

Disability Pride Bangladesh (DPB)



Financial Policy

Abbreviations

ACC	: Anti-Corruption Commission
ADF	: Asset Disposal Form
ADS	: Automated Directives System
APP	: Annual Procurement Plan
BDT	: Bangladeshi Taka
BoD	: Executive Committee
CS	: Comparative Statement
GOB	: Government of Bangladesh
GRN	: Goods Receipt Note
HO	: Head Office
HR	: Human Resource
ID#	: Identification Number
DPB	: Disability Pride Bangladesh
NRB	: National Board of Revenue
OTM	: Open Tender Method
PC	: Purchase Committee
PO	: Purchase Order
PR	: Purchase Requisition
RFQ	: Request for Quotation
SoF	: Source of Fund
SOP	: Standard Operating Procedure
SRF	: Store Requisition Form
TEC	: Tender Evaluation Committee
TIN	: Tax Identification Number
TOR	: Terms of References
VAT	: Value Added Tax
VRF	: Vehicle Requisition Form
WO	: Work Order

Preamble

This guideline sets forth the policies and procedures which have been established to guide the procurement process with the intent of ensuring compliance, consistency and transparency throughout the procurement process of Disability Pride Bangladesh (DPB). All employees of the organization involved in the procurement process must be familiar with this policy. It is intended that this policy guideline will be regularly reviewed and will be modified when necessary, with the approval of the Executive Committee. This policy will be effective from June 2025.

1. Procurement Policy

1.1 Purpose of the Procurement Policy

The purpose of this policy is to provide an established guideline for procurement of goods and services for the DPB.

1.2 Scope

This policy will apply to all procurement of goods, works and services of the DPB except otherwise decided by the Executive Committee of DPB in the interest of the organization to use a different method. This policy will be applicable to both Head office, regional office and site offices of DPB and in other functional areas.

1.3 Principles of Procurement

Transparency

Transparency in procurement process is in the first line of procurement principles. A clear process and recognized procedures should be followed in all procurement. The process should be easiest as much as possible to the reader or observer or auditor or future concern.

Accountability

All procurement process must be accountable to all its counterparts including donor, partner, beneficiaries and GOB.

Fair Competition and Non-Discrimination

Not only competition but also fair and competitiveness is one of the leading principles in procurement process. Ensure fair and non-discriminatory competition is adhered to in procurement process.

Value for Money and Cost Effectiveness

Ensure value for money and cost effectiveness in all goods / services procurement. Mainly it refers appropriate goods or materials or services at right time at right place at right cost. Cost effectiveness also includes the actual need and usages of the required goods and services.

Free from Conflict of Interest

Ensure all applicable procedures and practices of procurement process are free from any personal or organizational conflict of interest.

Integrity and Honesty

Ensure high standard of ethical factor in all steps of procurement decision by DPB as organization and its staffs.

1.4 Definition of Important Terms relating to Procurement

“Approved Financial Authority” means the financial authority issued and approved by the Board of Director.

“Competent Authority” means and includes the approving authority of procurement, sale, work in terms of financial power i.e., the Chairman/President, Directors etc. as the case may be.

“Goods” means raw materials, products and equipment and commodities in solid, liquid or gaseous form, and electricity, as well as related services such as installation, insurance, transportation, maintenance or similar obligations if the value for such related services does not exceed that of the goods themselves.

“Procurement” means the purchasing, hiring or obtaining of goods, works and services by any contractual means and by cash.

“Purchase Committee” means a committee undertaking/executing procurement for the Organization in accordance with this SOP. This Committee may change from time to time based on assigned responsibility in writing by the Board of Director and/or the Management as appropriate.

“Quotation” is the means by which the DPB obtains priced offers from a selected number of suitable suppliers for the procurement of low-value, off-the-shelf, standardized goods or works or physical services.

“Services” in the context of the SOP has a number of meanings;

- **“Related services”** which are those generally linked to the supply of Goods contracts;
- **“Physical services”** which are those with measurable outputs stand-alone service type contracts (such as security services, catering services, geological services) and
- **“Expert services”** being assignments performed by consultants with outputs of advisory, design and transfer of know-how nature.

“Supplier” means a person under contract with the Institute to supply goods, works or services. The word “contractor” and “consultant” are synonymous with the word “Supplier” depending on the object of procurement. The word Supplier relates to a Goods Contract; the word contractor relates to a Works Contract and the word consultant relates to an Expert Services Contract.

1.5 Roles and Responsibilities

1.5.1 Role of Chairman/President/President

Chairman/President is to manage scheme of delegation for procurement approval, oversee and strengthen control mechanism, approve necessary exemptions, memo, and collect approval from donor according to agreement and need.

1.5.2 Role of Policy Holder

Executive Director is the policy holder of procurement and logistics management areas. Role of policy holder is to ensure the approved rules and regulations adhered in procurement process. Manage segregation of duties and responsibilities among the key personnel to ensure control mechanism over the procurement management process. Arrange necessary addition, deletion and arrange review of the procedures in this manual by Chairman/President

1.5.3 Role of Requisition Approver

Coordinator or Senior Program Officer or Program Officer or Regional Coordinator or Field Manager or others approving authorities are responsible to ensure proper procurement requisition and approvals for the program in terms of;

- i) approve proper quality and quantity of the goods or items,
- ii) check availability of budget and all information in the purchase requisition,

- iii) ensure a reasonable budget and delivery lead time is approved for the procurement,
 - iv) ensure that the purchase is only official purpose, not only for to burn the budget,
 - v) ensure that donors and government rules are followed,
 - vi) ensure goods are received accordingly,
 - vii) financial approval is given within scheduled time frame,
- follow up with procurement management unit.

1.5.4 Role of Requester or User

All purchase requesters are responsible to ensure that;

- i) proper quality and quantity of the goods or items is requested,
- ii) all needed information in the purchase requisition,
- iii) a reasonable budget and delivery lead time is allowed for the procurement,
- iv) ensure that the purchase is not only for to burn the budget,
- v) ensure that donors and government rules and compliance are followed,
- vi) ensure goods are received accordingly,
- vii) financial approval is taken accordingly,
- viii) follow up with procurement management unit.

1.5.5 Role of Key Procurement Personnel and Procurement Supervisors

Role of key procurement personnel and procurement supervisors is most important in procurement management process. Key responsibilities are;

- i) To check purchase requisition carefully including quality, quantity, budget, delivery place, lead time, necessary approval etc.
- ii) If found okay then put forward or if there any question send query immediately to the requester,
- iii) Update procurement tracker after completing each stage accordingly,
- iv) Apply appropriate procurement process,
- v) Allow proper and reasonable lead time for bid submission,
- vi) Ensure all procurement principles are considered
- vii) Ensure that donors and government rules are followed
- viii) Ensure fair and equal treatment for all vendors,
- ix) Report any inconsistency to the supervisor or Chairman/President in written form,
- x) Ensure goods are received accordingly,
- xi) Financial approval is taken accordingly,
- xii) Follow up with supplier for timely delivery,
- xiii) Take part in procurement committee,

1.5.6 Role of Finance Department

- i. To take part in procurement committee,
- ii. Check procurement procedure before payment,
- iii. Ask query if there any inconsistency,
- iv. Check that donors and government rules are followed,
- v. Ensure all documents are available and satisfactory,
- vi. Check financial approval is taken accordingly,
- vii. Ensure timely payment

1.5.7 Role of Procurement Committee

Procurement committee is defined as regular procurement committee to take part in the all procurement. The key roles as below;

- i. Suggest in specification development and terms conditions setting as and when required basis,
- ii. Open the tender/bids and check all consistency and bidding documents
- iii. Evaluate the tender/bids/ proposal according to the selection criteria,
- iv. Give individual marking / evaluate for technical proposal of service procurement,
- v. Put comments on the bids or record sheet if there any convey,
- vi. Analyze value for money,
- vii. Evaluate bidder performance and past record,
- viii. Financial analysis,
- ix. Draw recommendation

2 Procurement Process

Disability Pride Bangladesh (DPB) will procure goods and services essential for the effective and efficient operation with its activities by the most expeditious measures.

