition, but are maintained on the inventory lists.

All Inventoried fixed assets must be recorded in the HC's Inventory lists, but may not be depreciated.

However, with the above perspective of inventoried fixed assets, it implies that all fixed assets whose cost is below 1,000/= are directly expensed and such assets need not to be put on the inventory lists.

4.6.2 Classification criteria by form / function

Here we have the tangible and intangible fixed assets. Tangible fixed assets generally refer to assets that have a physical value. Such assets are normally referred to as Property, plant, and equipment (PP&E).

The opposite of tangible assets are intangible assets, such as patents, trademarks and copyright. These all have an intangible value as they usually have little value to anyone outside of the given business.

Following are the most common classifications by form, function, usage, purpose or task:

	Class	Notes
1	Land	This is the only asset that is not depreciated, because it is considered to have an uncertain useful life.
2	Buildings	This account may include the cost of acquiring a building, or the cost of constructing one.
3	Construction in	This account is a temporary one, and is intended to store the ongoing cost of

	progress.	constructing a building.
4	Vehicles	This include motor vehicles, motorcycles, bicycles and all machines that transport people or goods.
5	Computers & accessories	Includes desktop and laptop computers. For the accessories we can include a broad array of computer equipment, such as routers, servers etc.
6	Furniture and fixtures.	This is includes diverse assets as desks, tables, chairs, storage racks, and office cubicles.
7	Medical equipment	Medical equipment consists of assets employed for the diagnosis, monitoring or treatment of medical conditions.
8	Machinery and equipment	This includes machinery and equipment not elsewhere classified.

4.7 Responsibility of Administrators

The HC's assets should be acquired, recorded, safeguarded, transferred and disposed of in a responsible and accountable manner, and are to be controlled and safeguarded against misuse, loss, theft or damage.

The In-Charge is responsible for the custody and control (i.e. safeguarding) of all the HC's fixed assets. S/he has to: -

1. Verify with physical checking and documentary evidence, the receipt of all newly acquired/purchased fixed assets;
2. Make certain that such assets are recorded in the appropriate forms (i.e. fixed asset registers or inventory lists);
3. Track their movement whenever changes in possession are made i.e. from one person / department to the other.

In case of any loss, spoilage or theft, S/he has to ensure that a written report is made through her / him by the concerned person for submission to the HUMC.

4.8 Fixed Assets Registers

Maintaining and updating the Fixed Asset Register is the responsibility of the In-Charge, who however may delegate this role to the Cashier/ Accountant.

All items of property, plant and equipment meeting the recognition criteria and capitalization thresholds must be entered into the fixed asset register.

The fixed assets register should record details which should among others include the following:

1. Asset number
2. Asset description
3. Asset class
4. Asset custodian
5. Location
6. Serial number (if provided)
7. Model number (if provided)
8. Acquisition date
9. Original purchase cost
10. Purchase reference

11. Estimated useful life
12. Accumulated Depreciation
13. Current year additions, disposals, depreciation expense, reclassifications and revaluations.

A physical count should be conducted at least once every other fiscal year for all fixed assets. Stock takes are undertaken to:

1. Verify the existence of assets recorded in the fixed asset register
2. Assess the serviceability of assets
3. Identify any loss or theft of assets

Revaluation of fixed assets may be conducted as often as required as considered appropriate by the HUMC.

4.9 Depreciating fixed assets

4.9.1 Defining depreciation

Depreciation is the term most often used to indicate that tangible assets have declined in service potential. It is process of allocating the cost of the asset to operations over the estimated useful life of the asset.

4.9.2 When to commence and end depreciation

Depreciation will have to be provided for all HCs property, plant and equipment other than land, buildings under construction and plant and equipment in progress.

Depreciation is to be calculated annually. Generally, the depreciable amount of an asset should be allocated on a systematic basis over its useful life.

Much as depreciation of an asset should ideally begin when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, for convenient computations, no depreciation is to be charged neither in the year of acquisition nor disposal.

Also to note is that, depreciation will not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.

4.9.3 Types of depreciation Method

Depreciation expense is used in accounting to allocate the cost of a tangible asset over its useful life. In other words, it is the reduction in the value of an asset that occurs over time due to usage, wear and tear, or obsolescence.

There are several methods of computing depreciation. But, the depreciation method used should reflect the pattern in which the asset's future economic benefits are expected to be consumed by the entity.

The three most common methods used for calculating depreciation expense are:

1. Straight-Line Method: –
With this method the expense amount is the same every year over the useful life of the asset. There is constant charge over the useful life if the asset's residual value does not change.

