



PCEA KAREN WEST PARISH

PROCUREMENT MANUAL

Abstract

A Manual approved by the Kirk Session of PCEA Karen West Parish on 15th April 2023 that outlines the practice and procedure of acquisition of goods and services in the Parish, mindful that we are to be good stewards of the resources God has entrusted His Church for His Glory and to the furtherance of the great commission and the expansion of His Kingdom.

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PROCUREMENT MANUAL

1. Introduction

Procurement is the process of requesting goods/services up to the time goods/services are received and paid for. It entails buying of items and services for two key purposes:

- 1.1.To obtain items and services necessary to meet the needs of Karen West Parish
- 1.2.To obtain items and services necessary for Karen West Parish to manage its internal operations and for the resources required in delivering planned activities.

2. Key Principles

- 2.1. All purchases should be carried out on approved group or congregation plans and budgets and supported by the relevant committee minutes.
- 2.2. If expenditure that was not originally budgeted for has, however, been incurred, approval should be sought from the Parish Session, Church Board of Management (CBM) or Local Church Committee (LCC) through the relevant office.
- 2.3. The PCEA Karen West Parish procurement process is managed by the PCEA Karen West Parish Procurement Committee that will be established.
- 2.4. Procurement must be strictly ethical, competitive, open and fair.
- 2.5. Once the need has been communicated through an approved purchase request from the requesting Committee, the Procurement Committee will source the required items and services by obtaining quotes from registered approved suppliers or the open market.
- 2.6. The specifications of items and services must be clear, precise and accurate. Descriptions must not be ambiguous or restrict competitive bidding by containing any requirement that inhibits fair competition.

3. The PCEA Karen West Parish Procurement Objective

The main procurement objective

- 3.1.To ensure that sound procurement systems and procedures are maintained by the Church. All items and services purchased by the church must be of approved specification and quality, from reputable sources, bought at the most economical price and through the requisition process outlined in this manual. This is to ensure that items and services are

delivered to requestors in good condition, correct quantity, to the correct location and timely.

3.2.To ensure that materials and services purchased are in accordance with the operational requirements of PCEA Karen West Parish.

4. Procurement System, Procedures and Controls

4.1.PCEA Karen West Parish shall procure fixed assets, commodities and services based upon approved budget levels by the Parish Session/CBM/LCC.

4.2.The Committee involved in the procurement process shall always exhibit high moral and ethical standards.

4.3.The Parish requires a minimum of three (3) quotations for sourcing all purchases.

4.4.PCEA Karen West Parish procurement procedures will comply with the principle of:

4.4.1. Transparency in the procurement process

4.4.2. Proportionality between the procedures followed for awarding contracts and the value of contracts.

4.4.3. Equal treatment of potential contractors

4.5.PCEA Karen West Parish will avoid purchasing unnecessary items.

4.6.An analysis of quotations for purchase alternatives to determine which is the most economical and practical supplier will be made.

4.7.Solicitations for goods and services will include:

4.7.1. A clear and accurate description of technical requirements for the material, product or service to be procured.

4.7.2. Requirements which the supplier must fulfill and all other factors to be used in evaluating quotations.

4.8.Preference will be given to products or services that conserve natural resources protect the environment and are energy efficient.

4.9.Efforts should be made to utilize small businesses, youth-owned firms, and women's business enterprises (PCEA Karen West Parish Session will make information forthcoming to these groups and encourage and facilitate their participation).

Responsibility of Requesting Group or Committee

4.10. A purchase request form shall be completed by the requesting committee before a purchase is made.

4.11. It's the requisitioning group's responsibility to indicate the cost and approved budget supporting such a purchase and complete all details of the required and obtain any necessary quotations.

4.12. The purchase request should be accompanied by the group minutes to support the purchase.

4.13. Purchase agreements and contacts will only be made with responsible contractors and will not be made with firms or individuals who are proscribed by PCEA Karen West Parish.

