



IFS POLICY Document Purchasing Policy

APPROVED: 51ST IFS BOARD OF TRUSTEES MEETING, 2020

1. INTRODUCTION AND PURPOSE

This policy applies to procurement of goods, contracts, products, works, projects, and advisory and consulting services, regardless of source of funding. All staff involved in procurement or authorizing of goods and services must comply.

Staff are expected to use good business judgment, common sense, and intelligent decision-making, and exercise caution when making purchases. Areas not covered must be referred, and no staff can adopt a different role, methodology or deviate from policy or unusual sets of circumstances without specific written approval from the Head of Administration.

2. PURPOSE OF PROCUREMENT

The purpose of procurement policy is to ensure that IFS gets the highest quality of desired goods and services at the best price possible. Further, the policy is aimed at streamlining the process of procurement while maintaining adequate controls. These procurement procedures apply to all staff involved in the procurement process and to all types of procurement.

3. POLICY OVERVIEW, PURPOSE AND GENERAL PRINCIPLES

IFS has considerable reputation in the helping and supporting early career researchers in Low and Lower Middle Income Countries (LLMIC). At the heart of our policy are our values of trust and Integrity, transparency, equity, empowerment and mutual respect. Compliance to IFS Value and code of conduct is compulsory by all employees, volunteers, associates, contractor's, consultants and business partners. They must protect IFS's good name, perform their duties, act appropriately in their dealings and not compromise IFS' Values.

The policy ensures control of expense and cost-effective procurement. The objectives are to:

- Fulfil our mission: To enable IFS to deliver maximum resources to our program
- Value for Money: To reduce and control IFS costs
- Corporate Social Responsibility and ethical trading: To adhere to appropriate legislation, government regulations, and IFS policies and environmental values
- Demonstrate effectiveness: To track and record activity in a clear and transparent manner to prove to funders, donors and partners, that we have achieved due diligence and designated outcomes.

Procurement principles are designed to obtain best value for IFS in our buying activity. Best value is far more than cheapest price; it balances product/service quality, longstanding relationship, best fit with IFS needs and long-term value. Staff are expected to act in the best interests of IFS at all times. Any gains from buying activity must benefit IFS. No personal benefit (beyond the use of the service itself) to an individual is expected.

IFS will consolidate services/goods and contract providers to reduce the number of orders, invoices, and administration, as well as attract greater discount. We will create a limited set of consultants who understand IFS culture, giving them in-house expertise, reducing the time taken to familiarise themselves with IFS ethos and operating methodology, and thus reduce the time to complete the contract.

Selection will be based upon merit, compliance with specifications, terms and conditions, delivery and fulfilment, quality, and capacity to perform adequately. Competitive bidding will be used to drive pricing down from rival bidders. Suppliers will be regularly re-evaluated by IFS management and the Procurement Officer.

4. PURCHASING MANAGER

Reporting directly to the Director, the Purchasing Manager has a role and responsibility to support the IFS grantee to procure laboratory equipment and supplies, including support and advice to IFS grantees. Where purchasing is straightforward and commonsense, he/she will act as a guide and resource support to establish proper process. In more complex situations, or where value and scale are great, he/she will lead the process, have a prominent role or take joint responsibility.

5. PURCHASING POLICY TO PROCURE LABORATORY EQUIPMENT AND SUPPLIES

If a grantee chooses to keep their grant money to be administered by IFS, the procedures follow these steps:

- Purchasing manager contacts grantee and asks if he/she prefers to find vendors of own choice or for purchasing manager to find vendors.
- If grantee prefers to find vendors of own choice, he/she is advised to follow IFS guidelines for Grant Administration and Purchasing.