Depreciation Formula: $\text{Depreciation Expense} = (\text{Cost} - \text{Salvage value}) / \text{Useful life}$

2. Diminishing Balance Method: –

With this method an asset is expensed at a set percentage, and there is a decreasing charge over the useful life of the asset. The earlier periods bear a greater portion of the cost of consumption than later periods

This method results in a larger amount expensed in the earlier years as opposed to the later years of an asset's useful life.

Depreciation Formula: Depreciation Expense = Depreciation charge per year = (net book value – residual value) x depreciation factor

3. Sum-of-the-years-digits method: -

With this method a higher expense is incurred in the early years and a lower expense in the latter years of the asset's useful life.

In the sum of the years digits depreciation method, the remaining life of an asset is divided by the sum of the years and then multiplied by the depreciating base to determine the depreciation expense.

Depreciation Formula: Depreciation Expense = (Remaining life / SYD) x (Cost – Salvage value)

SYD = Sum of the years digits

Example

ABC HC purchases a machine for Ugx 100,000. It has an estimated salvage value of Ugx 10,000 and a useful life of five years. The sum of the years' digits depreciation calculation is:

$$SYD = \frac{n(n + 1)}{2} \quad \text{where } n = \text{estimated useful life}$$

$$SYD = \frac{5(5 + 1)}{2} = 15$$

This formula yields the sum of each year of the estimated useful life:

$$1 + 2 + 3 + 4 + 5 = 15$$

Schedule depicting the computation of SYD method of depreciation

Year	Remaining estimated useful life at beginning of year	SYD	Applicable percentage	Annual depreciation
1	5	5/15	33.33%	30,000
2	4	4/15	26.67%	24,000
3	3	3/15	20.00 %	18,000
4	2	2/15	13.33%	12,000
5	1	1/15	6.67%	6,000

Totals	15		100.00%	90,000
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4.9.4 The adopted depreciation Method

The HCs are to use the Reducing balance method of depreciation because this method reflects the fact that assets are typically more productive in their early years than in their later years.

Also, the practical fact is that any asset (think of buying a car) loses more of its value in the first few years of its use.

Accordingly, the reducing balance method is preferred because it results in depreciation expenses that reflect the assets' productivity, functionality, and capacity to generate revenue.

4.9.5 Depreciation rates

The service life of a fixed asset for financial reporting may be arrived at, by management after considering some of the following factors:

1. Type of asset
2. Condition when purchased: New or used
3. Past experience
4. Expected usage: Normal or excessive
5. Expected obsolescence / scrap value

The overview of the proposed depreciation rates and useful lives for HC's assets could be as follows:

	Class	Depreciation rate	Useful life
1	Land	0.00%	Unlimited years
2	Buildings	5.00%	20 years
3	Construction in progress	0.00%	Not yet complete
4	Vehicles	20.00%	5 years
5	Computers & accessories	33.30%	3 years
6	Furniture and fixtures.	10.00%	10 years
7	Medical equipment	33.30%	3 years
8	Machinery and equipment	20.00%	5 years

4.10 Fixed assets disposal

Disposal is the action or process of getting rid of something. In the context of this guide, fixed assets disposal can mean reallocation, donation, write off, sale, loss / theft.

Normally, fixed assets can be available for disposal because they are:

1. No longer required due to changed procedures, functions or usage patterns
2. Occupying storage space and not being needed in the foreseeable future
3. Reaching their optimum selling time to maximize returns
4. Part of an asset replacement program
5. Required to be disposed of under a particular policy
6. Technologically obsolete and operationally inefficient
7. No longer complying with workplace health and safety standards
8. Beyond repair but able to be sold for scrap

UDs are encouraged to recommend the disposal of assets where the cost of holding the asset exceeds its benefits.

4.10.1 Methods of disposal

Fixed assets may be disposed of by:

1. Direct sale either internally or externally
2. Sale by auction
3. Disposal by scrapping or dumping where the asset has little or no resale value
4. Donation / Transfer to another Health Centre

On offering items for sale, the HC must be careful to not misrepresent the items or offer any kind of warranty i.e. all items are to be sold on “**as is**”, “**where is**” basis with no guarantee or warranty expressed or implied as to the condition of the items.

The above expression implies that, there will be “no refunds” made to the purchasers after paying for the disposed items.

Choice of the most appropriate disposal option will normally be influenced by the nature of the items for disposal and by their location and market value.