2.1 Steps of Procurement

The process 'Procurement of Goods and Services' contains following 5 (five) steps:

Step 1: Form the Purchase Committee and prepare Annual Procurement Plan

Step 2: Enlist the suppliers and establish the price list

Step 3: Obtain requisition for procurement and get approval from competent authority

Step 4: Collect quotations and issue Purchase Order/Work Order to selected supplier

Step 5: Receiving goods or services and make payment to the supplier

Details of the steps are given below:

2.1.1 Formation of Procurement Committee

At the beginning of the financial year, the Executive Committee of DPB will form a Procurement Committee (PC) consisting of at least 3 (three) personnel of the DPB with 01 (one) member from Finance & Accounts Department and in case of OTM one person from outside. Of these three members, one member would be variable representing from the requisitioning department. The suggested structure of the PC will be as follows:

1. Director/Chairman/President Convener
2. Head of Finance & Accounts Department Member
3. Representative of requisitioning department Member

Executive Committee may change composition of the Purchase Committee if felt expedient. In the absence of the Convener the senior most member of the PC will act as Convener of the procurement process. The committee may co-opt additional members for any particular procurement with the consent of the Chairman/President of the DPB. The committee may also engage other officials for any procurement related activity e.g., inspection of suppliers' premises, scrutiny of bidding documents etc. The recommendations of the Purchase Committee will not be rescinded by the approving authority without any significant and reasonable ground(s) in writing; otherwise, it will be treated as misconduct. This committee will perform all necessary work relating to purchase of all core procurement items such as goods or services, major capital items etc. The committee will process, examine and recommend all major procurements to the competent authority for approval.

The functions will include:

- opening of the sealed quotations,
- preparing comparative statement, and
- recommending for selection of the supplier stating the basis of their recommendation.

Purchase Committee will perform other functions assigned through the Terms of Reference (TOR) approved by the Board of Director. PC will work strictly in compliance with this SOP and will be accountable for its work to Chairman/President.

2.1.2 Tender Evaluation Committee (TEC)

In case of OTM 3 committees will be form for tender evaluation.

- a) **Tender opening committee:** A three members committee will be form for open the tender. The committee will open the received tender for procure any goods or services in presence of bidders. They will find out the received tender responsive or non-responsive, all require documents are enclosed with the tender.
- b) **Technical evaluation committee:** The committee will form consist of three members at least two related technical expert and at least one from the outside. The committee will evaluate the received tender on the basis of technical issues. If the tender are not match with the require specification, they will be recommended as non-responsive. They also edit the specification.
- c) **Tender Evaluation Committee:** The committee will evaluate the received responsive tender on the basis of recommendation of technical evaluation committee and tender opening committee. They also evaluate the financial proposal. Finally, they recommended to DPB for giving work order or award notification to lowest bidder.

2.1.3 External Expert in Procurement

For any complex procurement, an external procurement expert can be involved in the procurement committee without any voting power in vendor or item(s) selection process. The external expert is responsible for verifying procurement process and giving recommendations on procedural factor even can prepare documentation like-tender schedule, technical review, meeting note, contract etc. in this case the expert can be given a remuneration at daily or event basis.

2.1.4 Prepare Annual Procurement Plan

At the beginning of the financial year Finance & Accounts Department will prepare an Annual Procurement Plan (APP) on the basis of Annual Work Plan and Annual Budget. Head of Finance will prepare the APP taking necessary inputs from the respective departments who contributed to annual plan indicating procurement requirements of goods and services. Executive Committee will approve the APP in consultation with Head of Finance and all the departmental heads. However, to implement the APP, higher level of approval is required as per Approved Financial Authority. The approved APP is to be circulated to all concerned departmental heads for their information and compliance.

2.2 Enlist the Suppliers and Establish the Price List

2.2.1 Make category of goods, works and services for enlistment of related suppliers

The DPB should have a list of suppliers which should be made based on categories of goods, works and services. That means suppliers interested in business for a particular group or

groups of items will be enlisted for that particular group or group of items. The organization given its nature of activities may go for enlistment of the suppliers for the following group of items:

- a. Printing & packaging,
- b. Office stationery,
- c. Computer and computer accessories,
- d. Furniture and fixtures,
- e. Advertising service including media channel, newspaper etc.,
- f. All types of repairing and maintenance service except emergency and post-sales warranty period repairs and maintenance service,
- g. Other category of items if the Executive Committee or Chairman/President deems appropriate.

2.2.2 Invite the suppliers for enlistment

For convenience of quality of goods and services procurement, and to ensure supply from genuine sources and with view to screening out unreliable/fictitious parties' enlistment of suppliers may be made through advertisement in the national dailies or by sending enlistment proposal internally to apparently qualified suppliers based on available market information. Purchase Committee will arrange publishing advertisement in the prominent national daily newspaper. Alternatively, if deems suitable taking consent from Chairman/President and suitable other superior authority would issue an invitation letter in writing to the concerned suppliers. At least 5 (five) working days will be given to the suppliers to respond to the invitation along with specified documents. Application for enlistment will have to be made mentioning the group or group of items the supplier in interest to do business enclosing following relevant documents:

- i. Current trade license,
- ii. TIN Number,
- iii. VAT Registration Number,
- iv. Income Tax Certificate (updated),
- v. Press Declaration Certificate (printing & packages),
- vi. Bank solvency certificate,
- vii. Performance certificate from at least 3 (three) organizations,
- viii. List of existing and previous clients,
- ix. Organization profile,
- x. List of machinery (if applicable)
- xi. List of manpower (their academic background, work experience, technical degree, if applicable)
- xii. Business premises rented or own (with address)

2.2.3 Receive application from the suppliers

Application will be received in sealed envelope and will be kept in a sealed box. Application will be received either by the post/courier or physical presence. These functions will be arranged by the Purchase Committee. All relevant documents regarding enlistment procedures will be under the custody of PC.

2.2.4 Assess the information furnished by the suppliers

The Purchase Committee will open the sealed box of the applications and evaluate the authenticity of information/particulars furnished by an applicant and if found genuine and

acceptable, will take necessary steps for enlistment of the firm. The following factors are to be considered when going for the enlistment:

- a. Business goodwill will be considered before enlistment.
- b. The Firm or traders will give priority to Bonafede/original/actual manufacturer/importer/ dealer/agent during selection and enlistment of suppliers.
- c. Before enlistment a quality product/service will be assured by the supplier. Declaration on quality from supplier as assurance is strongly recommended as part of enlistment.
- d. Consider whether the supplier has the technical ability to make or supply the required product.
- e. The suppliers manufacturing facilities will be able to supply the quality and quantity of the required goods.
- f. Consider the reliability of the supplier. Only reliable and committed suppliers will be enlisted. Reliability will be judged from reputable, stable and financial strength point of view.
- g. The supplier will have an offer of good after-sales service for appropriate items.
- h. The supplier will be located near the DPB or have a good transport support to ensure timely and smooth delivery of required goods.
- i. The supplier should be able to provide competitive price. This does not necessarily mean the lowest price.
- j. Supplier sustainability i.e., going concern of the supplier must be justified for long term post-sales warranty service and delivery of goods in due time.
- k. The supplier will have capacity to communicate appropriately with the DPB. It will have the ability to enter into contract. Communication between the DPB and the supplier will be open and in writing.
- l. Other factors such as credit terms, reciprocal business and willingness of the supplier to hold inventory should be considered.

