



MT. KENYA NETWORK FORUM

PROCUREMENT POLICY

1. INTRODUCTION

Mt. Kenya Network Forum (MKNF) is committed to conducting all procurement activities in a transparent, accountable, and efficient manner that ensures **value for money, integrity, and compliance with applicable laws and donor requirements**. This policy provides a framework for procuring goods, works, and services necessary for achieving MKNF's mission while safeguarding resources and promoting fairness and competition.

2. PURPOSE

The purpose of this policy is to:

- Establish clear procedures for procuring goods, services, and works.
- Ensure transparency, fairness, accountability, and cost-effectiveness in all procurement activities.
- Prevent conflicts of interest and unethical practices.
- Promote inclusivity by supporting local suppliers and marginalized groups where possible.
- Strengthen internal controls and compliance with donor and legal standards.

3. SCOPE

This policy applies to all procurement activities undertaken by MKNF, regardless of funding source or size. It covers:

- Goods and supplies
- Works (construction, repairs, installations)
- Services (consultancies, training, communication, etc.)
- Leases, rentals, and other contractual engagements

It applies to all staff, board members, volunteers, and representatives involved in procurement decisions.

4. GUIDING PRINCIPLES

All procurement decisions shall be guided by the following principles:

- **Transparency:** All processes must be open, well-documented, and verifiable.
- **Accountability:** All parties involved in procurement are accountable for their actions and decisions.
- **Value for Money:** Procurements must ensure optimal use of resources without compromising quality.
- **Fair Competition:** All qualified suppliers and service providers must have an equal opportunity to compete.
- **Integrity:** Procurement decisions must be free from corruption, favoritism, and conflicts of interest.
- **Local Preference:** Priority shall be given to local suppliers and service providers to support local economies and sustainability.

5. PROCUREMENT PLANNING

- Procurement activities shall be guided by the **annual work plan and budget** approved by the Board.
- Departments must plan their procurement needs in advance and submit them to the administration for consolidation.

- All procurement plans must indicate the type, estimated cost, source of funds, and proposed method of procurement.

6. PROCUREMENT METHODS AND THRESHOLDS

Procurement methods will vary based on the value of the goods or services being procured. The following standard thresholds shall apply:

Procurement Value (KES)	Procurement Method	Requirements
Up to 20,000	Petty Cash Purchase	At least 1 quotation; receipt required
20,001 – 100,000	Request for Quotation (RFQ)	Minimum 3 written quotations
100,001 – 500,000	Competitive Bidding (Open or Restricted Tender)	Public or invited tender; procurement committee review
Above 500,000	Open Tender / Competitive Procurement	Advertisement, detailed evaluation, and Board approval

Note: All procurement above **KES 100,000** must be reviewed by the **Procurement Committee** once established.

7. PROCUREMENT PROCEDURE

7.1 Initiation

- A procurement request (Purchase Requisition Form) shall be initiated by the requesting department and approved by the Executive Director.
- The request must specify the item, quantity, estimated cost, and justification.

7.2 Solicitation of Quotations or Tenders

- Based on the procurement value, quotations or tenders shall be solicited from qualified suppliers.

- Quotations must be submitted in writing and evaluated based on price, quality, delivery time, and supplier reliability.

7.3 Evaluation and Selection

- Evaluation shall be conducted objectively, following pre-determined criteria.
- The Procurement Committee (once formed) will oversee the evaluation of bids exceeding KES 100,000.
- Final selection shall consider **value for money**, quality, past performance, and compliance with specifications.

7.4 Approval and Award

- The Executive Director approves procurements up to KES 100,000.
- The Procurement Committee and Board approve procurements above KES 100,000.
- All awards must be documented in writing and communicated to successful suppliers.

7.5 Contracting

- A written contract or purchase order must be signed for all procurements above KES 50,000.
- Contracts must outline specifications, delivery timelines, payment terms, warranties, and dispute resolution mechanisms.

7.6 Delivery and Inspection

- All goods and services must be inspected upon delivery to ensure they meet specifications.
- Any discrepancies must be reported immediately and resolved before payment.

7.7 Payment

- Payment shall be made only after verification of satisfactory delivery and approval by the relevant authority.

- All payments must be supported by invoices, delivery notes, and inspection reports.

8. PROCUREMENT COMMITTEE

MKNF shall establish a **Procurement Committee** responsible for:

- Reviewing and approving procurement processes above KES 100,000.
- Ensuring compliance with this policy and donor requirements.
- Evaluating bids and recommending award decisions.
- Overseeing supplier performance and contract compliance.

The Committee shall comprise at least three members, including the Executive Director, Finance Officer, and one Board representative.

9. CONFLICT OF INTEREST

- All individuals involved in procurement must **declare any actual, potential, or perceived conflict of interest** before participating in the process.
- No staff, board member, or their close relatives may benefit, directly or indirectly, from procurement contracts.
- Failure to disclose conflicts of interest may result in disciplinary action, termination, or legal consequences.

10. RECORD-KEEPING AND DOCUMENTATION

- All procurement records, including requisitions, quotations, evaluation reports, contracts, delivery notes, and payment documents, must be retained for at least **7 years**.
- Records shall be securely stored and made available for internal and external audits.

11. MONITORING AND EVALUATION

- Procurement processes will be periodically reviewed to ensure compliance, efficiency, and effectiveness.

- Annual procurement performance reviews will identify gaps and recommend improvements.
- Procurement activities are subject to internal audits and external donor audits as required.

12. REVIEW OF POLICY

This Procurement Policy shall be reviewed **every two (2) years** or earlier if necessary, to reflect legal, regulatory, or organizational changes.

Approved by: _____

Mr. Stephen Kariuki Kiboi

Executive Director – Mt. Kenya Network Forum