4.10.2 Authorisation for disposal of assets

The authorization mandate for the procurement and disposal of all: -

1. Capitalized fixed assets is vested in the HUMC.
2. Inventoried fixed assets is vested in the PDC

4.10.3 Reporting of disposals of assets

Adequate documentation about the disposal must be completed and retained by the Finance Office. The following essential information should be provided in the disposal report:

1. Asset description
2. Asset number
3. Disposal date
4. Sale price
5. Receipt No. / Account Number (where sale proceeds are credited)
6. Disposal method
7. Sold to

4.10.4 Revenue Item Codes for Proceeds from Disposal

All sale proceeds from the disposed of assets have to be acknowledged in the HC's books of accounts. These may be recorded as “Sale of Assets” or split as follows for better trailing or the resultant incomes from the disposals: -

- a. *Sale of Depreciated Assets – i.e. this code is to be capturing the gross cash proceeds or trade-in value from the disposal of assets recognized in he fixed asset register.*
- b. *Sale of Non-Depreciable Assets i.e. this code is to be capturing the gross cash proceeds or trade-in value from the disposal of assets not recognized in he fixed asset register.*

5 APPENDICIES

5.1 Approval of the Guide

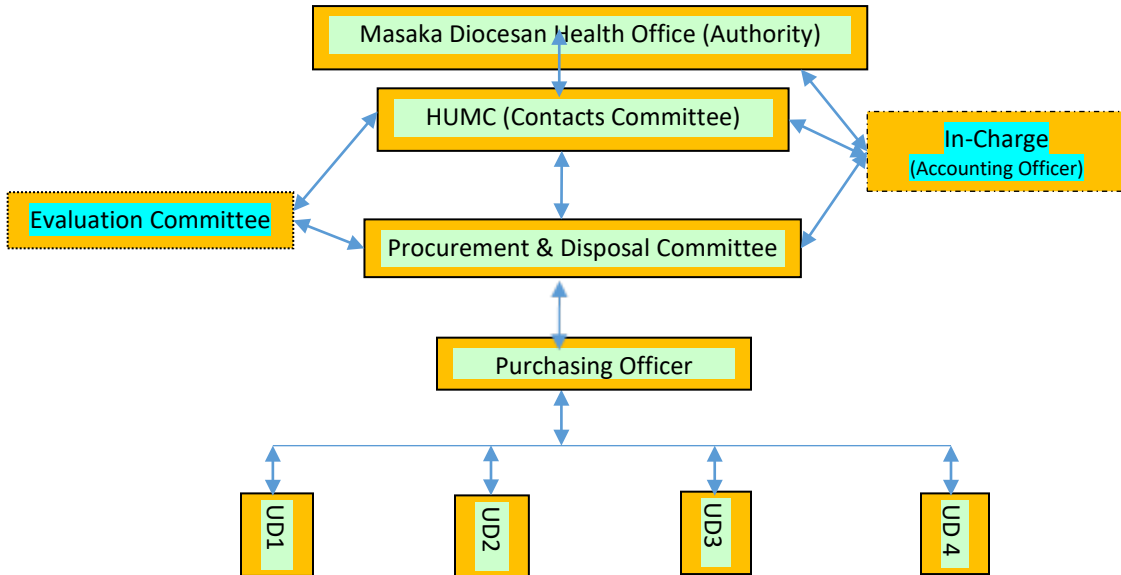
The following persons on behalf of Masaka Diocesan Health Board hereunder cause their respective hands in approval this Guide on this day of and shall be in effect from the day of

	Designation	Name	Telephone	Signature
1.				
2.				
3.				

Stamp /Seal

5.2 Procurement and Fixed Assets Management Structure in MDLLUs

PROCUREMENT AND FIXED ASSETS MANAGEMENT STRUCTURE IN MASAKA DIOCESAN HEALTH CENTRES



Key:

HUMC – Health Unit Management Committee

UD – User Department

5.3 Delegation of Authority and Segregation of Duties in HCs

Person / Organ	Description of roles & responsibilities	1 - 200,000	200,001 – 499,999	500,000 - 4,999,999	5,000,0001 – 9,999,999	10,000,000 – 14,999,999	15,000,000- 49,999,999	50,000,000- 99,999,999	100,000,000 & above
UDs	Initiate procurement and disposal requirements	✓	✓	✓	✓	✓	✓	✓	✓
HOD	Identifies purchases required for implementation the HC's planned activities.	✓	✓	✓	✓	✓	✓	✓	✓
Cashier	Manages petty cash requests & prepares petty cashbook.	✓							
In-Charge	Authorizes payments.	✓	✓						
In-Charge	Reviews documentation prior to preparing payments	✓	✓	✓	✓	✓	✓	✓	✓
Purchasing Officer	Conducts procurement process and completes all procurement documentation.	✓	✓	✓	✓	✓	✓	✓	✓
PDC	Conducts budget reviews to ensure funds are available for proposed purchase.	✓	✓	✓	✓	✓	✓	✓	✓
PDC	Guides the delegated authority to ensure that all purchases are competitively and properly executed in the best interest of the HC.	✓	✓	✓	✓	✓	✓	✓	✓
PDC	Awards contracts	✓	✓						
CC	Awards contracts			✓	✓	✓	✓	✓	✓
Delegated authority – Level 1 (In-Charge)	Authorizes payments and ensures procurement meets compliance requirements.	✓	✓						
Delegated authority – Level 2 (HUMC)	Authorizes payments and ensures procurement meets compliance requirements.			✓	✓	✓	✓	✓	✓