2.2.5 Select the suppliers for enlistment

The Purchase Committee will prepare a short list of the suppliers for physical verification. At least two members of the committee or their nominees will physically visit the eligible applicant premises and submit physical verification report to the committee. The Purchase Committee will prepare a summary sheet for the applicant based on defined criteria and make recommendation. Chairman/President will approve final enlistment after discussion with the committee members. Supplier enlistment procedures and related decision will be kept confidential by the committee members before Chairman/President's approval. Before final approval from Chairman/President, all documents regarding enlistment procedure will be kept under custody of the head of the committee and after final approval these documents will be handed over to Finance & Accounts department.

2.2.6 Give notice to enlisted suppliers

Selected suppliers will be informed in writing within 7 (seven) working days of the approval of the Chairman/President and duly acknowledged by the Purchase Committee. The acknowledgement of the suppliers will be presented to the Purchase Committee for their notification whether responsive or not. No security deposit is required for enlistment purpose. Enlistment once made will remain valid for a period of 1 (one) year from the date of approval.

2.2.7 Renew the enlistment or choose new enlistment

After expiry of enlistment period, the Chairman/President should request the Purchase Committee for the evaluation of the existing suppliers and in additions, fresh enlistment of the prospective suppliers. The renewal of existing suppliers or fresh enlistment will proceed as per Step 2.1 to 2.6.

2.2.8 Cancel the enlistment of the suppliers

For any procurement or enlistment purposes, no contracts should be made with firms or persons against whom Anti-Corruption Commission (ACC) or any other regulatory authorities or person(s) has filed suit or who has history of immorality in the society or who has been penalized for evasion of tax by the NBR (National Board of Revenue) or any tax, custom, VAT authority or who has been penalized for violation of contracts or any other similar cases by the competent court. In addition, with other reasonable grounds, the Purchase Committee may cancel enlistment of suppliers for the following reasons:

- a. If a Supplier/Contractor fails to submit offer against 3 (three) successive Request for Quotations (RFQs), or
- b. If the Supplier/Contractor fails to fulfill his contractual obligations satisfactorily for the 2nd time in a year, or
- c. If a Supplier/Contractor makes a written request for cancellation of his enlistment, or
- d. If retention of a Supplier's/Contractor's name in the list of enlistment is not considered desirable by the Executive Committee in the DPB's interest, or
- e. If the Supplier/Contractor loses any pre-qualification criteria as referred in above mentioned paragraph, or
- f. If the original Supplier/Contractor dies or become insolvent.

2.2.9 Procurement without enlistment

The Purchase Committee can procure goods, works and services from suppliers not listed with the DPB under the following events:

- a. Goods & Services procured occasionally. For example:
 - Renovation work,
 - Network such as LAN, WAN, internet connection establishment,
 - Land and Building etc.
- b. Brand products procured from the manufacturer or sole distributor. For example:
 - General brand products/fixed price product,
 - Full set of computer system,
 - Printer,
 - Printing toner etc.
- c. Goods or services from government organizations,
- d. Seminar and Conference Venue,
- e. Emergency circumstances approved by Chairman/President,
- f. Discrete training/seminar materials (but not printing items),
- g. Books, journals, periodicals.

2.2.10 Conflict of Interest

Any conflict of interest in decision making or recommendation or approving process at any level should be declared in written form to the Chairman/President. Decision making documents for each procurement should have the declaration of not having any conflict of

interest from or by the procurement. Any hidden conflict of interest with bad indentation will lead to misconduct and following decision is subject to HR policy.

If there any potential conflict of interest arises in any procurement process with any of the committee member, the person should disclose the issue immediately.

If there any potential conflict of interest arises in any procurement process with organization, any of the committee member should disclose the issue immediately. Then committee should avoid the conflict of interest or at the same time justify the reason to go with that decision even after conflict of interest or how it will be created multiple benefits for the organization.

2.3 Obtain Requisition for Procurement and get Approval from Competent Authority

2.3.1 Place the requisition for goods or services

Once the need for goods and services has been established, the respective employee must send a requisition in prescribed form to Store In-Charge/Head of Program. The requisition must be approved by the Head of the requisitioning Department. If the items are available in the store the requested items will be provided to the employee. If the items are not available in the store, the Store In-Charge will forward the requisition to the Chairman/President to procure the good or services from the supplier/contractor. There are some items of goods which are not purchased regularly, instead these are purchased on as and when required basis. In case of such items the respective employee does not required to send the requisition to Store-in-charge instead the requisition will be sent direct to the Purchase Committee to procure the goods and services as needed. Purchase request must be specific and description of the product should be in details. Pre-established budget sanction and approval is to be ensured before such requests are sent to Purchase Committee.

2.3.2 Determine the need for procurement of goods or services

Upon receipt of the requisition Purchase Committee must identify the need of any goods or services to be procured depending on procurement size and financial involvement. The need:

- must relate to the activities of the concerned project for efficient and effective running of the project activities;
- must be in line with the DPB's approved policies and procedures;
- must be within the sanctioned budget. It is to be noted that merely having a budgetary sanction should not qualify for procurement of particular goods or services.

There should be proper justification and reasoning in favor of the procurement at the time of raising requisition

2.3.3 Check budget availability

Purchase Committee will check with Accounts section whether the item required to be purchased is within the budget or not. All purchases will be made by Purchase Committee centrally or otherwise as authorized for use at its Head Office and all other regional offices. If the purchase request is within the budget, the Purchase Committee will send the requisition to Competent Authority for approval. But if it is not available in the budget, approval of Chairman/President, DPB must be taken before sending the requisition to Competent Authority for approval.

2.3.4 Approve the purchase request

Competent Authority as per power of delegation of authority will approve the purchase request. DPB approved financial authority and their approval limit is as follows:

Approval Authority	Approval Limit
Head of program	Up to Taka 50,000
Chairman/President/Director	Up to Taka 300,000
Executive Committee	More than 300,000

Approval limit

The approved requisition for procurement will be forwarded to Purchase Committee to take necessary steps to procure the goods or services. If the value of the goods or services to be purchased is equal or less than Taka 50,000, the goods will be procured from the market obtaining spot quotation. In such cases, spot quotation be preferred from the enlisted supplier, if such effort goes unsuitable open market approach can be chosen. Purchase Committee should always remain careful to ensure value for money from each of the procurement of the goods or services. If for any reason open market is chosen, the goods or services should be procured from a shop or from an original supplier. Cash purchase as a matter of practice, is strictly prohibited. However, in unavoidable situation, Purchase Committee should be allowed to buy consumables/materials or services amounting up to Taka 50,000 with the approval of the Chairman/President duly cleared by requesting department's requisitions. The Purchase Committee may collect cash from Finance & Accounts department as advance for purchase. The procedure for taking advance for purchase has been referred in another SOP named as Advance Management. All procurements should be completed within 7 (seven) working days and submit bills to the Accounts Officer for immediate adjustment or reimbursement.

2.4 Collect Quotations and Issue Purchase Order/Work Order to Selected Supplier

2.4.1 Collect quotations from the suppliers

After receipt of requisition Purchase Committee will try to purchase the item in the most cost-effective way. Purchase Committee will follow the rules of Bangladesh Public Procurement Rules 2008 and donors' requirements. If purchase involves less than Taka 20,000 competitive bidding may be waived.

- i. Less than 20,000, procurement will be made on direct purchase. Direct purchase refers; purchasing directly from any authentic vendor without any competition. The procurement personnel is responsible to procure the items as per PR and delivery to the requester accordingly.
- ii. For all purchase up to Taka 30,000 DPB shall get two quotations. The procurement personnel have to collect two quotations from valid vendors and issue a formal PO from organization to supply specific goods or services. Quotation should be collected from enlisted vendors.
- iii. For purchase between Taka 30,000 and Taka 300,000 DPB shall get quotations from three suppliers. This process refers, collecting three quotations from three different business entities out of enlisted vendors to make a comparison.
- iv. For any purchase above Taka 300,000, recommendation from a Purchase Committee will be required. At least a three-member purchase committee, of which at least one should be Board member, constituted by the Chairman/President/Director will function under the following guidelines;
 - a. The purchase committee shall get three quotations from three suppliers.