Bid Analysis

- 4.14. Price and quality analysis using Comparative Bid Analysis must be documented in connection with every purchase.
- 4.15. A minimum of *three quotations* is required for price/quality analysis.
- 4.16. The Analysis is completed by the Secretary/Congregation/Parish Procurement Committee and approved by the Chairman of the respective Committee.
- 4.17. The final choice of the supplier is to be made by taking into account all related aspects which include the delivery offered, quality of material, reputation of the supplier, facilities of service after sales and previous experience with supplier's performance.
- 4.18. Justification for the lack of competition or analysis must be documented when the above procedure is not followed, and approval given by the CBM/LCC or the Session depending on the level where the procurement is taking place.
- 4.19. Delivery notes are to be attached to the requisition forms upon presentation for payment. These should have been signed by one of the office staff or group representative certifying receipts of goods and adequate completion/satisfactory performance of any service that was required.

5. Levels of Authority for Procurement

A purchase requisition form should be completed, describing specifications of the item to be purchased, budget available for the department, group, committee or section making the requisition and the need for the good or service. Levels of authority are as outlined below:

5.1. Staff Procurement Committee

- 5.1.1. For purchases below Kshs. 30,000/= the Congregation Finance Chair can authorize the Church Administrator to proceed to make the purchase after at least two quotations have been approved by the CBM/LCC Chair and the quotation given the quality of product/service has been agreed by the requesting group. For the avoidance of doubt, supermarket purchases are exempt from the requirement of two (2) quotations before Purchase.
- 5.1.2. This level of authority is the Staff Procurement Committee comprised of the Congregation Finance Chair and at least one member of staff, and one representative of the requesting Group. Price quotations will be called for and processed by either telephone, oral or written. Should they be oral, the quoted price, date of the conversation and supplier's name should be documented on the requisition.
- 5.1.3. The Congregation Finance Chair, will Chair the Staff procurement Committee with the Church Administrator as secretary.

5.2. Congregation Procurement Committee

- 5.2.1. For purchases between Kshs. 31,000/= and Kshs. 300,000/=, the Church Administrator must obtain three competitive quotations.
- 5.2.2. Selection of the successful quotation must be based on a number of set criteria (detailed below) and the decision is made by the Congregation Procurement Committee which will comprise of Requesting group representative, Property and Development

Representative/ Congregation Finance Chair, Church Administrator, CBM/LCC Secretary and CBM/LCC Treasurer for Congregation expense.

5.2.3. Quotations should be written on the quoting company letter head.

5.2.4. The CBM/LCC Secretary will Chair the Congregation Procurement Committee and the Secretary will be the CBM/LCC Treasurer

5.3.Parish Procurement Committee

5.3.1. For purchases between Kshs. 300,000/= and above, three competitive quotes must be obtained, and the decision made by the Parish Procurement Committee comprised of the Congregation CBM/LCC Treasurer, CBM/LCC Chairman, Group Representative, Parish Property and Development representative, Parish Administrator, Parish Treasurer, Chairman of the Finance Committee and the Session Clerk.

5.3.2. Bids should be delivered sealed to the Church office and will be opened when the Committee sits.

5.3.3. The Parish Finance Chairman or such other Elder not being the Session clerk or CBM/LCC Chair will be chair the Parish Procurement Committee.

5.3.4. The Parish Treasurer will be the Secretary, **PROVIDED ALWAYS** that in the event of the procurement of services of an external auditor for the Parish, the Parish internal Audit Chair, will replace the Parish Treasurer as secretary of the Committee and the Parish and Congregation Treasurer will be excused from the deliberations of the committee but only in the case of the procurement of External Auditor services.

5.3.5. A quorum is four committee members, to include the chairperson, representative of the requesting group/committee, secretary and one other person.

5.3.6. There should be *clear minutes* of the procedures and decisions made by the tender committee.

5.3.7. All fixed assets procurement shall be done through the tendering procedures.

6. To qualify for a procurement contract a person or entity shall satisfy the following criteria: -

6.1.The person or entity has the necessary qualifications, capability experience, resources, equipment and facilities to provide what is being procured.

