

Procurement Process for Small Purchases (under \$10K)

Instructions: Any procurement of less than \$10,000 may be made in accordance with the small purchase procedures. Any procurement will require obtaining of price quotations from at least three (3) vendors and base the selection on competitive price, quality, delivery time, and other relevant factors. Please use this Procedure checklist to ensure that you follow the steps and provide information required for the Procurement of the services your agency/department requires.

SMALL PURCHASE CHECKLIST:

- Obtain Written documentation of Quotations from at least THREE (3) vendors
- Requisition Form (for compensation)
- Service Contract (for services)
- Cover Letter that includes the following information:
 - Basis of Selection
 - Purpose of the Procurement (e.g. Support specific activity for Grant and/or Office)
- Budget Summary/Outline (for Grants or Special Projects)
- For Compensation
 - List of Persons being Compensated
 - Dates of Service
 - Agenda for Meetings
- For Services
 - Scope of Work or Terms of Reference of Service
 - Request for Quotes
- For Sole Source Requests
 - Letter requesting for Sole source included
 - Clear and supported Information of the source is included

****The procurement officer reserves the right to request for clarification and/or additional information during the procurement process.***

SMALL PURCHASE PROCESS (Step-by-Step):

1. QUOTES

- 1.1. Written Quotations from at least THREE (3) vendors are required for purchases of less than \$10,000.
- 1.2. If your department requires procurement of a service that will cost less than \$10,000 please generate a Request for Quotation Form that includes uniform request for information for all vendors. Your department may also choose to post and/or publish a Notice soliciting for quotes; however if you choose to do this, you have to provide proof that possible vendors (at least 3) received the Notice.
 - 1.2.1. The details such as quantity, description, date of the RFQ and all other information on each RFQ **are required to be the same.**
 - 1.2.2. The Due Date of the RFQ form has to be the same for all vendors.
 - 1.2.3. Vendor Quotes have to be valid.

2. REQUISITION FORM (if applicable)

- 2.1. A Requisition Form can be used for a small purchase if a service contract is not required.
- 2.2. Departments should ensure that all information is filled up in the Requisition form such as: Departments POC Name, Phone number, email and/or Fax is provided.
- 2.3. Ensure that an appropriate justification is provided that includes the basis of selection (competitive price, quality, delivery time, and/or other relevant factors).
- 2.4. The specifications should be generic in nature, in order to facilitate fair competition for the services being acquired. Specifications shall not specify brand names, products of one company or features which are particular to the products of one company, unless it has been determined in writing by the requestor that these particular products or those particular features are essential to the ROPs requirements, and that products of another company would not meet the requirements. Where proprietary items are specified or standardization is evoked, the requesting department must provide justifications in writing to the Procurement Officer or the Designee for approval before the procurement action is initiated.
- 2.5. On occasion, brand name could be stated to clarify requirements, however adding "or similar equipment" or "equivalent" should be included.

3. SERVICE CONTRACT

- 3.1. The department shall generate a Service Contract that includes all required information. A template of the Service Contract shall be obtained from the Bureau of Public Service System website.
- 3.2. Vendor should only sign AFTER all ROP Government officials have signed.

4. COVER LETTER

- 4.1. The Department is asked to always include a cover letter that contains information about the procurement. This will help to speed up the review process. Information such as the purpose of the procurement, how it will support a specific activity, project, and/or grant and how it will benefit the Republic should be in the cover letter.

5. SCOPE OF WORK or TERMS OF REFERENCE (TOR)

- 5.1. Departments should ensure that a Scope of Work and/or TOR is included in the Requisition and/or Service Agreement.
- 5.2. The Scope of Work or TOR should include specific information such as:
 - 5.2.1. Description of the Service
 - 5.2.2. Period of Performance
 - 5.2.3. Payment Information (including Total Obligation and specific payment instructions)
 - 5.2.3.1. The Bureau of National Treasury encourages that only up to 25% of Payment can be requested as an Advance Payment unless the vendor has specific terms that requires more than 25%. The Departments should confirm with the Bureau of National Treasury before requesting for payment exceeding 25%.
- 5.3. The SOW or TOR should contain the signature of the Vendor to ensure that they are aware of the Terms and Conditions of the work. However, please ensure that if a Service Agreement/Contract is being utilized, that the Contractor does NOT sign before all Government Authorities review and certify the Contract.

6. BUDGET or BUDGET SUMMARY (For Grants and/or Special Projects)

- 6.1. If the procurement is using Grant and/or other Special Project (non General Fund) funding, ensure that a copy of the Project/Grant Budget is included in your request.

7. FOR COMPENSATION REQUESTS

- 7.1. For all compensation requests, please include a list (as complete as possible) of all persons that will be compensated.
- 7.2. Ensure that the requisition includes the specific Dates and Times that the individuals are being compensated.
- 7.3. Include Agenda for Meetings (if available)
- 7.4. For Board and/or other group compensation that are based on a specific law, attach copy of the RPPL that specifically outlines the compensation amount.
- 7.5. For special projects (e.g. census, surveys):
 - 7.5.1. Include information about how the individuals were chosen to complete the projects.
 - 7.5.2. Include Scope of Work or TOR /Contracts that outlines their roles, responsibilities, and any other terms/conditions that are required.

8. SOLE SOURCE PROCUREMENT

- 8.1. Procurement which requires an expenditure of \$10,000 or less may be awarded for a service without competition when the Procurement Officer determines that there is only one reliable source of the required service.
 - 8.1.1.** If the Departments believe that there is only one reliable source for the service, the authorized representative should write to the Procurement Officer with information and documentation that supports the claim. The Procurement Officer will base the determination on the following:
 - 8.1.1.1.** The department can show that there is unique capabilities of the source that is required, why they are required, and the degree of consideration given to other sources;

- 8.1.1.2.** The facilities or equipment of the source that are required and why they are required;
- 8.1.1.3.** If the work experience of the source on similar efforts will eliminate unnecessary expense for time or duplication of effort required to bring another source up to the acceptable level of experience/knowledge.

There may be situations that do not fall into the categories described above and departments are encouraged to contact the Procurement Officer to clarify any questions that they may have.