- b. Newspaper advertisement will be required for purchase above Taka 500,000 or as per donor requirement
- c. In case of only one supplier, purchase committee will recommend the purchase after examining the quotation and physically verifying the quality of items
- d. In all the above cases, the Director will be the final authority for approval

The Purchase Committee will circulate a Request for Quotation (RFQ) to enlisted suppliers to obtain the quotations. The RFQ should contain the following information.

- Name and specification of the goods or services,
- Quantity to be purchased,
- Instruction to submit sealed quotation,
- Information on income tax and VAT to be deducted as source (if applicable),
- Request to quote the net amount i.e., after deducting the discount (if applicable),
- Payment terms, and
- Mode of payment.

In the following circumstances, invitation for competitive bidding may be waived:

- If purchase involves less than Taka 10,000;
- If prices or rates are fixed pursuant to national legislation or by regulatory bodies,
- In case of standardization of supplies, equipment, other items,
- If the supplier is sole distributor of the item required to be purchased,
- If the goods under same specification were purchased within last three months and the price is equal or less than amount paid for the previous purchase,

In all the above cases, relevant reasons must be recorded in writing and signed by Competent Authority.

2.4.2 Preparing of a comparative statement

After collecting quotation or getting offer from bidder, the Purchase Officer/Purchase Committee will make a comparative cost statement, after scrutiny of all the quotations received within 05 (five) working days. Bids/quotations/proposals received as offer will be evaluated to ensure that:

- goods/services offered fully meet the specifications and are of acceptable quality,
- cost involved is fair and reasonable,
- delivery period meets DPB's requirement,
- terms and conditions of the bids are mentioned as specified in the bid documents'
- The bid in strict compliance of tender terms.

Comparative statement will have to be signed with name, designation, date etc., by the Purchase Officer/Purchase Committee preparing it and will have to be placed before the Competent Authority for approval. Purchase Officer/Purchase Committee should not consider only the lowest cost of the items, but should also consider the following things before recommending a supplier.

- Quality of the goods,
- Warranty of the goods, and
- After sale service, where applicable.

Competent Authority as per Delegation of Power will take decision for selection of supplier based on the recommendation of Purchase Committee.

2.4.3 Place the purchase order to selected supplier

Purchase Order (PO)/Work Order (WO) will be issued for all purchases exceeding Taka 50,000. Purchase Committee will issue the Purchase Order based on the decision of Competent Authority. All applicable terms and conditions will be clearly stated in the purchase order, such as:

- Requisition reference,
- Bid number, if applicable,
- Name of the supplier,
- Description of items to be purchased,
- Quantity ordered,
- Unit price and total value of goods,
- Payment terms, Obligation on Income tax and VAT deduction at source,
- Place of delivery,
- Date of delivery,
- Penalty clause,
- Other terms and conditions, if necessary.

Subsequent amendments, if any, to purchase order must be made in writing without failure.

2.4.4 Bid Security

A bid security is suggested for all open tender. In few cases bid security can be asked for RFQ process depending the importance and reliability of the enlisted vendor group.

5% percent of bid security is to be asked to submit with bid. The bid security is normally refundable within 3 weeks following bid submission date. So that TC should complete the procurement process in 3 weeks. Any exception should be communicated with the bidders in formal way.

The selected bidder needs to produce bank guarantee certificate 5% of the total price of the quoted amount.

If the selected bidder declines the respective offered work order. Then the bid security will be forfeited. Then next bidder will be offered with the work order.

Note: The terms and condition regarding bid security should be clearly mentioned in the tender documents.

2.4.5 Performance Security

Performance security is required for all open tender other than service procurement. A performance security can be asked for RFQ process depending on complexity and nature of the procurement. A reasonable percent out of range from 5 to 10 (percent) should be asked as performance security before issuing the work order or contract. However, the conditions of performance security should be clearly mentioned in the RFQ or tender Schedule.

The performance security is refundable upon completing the work/supply successfully. Any measurable deviation in goods quality or delay in delivery can lead to penalty of performance security.

2.4.6 Penalty

Penalty can be imposed on performance security or from bill subject to the clear terms and conditions mentioned in the bid invitation (e.g., RFQ or tender). A reasonable penalty rate and for what should be mentioned in the invitation documents and purchase order.

Penalty for delay of delivery or quality of goods should not be more than 10 percent. If the penalty comes more than 10 percent then the PO should be cancelled.

2.5 Receiving of Goods or Services and make Payment to the Supplier

2.5.1 Receive goods/services from the supplier

The person who was involved in the purchase process should not receive the goods. Goods or services will be received by the requisitioning department. In receiving goods or services, the employee of requisitioning department will check as to whether the goods or services are in accordance with required specifications or not. If goods or services are in accordance with specifications mentioned in the Purchase Order (PO), the requisitioning department will receive the goods by signing on the relevant Delivery Challan. Store In-Charge will receive one copy of the challan from the supplier's representative and prepare a Goods Receipt Note (GRN). GRN will be sent to Purchase Committee immediately but not later than 10 (ten) days from the date of receipt of the goods. If goods or services are not in accordance with specifications mentioned in the PO, requisitioning department will return the same to the supplier with a note mentioning the reasons of rejection.

2.5.2 Check Bill/Invoice and certify for payment processing

Purchase Officer/Purchase Committee, on receipt of GRN will check the bills/invoice and ascertain if they are complete/correct in all respects and if so bill be certified, pre-audited and be sent to Accounts Officer within 3 (three) days of receipt of confirmation for payment. Incomplete bills, however, need to be rectified by the suppliers except the approved price. Following documents to be submitted for payment to Finance & Accounts department:

- i) Requisition (original)
- ii) Quotations with comparative statements (original)
- iii) Approval as per Financial Authority
 - Original copy in case of onetime payment,
 - Photocopy in case of multiple payments and original during final payment.
 - Photocopy in case of standing contract
- iv) Purchase Order/Work order (photocopy)
- v) Goods Receipt Note (original)
- vi) All Contract/Service Agreements (photocopy)
- vii) Invoice (original)
- viii) Bills (including VAT Challan, if applicable)

2.5.3 Make payment to the supplier

Accounts Officer on receipt of bills will arrange payment directly to the parties provided the bills are found complete in all respects. In case any, discrepancy is detected and/or found deviated from set procedure, Accounts Officer may return the bills to the Purchase Committee with a note of objections within 3 (three) days from the date of receipt. Purchase Committee will meet up the objections within 3 (three) days of receipt from Accounts Officer and resubmit the same for taking necessary action at their end. Duly approved by the competent authority all bills will be paid direct to the supplier by Account Payee Cheque.

Authorized representative of the concerned supplier may collect such cheque from the office of the Institute. All payments will be made from the Cash Counter after collecting money receipt. All payments will be made from the Cash Counter after collecting money receipt.

3 Emergency Procurement

3.1 Purpose of the Policy

This emergency procurement policy for purchasing goods, supplies and services is designed to ensure that DPB gets the best price for the best products during handling hard crisis situation in its constituencies. To bring transparency, accountability and simplicity in the procurement process. DPB in its emergency policy ensures that all purchases shall be made in a manner which will maximize the value of all goods and services received is highly valued for the money expended. The specific purposes are but not limited to:

- a. This section aims to provide procurement policies and procedures.
- b. These policies determine procurement procedures to ensure that inventory, fixed assets and services are procured in effective way in accordance with the approved budgets.

3.2 Implementation

The Executive Committee constitutes Procurement Committee for a time frame. Members of the committee will rotate on annual basis. However, few key members may remain unchanged subject to the decision of Executive Committee. Therefore, the implementation of this policy is the responsibility of the Executive Director, who is accountable to the Executive Committee of DPB.

