



PROCUREMENT POLICY AND PROCEDURES

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Applicable to all ARSIS Offices

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ARSIS - ASSOCIATION FOR THE SOCIAL SUPPORT OF YOUTH
43 Mavrommateon str., 104 34, Athens - tel / fax: +30 210 8259880,
email: arsisathina@gmail.com, URL: www.arsis.gr

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email: arsisathina@gmail.com, URL: www.arsis.gr

PREAMBLE

“ARSIS – Association for the Social Support of Youth” is a Non Governmental Organization, specializing in the social support of children and youth and in the advocacy of their rights.

ARSIS was established in 1992 as a non-profit nationwide organization, following to the Greek civil code provisions (official statute no 17904/16.10.1992). It is based in Athens (headquarters) and it has branch offices throughout the Greek periphery (Thessaloniki, Volos, Alexandroupoli, Kozani).

The current document is issued in Athens – Headquarters and it is officially and duly approved by ARSIS administrative council in order to be implemented by ARSIS Headquarters and all Offices in programs funded via UNHCR and UNICEF.

This Procurement Policy applies to and binds all directors, managers, employees and registered members of the organization in any situation where they are involved in a purchasing process, whether as requestors or specifiers, purchasers or negotiators, or those who validate or authorize payment.

A. SCOPE – PRINCIPLES – CODE OF CONDUCT

A.1. Scope

The scope of the current document is to state ARSIS' policy, ethics, procedures and provisions related to procurement and it covers the processes associated with procurement of the goods, services, works that are demanded for the function of ARSIS and for delivering its objectives in the context of its daily function, its operations, projects, programs, actions, partnerships.

A.2. Principles in line with the scope

The main purpose is in line with principles that would ensure in an ethical, lawful, and responsible manner, i.e:

- The constant improvement of performance standards towards the best provision of social services in the most cost-effective and efficient manner and in compliance with the organization's statutory purposes, considering the best interests of the target population in concern.
- The prior identification, specification and planning for the needs of the population in concern within the context of a project/program/operation so as to establish a sufficient, effective and sustainable procurement plan and budget
- Avoidance of fragmentation of supplies
- Sustainable value-for-money over the lifetime of the goods, services, works
- Respect for fair and effective competition rules and norms, and avoidance of conflict of interests between professional duty and personal interest
- All processes related to procurement of goods and services are fair, transparent, and credible, and in consistency with the relevant national, European and international norms related to the funding, planning, resourcing of nonprofit organizations. Within this context, the compliance with the International Commercial Terms is seriously considered.

A.3. Code of conduct and ethics

The procurement processes are framed by a mandatory code of procedures including the planning, sourcing and procurement management and contracts (including financial thresholds) in order to ensure that our practices are able to withstand public scrutiny at all times. Therefore, the current document mainly regulates on:



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clear roles and duties in the procurement process, management of vendors, competitive bidding, contract evaluation, supply and payment compliance.

- Procurement process shall be based on impartiality, confidentiality, good faith and cooperation, on fair, lawful, ethical trade practices, prompt and transparent procedures.
- All ARSIS staff with designated procurement authority shall be aware of and responsible for applying the procurement policy and procedures.
- Engaged vendors shall be informed on and respect ARSIS procurement policy during every procurement stage (including negotiations).
- In the context of ARSIS partnership with other public or private stakeholders, institutions, organizations, the compliance with their ethics and procurement policy shall be considered towards an ethical, effective and sustainable cooperation.

ARSIS has established a standalone Suppliers Code of Conduct and encourages vendors and suppliers to follow principles stated in it. This Code is publicly available through ARSIS website.

ARSIS has, also, established Code of Ethics and Values that is mandatory for our employees, our volunteers and other representatives of our organization. Our staff members and our volunteers are requested to read this Code and state that they agree with the duties and principles mentioned in it when they sign their contract with ARSIS.

B. ROLES AND DUTIES

B.1. ARSIS administrative council

According to its statutory powers, ARSIS administrative council:

a) has the power to issue, revise, supervise and manage the planning and the implementation of the procurement policy of the organization in line with the principles stated in paragraph A of the current document and to ensure that the organization's staff applies the procurement policy and procedures.

b) has the power and ultimate responsibility to negotiate, approve and sign the procurement contracts and to properly authorize staff members with the relevant powers, depending, also, on the kind and level of purchasing requirements (including commitment or disbursement issues).

c) is responsible to define the members of the organization's Procurement Committees (see below B.2).

d) is responsible for the establishment of technical evaluation committee, when at its judgment is necessary. Specifically, technical evaluation committee is established when organization starts formal procurement proceedings which require specific technical criteria to be met by vendors. Technical evaluation committee must prepare and sign a detailed evaluation score sheet accompanied with evaluation report and will specify which technical offers are sufficient and meet technical specifications outlined in the relevant solicitation document. ARSIS' administrative council is solely responsible to accept (or decline for specific reasons mentioned in its decision) technical evaluation committee's report.