6.2.Have a legal capacity to enter into a procurement contract.

6.3. The entity is not adjudged insolvent, in receivership bankrupt or in the process of being wound up and is not subject to legal proceedings related to the foregoing.

6.4.The person/entity provides evidence or information to establish that the criteria above are satisfied.

6.5.The criteria above shall be set out in the tender documents or request for proposals and or quotations.

6.6. Where the supplier is a contractor or will have their staff on the ground or on any Property belonging to the Church, due consideration to the Legal and safety requirements in regards to insurance of supplier staff must be adhered to and it should be communicated to the supplier that PCEA Karen West Parish or any congregation therein, will not be liable or responsible for any injury to supplier staff so contracted whilst they are in the Church compound AND this provision will be contained in every contract entered between the supplier and PCEA Karen West Parish

7. PCEA Karen West Parish **shall not** enter into a procurement contract with: -

- 7.1. An employee of PCEA Karen West Parish or an employee of its congregations.
- 7.2. Any person or entity related to a person described in paragraph 7.1. except as expressly allowed by PCEA Karen West Parish Session.
- 7.3. After the deadline for submission of tenders, proposals or quotations:-
 - 7.3.1 No person who submitted a tender shall make un-solicited communication to PCEA Karen West Parish or any other person involved in tender proceedings that might be reasonably construed as an attempt to influence evaluation and comparison of tenders, proposals or quotations, and
 - 7.3.2. No person who is not officially involved in the evaluation and comparison of tenders, proposals or quotations shall attempt in any way to influence that evaluation and comparison.
- 7.4. An employee or agent of PCEA Karen West Parish or member of tender committee who has conflict of interest with respect to procurement: -
 - 7.4.1. Shall declare any conflict of interest and the nature of it
 - 7.4.2. Subject to 7.4.1. may or may not take part in procurement proceedings, and
 - 7.4.3. Shall not, after a procurement contract has been entered into, take part in any decision relating to the procurement contract.
- 7.5. Conflict of interest shall arise if a person or relative of the person:-
 - 7.5.1. Seeks, or has direct or indirect pecuniary interest in another person who seeks a contract for the procurement.
 - 7.5.2. Owns or has a right in any property or has a direct or indirect pecuniary interest that results in the private interest of the person conflicting with his duties with respect to the procurement.

8. Inspection and Acceptance Committee (IAC)

- 8.1. The Parish Treasurer of PCEA Karen West Parish may convene an ad hoc committee known as the inspection and acceptance committee.
- 8.2. The inspection and acceptance committee shall be composed of a chairman and at least two other members appointed on the recommendation of the PCEA Karen West Parish Procurement committee .
- 8.3. The inspection and acceptance committee shall immediately after the delivery of the goods, works or services—
 - 8.3.1. Inspect and where necessary ,test the goods received;

- 8.3.2. Inspect and review the goods ,works or services in order to ensure compliance with the terms and specifications of the contract; and
- 8.3.3. Accept or reject, on behalf of the procuring entity , the delivered goods, works or services.
- 8.4. The inspection and acceptance committee shall—
 - 8.4.1. Ensure that the correct quantity of the goods is received
 - 8.4.2. Ensure that the goods, works or services meet the technical standards defined in the contract;
 - 8.4.3. Ensure that the goods, works or services have been delivered or completed on time, or that any delay has been noted;
 - 8.4 4. Ensure that all required manuals or documentation has been received; and
 - 8.4.5 Issue interim or completion certificates or goods received notes, as appropriate and in accordance with the contract.
- 8.5 It should be further noted that the IAC is different from the management teams of procurement contracts.
 - 8.5.1. The IAC shall be performing administrative duties of certifying that the procurement contracts have been properly performed and supervised or managed by the management teams.
 - 8.5.2 The work of the IAC comes at the end immediately after delivery of the goods, works and services.