- a. These policies and procedures should be implemented when procurement is done for organization and its projects in emergency situation, otherwise DPB has its regular and robust procurement system.
- b. The Executive Committee should approve any change to this section.

3.3 Assessment of Procurement Need and Principle

The procurement needs for goods and services, such as materials to address immediate and desperate requirements for the project be made by qualified and competent authority the following principles should be considered:

- Adequate quantities;
- Reasonable prices;
- Timely receipt;
- Proper specification; and
- Desired quality.
- Approve response / delivery plan

DPB always give effort to ensure the value for money. The goods and services procured at a fair market value. During emergency period, DPB will manage purchase in the following manner.

3.4 Steps to be followed to procure the goods or services in emergency period

3.4.1 DPB purchasing threshold table for Emergency Period

Level	Type	Threshold (In BDT)	Minimum Quotation	Remarks
Small Purchasing	Petty Purchase	30,000	0	Market price to be followed but within Maximum Retail Price
	Small Purchase	30,000-200,000	2 Spot Quotations	
Medium Purchase	Limited competitive purchase	200,001-700,000	3 quotations from reputed vendor	Frame work agreement
Large Purchasing	Open competitive Purchase	700,001 and above	Minimum three competitors, otherwise re-tender	Open Tender
Sole sourcing only for selected Brand		any	Price offer	

3.4.2 Process to be followed

- i The person who requires the goods or services, will fill out a purchase requisition for purchase of any goods or services with recommendation from the head of concerned department/project/program/branch;
- ii The purchase requisition form should contain goods available in store/ emergency store and signed by storekeeper. This form should be sent to Procurement Committee. The Procurement Committee will check the necessity and forward it to the Finance & Accounts division to check the budget availability. After obtaining the comments on the budget availability, the requisition will be forwarded to the respective authority (Finance Manager/Director (F&A) /Executive Director) for approval. After the approval is obtained, the Procurement Committee will take necessary steps to procure the goods or services with in short time.
- iii If the value of the goods or services to be procured is equal to or less than Tk.30,000, the goods will be procured from the open market or enlisted vendor without obtaining any quotation. The goods should be procured from a shop or from a supplier who has at least an office.

- iv If the value of the goods or services to be procured exceeds Tk.30,000 but not exceeding Tk.200,000 spot quotations 1 (at least one) to be obtained.
- v If the value of the goods or services to be procured exceeds Tk.200,001 but not exceeding Tk 700,000. - at least three quotations to be obtained from enlisted suppliers or Suppliers' Roster.
- vi After obtaining the said quotations, a comparative statement will be made and the best alternative to be selected on the basis of that comparative statement by the procurement committee. The best alternative to be approved by the authority who is delegated as per authorization.
- vii The administration section will issue the purchase order to procure the goods from selected supplier. The purchase order to be approved by the Deputy Director (Admin)-HRD/Executive Director. Three copies of purchase orders to be prepared. One copy to be sent to the supplier, one copy to the accounts and the other copy to the Storekeeper.
- viii If the goods or services to be procured are any branded ones, it will be procured from the authorized dealer of the brand item, irrespective of the value of the goods or services.
- ix In the situation where no supplier is interested in submitting quotation, procurement committee will make reasonable search in the market and would collect price lists from at least three vendors of goods or service renderers. However, the procurement committee must have to keep documents for proving that they had tried for obtaining quotations from the suppliers. On the basis of the price lists and other available information, a comparison will be made and the best one would be selected by procurement committee. After being approved purchase order to be given to selected supplier(s).

3.5 Request for quotations

The procurement committee will circulate (Within short-listed and approved vendors) a "Request for Quotation (RFQ)" to the suppliers' roster to obtain the quotations. The RFQ should contain the following information.

- Name and specification of the goods
- Quantity to be purchased
- Instruction to submit sealed quotation
- Delivery process and time frame.
- Information on income Tax and VAT should be deducted at source, if applicable
- Request to quote the net amount i.e. after deducting the discount, if applicable
- Payment terms
- Mode of payment.

3.6 Suppliers' Roster

By half yearly procurement committee of DPB will prepare a suppliers' roster/Update with some selected suppliers or new suppliers. Suppliers will be selected on the basis of the quality

of their goods or services, their services, prices, availability of discounts etc. A supplier to be enlisted must have

- i) a shop or an office or entity
- ii) a trade licenses
- iii) a Tax Identification Number (TIN).
- iv) A BIN (VAT) Registration Number

Selected suppliers' must be documented and approved by Executive Director.

Large purchases procedures are documented and maintained in a special file including at least the following:

- Basis of awarding the supplier.
- Justifications for accepting the price offers.
- Basis of prices and cost analysis.

A system to manage contracts signed with suppliers should be maintained to ensure that suppliers comply with contract's covenants and required specifications.

The following covenants should be specified in contracts:

3.7 Penalty condition

The supplier will be charged if he didn't comply with agreements covenants.

3.8 Contract cancellation

The contract should specify cases at which it is discontinued once the supplier breaches the contract or circumstances out of the supplier's control occurred.

3.9 Supplier's guarantee

Each supplier should obtain a tender guarantee amounting 5% of contract amount or a fixed amount around to ensure that he is committed to comply with contracts covenants on time. Approved cheques / pay orders etc. are considered to be supplier's guarantee.

Advance payments to suppliers are not preferable, unless the supplier provides guarantees and implementation commitment.

3.10 When the quotations need not to be obtained

Under the following cases the procurement committee does not need to collect the required quotations:

- If the value of the goods is less than Tk.30,000;
- If the goods under same specification were purchased within last three months and the price is equal to or less than amount paid for the previous purchase;
- If there is only one vendor for the goods in the community;
- If the vendor is sole distributor (Brand) of the item required to be purchased.

3.11 Purchase Committee

Purchase Committee of DPB will consist of at least 3 members of the organization. Purchase Committee member are

1. Convenor
2. Member- 2 (at least 2 members must be present in the process), In case of Emergency Executive Director may co-opt any staff as a team member.

3.12 The roles of the purchase committee are

- to collect project wise procurement action plan
- to circulate request for quotations;
- open the sealed quotation;
- prepare comparative statement;
- selection of the best supplier;
- The committee will write the basis of the selection of supplier;

The Purchase Committee should not consider only the lowest cost of the items, but they should also consider the following things before recommending a supplier.

- i) Quality of the goods
 - ii) Warranty of the goods
 - iii) After sale service.
 - iv) Update Trade license, VAT (BIN) & Tax and a recent month's Bank Statement for the vendor.
 - v) Experience certificate /Capability of Suppliers.
- The committee should also consider the history of the supplier by gathering information from past experience and having the client list from the supplier. For procurement of major value items, the clients of the supplier may be consulted.
 - The committee will sign on the comparative statement and on the back side of the all quotations received from the suppliers.
 - Executive Director (ED) will take decision for selection of supplier based on the recommendation of Purchase Committee, as per delegation.
 - Procurement committee may include an external expert (i.e. engineer, computer expert etc) to participate in evaluating tenders and suppliers.
 - Procurement Committee may co-opt any member(s) justifying in writing of such co-option.
 - Three members excluding the expert members will form the quorum.
 - The Procurement committee may be re-constituted once a year or as and when necessity so arise.

3.13 Purchase of frequently required items

There are some items, which the office requires quite frequently, the example is office supplies. The procurement system for those items is given below:

- The administrative section will prepare a list of frequently required items.
- The list will be distributed to at least 3 bona fide suppliers requesting them to quote the price for the items which will be valid for the next 6 months.
- The procedures of request for quotation and when the quotations need not to be obtained will be followed.
- The items will be purchased on quarterly.

3.14 Placing of Order

The Purchase Order should contain the following things:

- Name of the supplier
- Description of items to be purchased
- Quantity ordered
- Total value of goods
- Payment terms
- Obligation on Income tax and VAT deduction at source
- Place of delivery
- Date of delivery.