- If grantee prefers that purchasing manager finds vendors, he/she will start contacting vendors after checking grantee's approved budget. To find the best offers, the purchasing manager contacts already known vendors and searches on the internet for vendors who have the products of interest.
- Vendors will be asked for proforma invoices for the products.
- Proforma invoices are checked and compared by purchasing manager to find the best and cheapest offer within the price in grantee's approved budget. Price, terms of shipping, type of insurance and service quality are important variables included in the comparison between proforma invoices. If prices are above grantees approved budget, purchasing manager asks vendors for a discount. If price is still too high, purchasing manager discusses with program administrator and scientific coordinator to find out why and to find a solution.
- For purchases less than 300 USD, a minimum of 2 proforma invoices are compared. For purchases 300 USD and up, a minimum of 3 proforma invoices are compared.
- Purchases 1000 USD and up must be consulted with the Director before they are completed.
- A proforma invoice must contain shipping information, bank details, shipping insurance (preferably CIP) and currency so that everything is as clear as possible before the order is placed.
- When the best deal is found, a purchase order is placed, and vendor is asked to send shipping details to grantee and purchasing manager some days before shipping. A Letter of Donation is written and signed and sent to grantee. Grantee is asked to start the clearing of goods procedure by bringing the letter of donation to his/her institution and ask for further guidelines. An order of payment is placed.
- If there are additional taxes or custom storage costs of the order, these should be paid by grantee's institution. If the institution refuses to help grantee in these cases, purchasing manager discusses this with program administrator and scientific coordinator who contacts institution.

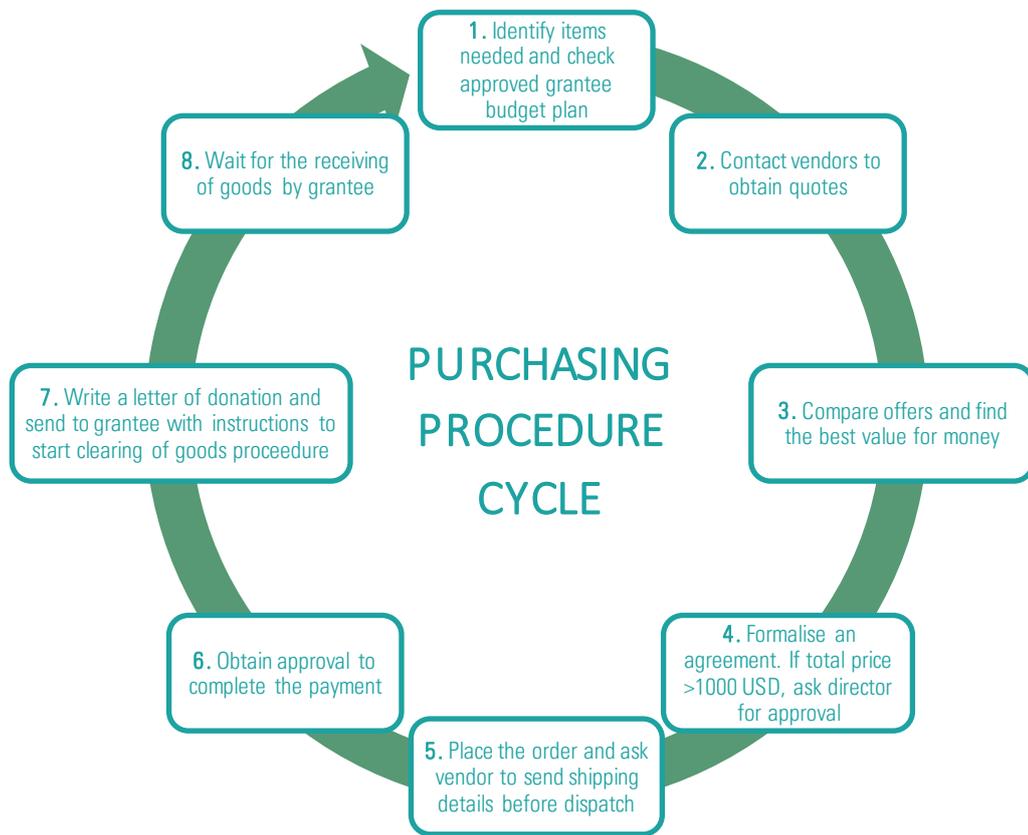


Figure 1. The 8 steps in the IFS Purchasing procedure cycle.