5.4 Documentation raising, review and approval guide

Document	Prepared by:	Reviewed & approved by:	Authorised by:	Sent to:
Purchase Request Voucher	Any staff member	Budget holder	Delegated authority	Purchasing Officer
Request for Quotations / Tender	PO	Budget holder	Delegated authority	Suppliers
Bid Matrix - Items under 500,000/=	PO	Budget holder	Delegated authority	Purchasing Officer
Bid matrix - Items over 500,000 -4,999,000/=	PDC Secretary	Budget holder	Delegated authority	Purchasing Officer
Bid Matrix - Items over 5,000,000/=	EC Secretary	Budget holder	Delegated authority	CC
LPO	PO	Budget Holder / Finance Staff	Delegated authority	Appointed supplier
GRN	Store keeper	Budget holder	Delegated authority	Supplier & Finance Staff
Goods Request Voucher	Any staff member	Budget holder	Delegated authority	Store keeper
Payment Requisition	PO	Budget Holder / Finance Staff	Delegated authority	Finance Staff for record keeping

5.5 Extract of a Purchase Request Voucher**ABC HEALTH CENTRE III
P.O.BOX, 1 MASAKA****PURCHASE REQUEST VOUCHER (PRV)**

PRV No:	
Requesting Department:	
Project Name:	
Date of Request:	
Planned date of Delivery:	

REQUEST FOR DETAILS:	
Name of Requesting Officer:	
Mobile Telephone:	
Signature:	

The above Officer Requests for the following items: -				
DETAILS OF GOODS:				
No.	Item Name	Description / Specifications	Qty	M. Unit

DELIVERY PARTICULARS:		PRV APPROVED BY:	
Delivery Address		Name:	
Contact Person		Position / Designation:	
Mobile Telephone		Signature & Date:	

ADDITIONAL REMARKS / NOTES				
Appendix				
Continuation of List i.e. DETAILS OF GOODS:				
No.	Item Name	Description / Specifications	Qty	M. Unit

5.6 Sample of a Procurement Plan

ABC HC III - 2020 / 2021 Procurement Plan										
UD	Type of purchase	Item required	Item Specification	Qty	Estimate in UGX – '000'	Procurement procedure	When the item needed	When procurement must start	Funding Source	Comments / Notes
In patents	Goods	Beans	Kanyebwa	8,000 kgs	12,000	Open bidding	September	Immediately	User fees	
In patents	Goods	Mosq. nets	Blue 3x6 ft	120 pcs	1,440	Competitive negotiation	October	Beginning August	UCMB	
Fin. & Admin	Service	Auditing	External	1	8,100	Restricted bidding	At the year end	August	User fees	
Maternity	Works	Ward repairs	Roofing	1	60,000	Open bidding	October	August	RHSP	Funds received

5.7 Extract of an Approved Supplier List

ABC HC III - 2011 / 2012 Approved Supplier List								
	Name of Supplier	Date of 1 st engagement	Item Group / Classification	Description of Items /services supplied	Business' Physical Location	Business' Postal & Email Address	Name of Contact Person	Telephone of Contact Person
1.	Muto Hardware	2021	Hardware Materials	Cement, iron sheets, nails etc	Plot 5 Edward Mawogola Street, Masaka Town		Kaliisa Moses	077-2-425027
2.	Shiva Maize Millers	2010	Maize Flour	Maize flour	Bukakata Road, Nnyendo		Waliggo Emmanuel	077-2-523876
3.	Tusabe Petro Station	2018	Vehicle fuel and lubricants	Vehicle fuel and lubricants	Masaka – Kamapala Rd. Opp. Ambiance		Herman Muzeeyi	
4.	Pax Insurance Co.	2007	Insurance services	Policies for motor 3 rd party, fire, Burglary etc	Plot 6 Edward Avenue, Masaka Town		Muyanja Chris	077-2-476 259