The purchase order needs to be accepted by the supplier in writing.

3.15 Receipts and acceptance

The person who was involved in the purchase process should not receive the goods. At the time of receiving the goods the designated person (Storekeeper) should check the goods with the specification and other relevant things mentioned in the Purchase Order.

If the goods are as per the conditions laid down on the Purchase order, he/she will seal and sign that the goods have been received satisfactorily. A format for such receiving seal has been shown in.

3.16 Payments for purchase for the goods

Procedures laid-down in the Payment Section will be followed in case of paying to a supplier.

3.17 Advances to supplier

The approval of Executive Director /Director (Finance) must be obtained before making any advance to supplier

3.18 Spot Quotation

Admin. Officer (assigned) may collect written spot quotation from at least two bona fide suppliers. Analyze them by the purchase committee and procure the best quality goods with least price.

3.19 Purchase of services and food in connection with meeting, seminar, training, workshop, etc.

As part of the program DPB may need to arrange meeting, seminars, training, workshop, etc. Consent of the Executive Director/Director (Program) will be needed for the said purpose. The cost of those meeting, seminar and workshops should be reasonable to ensure value for money. If the total cost of the meeting is less than Tk.5,000, the organizer will submit a requisition for food, if required and stationeries needed to the administration at least 3 working hours before starting the meeting. The requisition to be checked by Finance and Accounts Division.

3.20 Repeat Orders (Regular Goods and Services)

- It is anticipated that a specific procurement requirement will be made on a regular basis (i.e. stationery, computer consumables, office consumables required each month).
- At the start of the year OA / FO / Admin. Officer (assigned) identifies a detailed list of projected regular requirements.
- OA / FO / Admin. Officer (assigned) requests for quotations based on the list mentioned above
- Procurement Committee arrange calling for tender / quotation adopting mechanism detailed in purchase celling
- Tenders / Quotations received and FO / Admin. Officer (assigned) prepare a comparative statement.
- Procurement committee recommends preferred provider to Executive Director.
- Executive Director approves.
- FO / Admin. Officer (assigned), with the approval of the SMT issue work order each month or as and when required.
- Storekeeper prepares material receiving report (MRR) and updates store records.
- Supplier will submit bill with invoice and challan to FO who will arrange payment maintaining the procedure.
- Price fluctuations may be considered.
- Every six-month FO / Admin. Officer (assigned) review this process for each item.

3.21 Tender Process

This section is related to procurements that require open tender (includes quotation) request. It is to be ensured that the budget is sufficient for the tender.

3.22 Policies

- a. A high level of professional ethics should be maintained when requesting for, evaluating, and awarding a tender.
- b. Members of tender committee should not have conflict of interests; therefore, the Senior Management Team / Managing Director should be aware of this point.
- c. Tender documents should be free from language mistakes, organized, and numbered.
- d. Standard bidding documents and contract forms are to be used.
- e. A control should be placed on selling tender envelopes to ensure that the total number of sold and remaining envelopes equal prepared ones.
- f. Tender documents should be stamped to avoid illegal practices. Unstamped documents are cancelled.
- g. The DPB should issue official receipt voucher when receiving tender / quotation fees recorded as tender revenues.
- h. Publishing advertisement on newspapers to request for tender is done based on needs and tender committee decision.
- i. Participating companies (includes firms, individuals) should provide the required guarantees of their qualification.

For expenditure exceeding Tk.700,001 and above a spot tender or press tender, as the situation demands, to be issued.

4 Assets Management Policy

4.1 Purpose of Assets Management Policy

The purpose of the asset's management policy is to explain how control, tracking, accountability and compliance are to be achieved regarding assets of DPB. Also, the purpose of the manual is to manage asset of DPB and its donors effectively and keep uniformity of asset management among the offices. This manual will guide the key asset manager, responsible manager and asset custodian to manage and use the asset properly.

4.2 Definition of Asset

According to DPB, asset management policy, all the equipment's, property, vehicle, bank balance that is owned by DPB, needed to the overall operation of the program with a useful life of more than one year are considered as asset. However, for managing purpose assets are defined in two types of assets like:

- A) **Lands:** All lands owned by DPB including purchase by own fund or received as donation from any individual or organization in the name of DPB.
- B) **Moveable asset:** All the equipment owned by DPB or managed under DPB's management needed to its program -operations, has value at least BDT 2,000.00 with a life span more than one year.

There are three types of moveable asset like

a) Fixed Asset

It refers the items value more than BDT 5,000.00 procured by DPB own fund or the assets are received from any valid sources or received from donors with all legal rights including the items handed over to DPB after project closing or donation etc.

b) Project Funded Asset

The assets are procured from particular project fund value more than BDT 5,000.00 and can be returned to the respective donor or disposed of or donated after project closing. If the project funded assets are handed over to DPB after project closing, then those will be DPB fixed assets.

c) Tracking Asset

Refers the items value more than BDT 2,000.00 to 5,000.00 procured either DPB own fund or donated or particular project fund. However, particular donor rules are followed in defining assets addition to DPB asset definition if there any. If donor rules require, the items value lower than BDT 2,000.00 may also be recorded and managed as an asset.

4.3 Managing Asset Database

a) Lands:

A database of all land is managed centrally. Only Chairman/President with decision from Executive Committee can take any ultimate decision regarding land procurement of sold out. Database Management: A central database is managed by Director including all related

information. Normally information is updated at quarterly basis. However, any addition or deletion into the land to be updated and reported immediately to Chairman/President. Director is responsible for evaluation of land at yearly basis which to be approved by Chairman/President.

b) Fixed Asset

DPB fixed assets are managed centrally under single database. All fixed assets to be affixed with unique ID number before handed over to the user. If the items are purchased locally a copy of basic documents to be sent to the Director/Chairman/President immediately for unique number allocation.

c) Project Funded Asset

Project funded assets are also managed centrally for all project funded assets. However, concern project offices are also responsible for managing the project funded assets as per DPB and Donor rules and with close coordination between central asset management.

d) Tracking Asset

Tracking assets are managed locally. Each office is responsible for maintaining a tracking assets database as per procedures and report accordingly. If any tracking asset is transfer to another office, the item should be excluded from the previous location and to be included in new location tracking asset database as per procedures.

4.4 Roles and Responsibility in Asset Management

Chairman/President is the ultimate responsible to ensure appropriate control over the assets. According to the delegation of authority Director is responsible for ensure proper supervision in asset management procedures. Key asset manager and responsible asset managers are responsible to ensure proper supervision in asset management procedures.

4.4.1 Role of Key Asset Manager

The key asset manager is accountable for managing the operation of any asset management. Under the direct supervision of Director, key or responsible asset manager is responsible to ensure all asset management activities.

- a) Plan and forecast for purchasing of asset identify the effectiveness of asset and suggest accordingly for procurement donation, and disposal, sold out transfer etc.
- b) Take part in purchasing asset
- c) Receiving asset items from donor or other sources and keeping proper documentation
- d) Database management of HO and supervise tracking asset database management of other offices
- e) Ensure each asset is identified, assigned to a user and all repairs / maintenance of large value assets are recorded
- f) Orient asset using procedures to all staffs
- g) Organize disposal of asset and documentation
- h) Organize physical verification and reporting
- i) Prepare report of internal or external

4.4.2 Responsibilities of User or Custodian

The term user refers the person who directly using the asset or care taker of an asset or responsible for managing or taking care of an asset. In another word the person is getting benefit directly from a particular asset.

As a custodian of any particular asset the user is solely responsible for maintaining its proper use and security. The users are advised to:

- a) Report to key or responsible asset manager if any asset found at any risk or lost or damaged etc. and keep maximum security of asset.
- b) Report to concern technical person if any technical problem arises but to not handle any technical problem without permission of the authority.
- c) Don't move any asset without prior permission of the authority
- d) Follow user's manual of the asset and maintain fairness and cleanup of the asset.

4.5 Management of Asset

Management of assets includes procurement planning, procurement, and affixing ID#, manage tracking system, disposal documentation and reporting.

4.5.1 Planning of Asset

Director is responsible for preparing an asset management plan in coordination with project planning at yearly basis in December. It includes plan of procurement, disposal, donation, repair, maintenance etc. The plan should be approved by Chairman/President. Accordingly, a budgetary allocation should be in place to take action as per plan.

4.5.2 Procurement of Asset

Procurement of assets should be carried out under close supervision as per delegated authority. Also, past experience and official uniformity in using particular items should be considered in procurement process. Only HO is allowed to procure any asset item. However, tracking assets can be purchased locally with the approval from Director/Chairman/President.

In case of project funded assets, particular donor rules should be followed in addition to normal procurement procedures.

4.5.3 Receiving Asset

Any items Procured by DPB or Grants in Kind from donor or procured by donor for DPB to be received by key asset manager or asset responsible person at other Offices. If any asset item except tracking asset is delivered / received at other offices respective Office In-charge of regional / site office is responsible to send the receiving documents to HO immediately for entry in database. A GRN will be prepared accordingly referring to the delivery note and PO.

4.5.4 Entry in Asset Database

Once an asset item is received it will be entered in the respective asset database as soon as possible. Same asset ID# will be written in the GRN, Challan and bill/ invoice as applicable. In case of tracking assets, using office is responsible to enter in the tracking assets database. Finance should ensure that asset ID# is given in the applicable documents before payment.

4.5.5 Asset ID# Affixing

Once the asset is registered or entered in the database, then key asset manager is responsible to affix the ID# on the asset. The number will be affixed on the items by the prescribed

sticker. ID sticker should include logo of DPB, types of asset, unique asset DI#, year of purchase, source of fund (SoF).

4.5.6 Location Transfer of an Asset

It is regular activities of asset management to transfer asset from one location or custodian to another location or custodian. Asset transfer form should be used for any location or custodian transfer of an asset. Key asset manager is responsible for filling the asset transfer form in sequential order and update asset database accordingly.

4.5.7 Physical Verification

Director is responsible to organize and supervision of physical verification of asset. Physical verification is to be conducted at least once in a year preferably end of year. Report of physical verification of all offices to be submitted to the Chairman/President in December. Physical verification should be conducted by an independent committee including key asset manager. A verification report should include total number of additions, deletion, current condition, not found, excess with recommendations.

4.5.8 Asset Management Reporting

Reporting of asset management refers all internal and external report for controlling and accountability to donor. Quarterly asset movement report will be prepared by each office and to be sent to key asset manager at HO by 1st week of following quarter. Then key asset manager is responsible for updating fixed assets and project funded assets database by 2nd week of each quarter. At the end of the year Director is responsible to prepare yearly asset report including physical verification, disposal along asset plan for next Year. Yearly report for project funded assets should be prepared considering donors requirement and to be filled for review.

4.6 Insurance of Assets

Insurance coverage for assets depends on the necessity and availability of budget. Donor rules also are followed for project funded assets. However,

- a) All vehicle should be covered by 1st party insurance
- b) Selected project funded assets can be covered by fire insurance subject to the availability of fund
- c) Selected fixed assets are also be covered by applicable insurance as necessary considering budget availability

Key asset manager is responsible for updating the asset database covered by insurance at quarterly basis in coordination with insurance company.

4.7 Quality control

Key asset manager and key responsible are responsible to ensure that the entire asset are using in good conditions. Ensure necessary repair maintenance and routine services are made accordingly.

4.8 Documentation System of Asset

A good documentation of asset leads to a quality asset management. To ensure a quality asset filling system should be simple. Clear guidance is given below:

- a) Separate file for each high value asset which incur running cost like-vehicle, motor cycle, generator, photocopier etc. all documents like – copy of PR, quotation of the

supplier, CS, PO, challan, GRN, Bill, warranty card, post-sale service contract (if any) maintenance record sheet etc should be kept in the file.

- b) Common file for keeping the documents of each project funded assets in sequential order. A copy of bill with GRN, PO asset ID# and warranty card (if any) should be kept in sequential order.
- c) Common file for keeping the documents of each DPB fixed assets in sequential order. A copy of bill with GRN, PO, asset ID# and warranty card (if any) should be kept in sequential order
- d) All disposal process should be kept in a file at sequential order.
- e) All physical verification report to be filed in a sequential order
- f) All quarterly asset movement report should be kept in a file at sequential order

A soft copy of each database should be kept in a backup folder under an organized way in every quarter.

4.9 Asset Management during any office or project closing

Key asset manager with the support of Director and project manager under supervision of Chairman/President is responsible for preparing an asset movement plan before three months from the closing of any project or office. Plan should consider total availability of asset, donor rules and DPB decision. Considering above prepare the plan like donation, sale, location transfer, return to donor or scrapping etc and implement the plan accordingly. Any decision regarding to disposal or movement should follow normal disposal procedures.

4.10 Disposal of Asset

Disposal of all assets must be consistent with donor regulations and local laws, as well as DPB interests. Any proposal for disposal should be submitted with an asset disposal form.

There are four way of disposal of an asset:

- a) Auction Sale
- b) Donation
- c) Scrapping
- d) Return to donor as per project agreement

a) Sale of Asset

Sale of asset is one form of disposal. Sale of fixed assets or project funded assets can be organized at any offices but to be organized by HO or under supervision of Director. Director can approve a sale of old / used / poor / unusable asset which gross purchase value less than 100,000 and the items are poor and have no more use. Only Chairman/President can approve the sale of assets which purchase value more than BDT 100,000.

However,

- i) Committee is responsible for checking the items physically, prepare a rough valuation then recommend suitable process to attain best interest for beneficiaries, DPB or donors.
- ii) Committee is responsible to prepare sales/auction schedule, organize bidding process like procurement, select best / highest offer, recommend to the authority

Sold items are to be handed over after receiving the price. DPB only accept payment through bank. However, BDT less than 10,000 can be accepted in cash. Sales proceeds from auction will be deposited into DPB general fund. However, for project funded assets donors' rules should be followed.

b) Donation of Asset

Donation is a form of disposal. Upon prior decision from the authority asset can be donated by processing proper document. Before donation any project funded assets particular donor rules should be followed. At the time of donation of any asset an asset disposal form should be prepared for internal documentation. Finally, a donation certificate (if required) should be given to the receiver. Key asset manager is responsible for preparing all the documents.

c) Scrapping of Asset

Equipment which are very poor condition or broken or completely unusable and has no realizable value, may be declared as scrapped. Once it is decided that the items yet to be disposed out by scrapping, and then the key asset manager should complete asset disposal form and arrange disposal.

If an asset has environmental threat and legal insecurity if further used by any 2nd party or donor requirement that should be destroyed by following proper procedure. A disposal committee is required to destroy the items, the items will be destroyed in presence of committee member and other concern person like government official (if required) and whole process will be recorded by key asset manager.

d) Return to donor

Particular donor or projects may have the condition to return the asset items to the donor after completion of the project period. In that case the assets funded by the particular project should be returned to the particular donor by processing Asset Disposal form.

4.11 Theft or Loss of an Asset

Any theft or loss of any asset should be immediately reported to Director / Chairman/President by filling an Incident Reporting form (IRF). If the incident report shows a fair incident and the user is the victim of the situation, the lost asset should be written off from the database by filling an ADF subject to recommendation from Director and approved by Chairman/President. But if the incident report suggests for further investigation, Chairman/President will form a committee for investigation and reporting. The report will be submitted to Chairman/President for necessary analysis and further action if there any managerial weakness.

If the report shows that the asset was lost due to negligence of the custodian, the concern has to pay the justified fair market value of the same to DPB. In that case the investigation committee will also make valuation of the lost item.

Finally, ADF should be completed by attaching all the documents and should be disposed out according to the disposal procedure.

If the theft or loss of the asset has threat of environmental and legal insecurity if further used by any 2nd party, a general diary should be made immediately at local police station mentioning the asset ID#

5 Store Management Policy

5.1 Purpose of store Policy

The propose of this store management Policy is to provide control and accountability over the storing system and to gather and maintain the information needed for preparing internal and external statements. The purpose of this manual is also to manage store effectively and keep uniformity of management among the all offices. This manual will guide the key store related personnel, responsible managers and store keepers to manage store properly.

5.2 Definition of Store

The term store refers to the designated place where all the general stationary, office supplies, printed stationeries etc. are stored under a systematic procedure for regular official uses.

5.3 Role of Storekeepers

- a) Receive and issue all goods and ensure all paperwork is completed and filed
- b) Keep up to date stock register
- c) Keep store clean and tidy
- d) Prepare store reports and submit to the Supervisor
- e) Prepare grants wise usages report and submit to finance department for charging.
- f) Physical counting of stock at half yearly interval and prepare report

5.4 Management to Store

Management of store includes all the activities of receiving goods, documentation, issuing and transportation to delivery point. Key store manager is responsible for implementing store management quality.

5.4.1 Receiving Goods

Storekeeper will receive goods from suppliers or donors or any other valid source as per PO and challan. There should be coordination between procurement and store. The receiver should clearly read specifications of the delivery documents including PO and receive the materials with satisfaction.

5.4.2 Stock Register Updating

After receiving the goods or materials, procurement unit will prepare GRN and send to Storekeeper. Then the Storekeeper will update the Stock Register with reference to the GRN number.

5.4.3 Stock Requisition Form (SRF)

For any item, requester should process a SRF by clearly mentioning the name of item and required quantity. The SRF should be prepared by the requester and approved by applicable management and to be submitted to the store keeper will not issue any items from store without a valid and approved SRF.

5.4.4 Issuing Goods

On receipt of approved SRF, the Storekeeper will deliver the items to the requester and update the stock register accordingly. The Storekeeper should take extra precaution during materials delivery to avoid deviation.

5.5 Report Preparation

The Storekeeper is responsible for preparing quarterly store report. The report should indicate the need of goods for the next quarter. If there are any changes in minimum or maximum quantity, it should be noted in the report. The key store manager or supervisor will approve the report.

5.6 Purchase Requisition for the Store

According to the need as per quarterly store report, the storekeeper will prepare a purchase requisition for the items needed and submit to the procurement unit. Procurement to be made as per normal procurement procedures.

5.7 Physical Counting

The supervisor of the Storekeeper is responsible for conducting physical counting of store items twice in a year. If there is any deviation or damage, everything should be included in the report. In case of any deviation, the Storekeeper should process a clear statement on that. Accordingly, the supervisor will take necessary action even precaution to avoid from such type of deviation.

5.8 Documentation System

Preferably the store documents should be located at the store. All the documents should be in sequential order.

- a) A general stock register is used for each store. Register is maintained in ascending order according to the name of items.
- b) A copy of GRN e.g GRN Book should be kept a sequential order from first to last.
- c) A copy of received challan should be kept in a file serially.
- d) All the received copy of SRF should be filled up serially.
- e) Quarterly store reports will be kept serially.
- f) All the physical counting report should be kept in a file along with its recommendations serially for future reference.
- g) There should be a file for all general decision regarding store management.

5.9 Cost Charging Store Items

Issuing of general items like-printed format, stationary procured by DPB's own fund are subject to cost charging to the requesting office or project. For issuing general items, storekeeper is responsible to prepare monthly store voucher including price for particular office / project attaching copy of SRF and delivery challan. This voucher to be submitted to finance department and the finance department is responsible for cost charging to the respective office or project.

6 Vehicle Management Policy

6.1 Purpose of Vehicle Management Policy

The purpose of the vehicle management policy is to ensure proper uses, control, maintenance, cost charging, safety security, accountability and compliance over the vehicle and motor cycle management. Also, the purpose of the policy is to guide the key responsible person for efficient management of the motor vehicle.

6.2 Definition of Vehicle

Motor vehicle or vehicle under this policy covers all the car / jeep / micro/ speed boat / engine boat etc and motor cycle.

6.3 Use of Vehicle

DPB allow the movement of vehicle only for official purpose other than any entitlement as per service rules. No employees are allowed to use vehicle other than entitlement and assignment.

DPB allows four types of vehicle uses for the employees including employee service rules. Like

- Regular vehicle assignment to the senior employee as per entitlement in the service rules.
- Need based vehicle assignment to the employees for official movement
- By name organizational owned motor cycle assignment as per organizational and position need
- By name hire purchase motor cycle assignment to the employees as per organizational and position need.

6.4 Driving Official Vehicle

Driving any official vehicles is subject to valid driving license from the authority and assignment from the applicable authority of DPB. Other than above nobody are allowed to drive any DPB vehicle.

6.5 Temporary Need based Assignment

Temporary assignment refers requirement basis vehicle assignment to the user / project from vehicle pool. These assignments are subject to approval from the applicable authority as per types of movement.

Local movement – refers travel locally or inside the city where the vehicle is located. In case of local travel, VRF should be submitted one day ago to logistics personnel to ensure efficient utilization of vehicle. All local travel should be approved by Director –Finance.

Outside movement – refers travel outside the city where vehicle is located. Any VRF for outside movement should be submitted before three days of the scheduled movement to the logistics personnel. All outside movement should be approved by Chairman/President.

6.6 Assignment to Project Activities

All vehicle assignment to project activities is subject to cost charging to the respective project as per established running cost for the particular vehicle. However, management can allow or disallow any assignment to project activities and or can allow project movement by DPB own cost.

6.7 Assignment to others NGO / Donor use

DPB vehicle can be assigned to the others NGO/ Donor people upon formal requisition in connecting with our official activities. In applicable cases, applicable running cost (as per established calculation) can be charged to the using agency or people through an organizational invoice.

6.8 Vehicle Requisition

Other than regular assignment of vehicle as per service rules and by name motor cycle assignment, all employees have to submit a Vehicle Requisition Form (VRF) for official movement.

6.9 Assignment of Rented Vehicle

In case of shortage of vehicle in pool, rented vehicle can be assigned to particular requisition. Rented vehicle should have minimum standard fitness to ensure employees safety and security. The terms conditions with the service provider is subject to contract documents.

6.10 Vehicle Administration

Vehicle administration refers all the general issues to be followed in vehicle management. It includes log book management, running time, cost charging, insurance, reporting etc.

6.10.1 Log Book Management

Each vehicle should have a log book. Each assigned driver is responsible to maintain the log book. It includes starting and ending time and meter mileage, re-fuelling quantity, servicing and maintenance record, signature of user, purpose of use location visit etc.

6.10.2 Vehicle Running Time

Normally office vehicle is allowed from morning to night 10:00 pm within the city movement. But in hill tracts local authorized time should be followed for movement. In high way, vehicle running is not allowed after 8:00 pm. Any exception should be approved by Chairman/President. Drivers are required to take break after each 2-hour driving.

6.10.3 Running Cost Estimation

Director is responsible to calculate and establish per km running cost includes fuel cost, yearly maintenance cost, depreciation and insurance cost.

6.10.4 Repair Maintenance Record

Each vehicle should have a record sheet for repair maintenance. All repair maintenance to any vehicle including item, cost and date must be recorded in the record sheet.

6.10.5 Insurance

All vehicles should be covered by applicable insurance. Without proper insurance vehicle are not allowed in the road. Procurement of vehicle insurance is subject to procurement process.

6.10.6 Reporting

Responsible logistics person is required to prepare monthly fuel consumption report of all vehicles including repair maintenance cost. This report will help the management to monitor vehicle performance.