For purchases below Euros 10.000 the establishment of technical evaluation committee is not necessary, unless specific technical criteria are required to be met by vendors, at administrative council's sole discretion.

e) has the sole responsibility to allow exceptions from the procurement procedures that are stated in article C. The administrative council can decide, by way of waiver, that for specific and exceptional reasons, ARSIS will not follow procurement procedures based on monetary thresholds. In such cases, administrative council must declare in its minutes the specific reasons that justify the exception. The relevant decision should be available to the competent funding partner/authority, if asked for it.

Reasons that justify **exceptions** from procurement procedures include the following circumstances:

- i. If, following processes described in articles C.2 and C.3 have not disclosed offers or if none of the offers/bids submitted via these processes were suitable or if processes described in articles C.2 and C.3 would not give satisfactory results or would not be deemed in the interest of the organization, as e.g., a contract is to be extended and changing the entity would not provide continuity in the work;
- ii. If for technical, economic, artistic reasons or reasons relating to the protection of exclusive rights, the contract may be awarded only to a particular operator/contractor/supplier
- iii. If the specific supplier who will be awarded with contract has monopoly in specific market i.e. is a sole source of supply or service (i.e. sole authorized vendor).
- iv. If, due to unforeseeable events or emergency situations or for urgency reasons that have to do with the well-being of ARSIS' beneficiaries or with ARSIS' meeting its obligations towards to the competent funding partner/authority, it is not possible to meet deadlines set out in articles C.2 and C.3.
- v. When it comes to additional works or services not included in the original contract but became necessary to be performed, if awarded to the contractor already carrying out the work and if those specific projects cannot be separated
- vi. When prices or rates are fixed pursuant to national legislation or by regulatory bodies (may be the case for fuel, transportation, and drugs)
- vii. When standardization of supplies, equipment or spare parts render competition impracticable (e.g. toner cartridges for a particular photocopy machine).
- viii. When offers for identical products or services have been obtained competitively within a reasonable prior period, and prices and conditions remain competitive;

ix. Especially for the supply of clothes and shoes, since it would be beneficial for the PoCs to choose by themselves their clothes and shoes. Thus, they will participate in this process making it easier for them to integrate in the community. (e.g. we could set a specific amount for every PoC and give them the right to choose their clothes and shoes of preference).

f) has the authority to decide and continue the procurement of goods or services from the supplier who was awarded with contract following the procurement procedures of articles C.2 and C.3, when needs for the same products and the same services - as already supplied with the abovementioned procedures - occur within however the same calendar year. In such cases, ARSIS' administrative council, following the relevant opinion of ARSIS' procurement committee of article B.2, has the power to expand the procurement with the supplier that was already awarded with contract, for a percentage that does not exceed 20% of the first procurement at a price that does not exceed 10% of the net price that was awarded to the supplier with the first contract.

B.2. Procurement Committee and Procurement Department

B.2.1 Procurement Department

Procurement Department is the office responsible for the acquisition of supplies, services, and construction in support of the organization's activities. The Procurement Department is authorized to prepare and issue Invitations to Bid, Requests for Proposal, Requests for Quotation. The Procurement Department issues purchase orders and acquires supplies and services. The Procurement Department also disposes of all surplus property and equipment.

The Procurement Department is very conscious of its responsibility and accountability in the expenditure of funds. It is the Procurement Department's policy, to encourage the participation of qualified vendors in the bidding process.

The Authority's management clearly understands the importance of the procurement function and has tasked the Procurement Department with the responsibility of accomplishing the following objectives:

- To procure required services, materials, equipment, and construction while ensuring that quality, safety, and cost-effectiveness are achieved.
- To ensure that procurement transactions are conducted in a manner providing full and open competition whenever practicable.

- To comply with procurement rules and applicable laws and regulations as required.
- To solicit the participation of all qualified and responsible contractors and suppliers in the procurement process.
- To enhance accountability of Organization's and its participating officers for their procurement decisions and actions.
- To assure equity for all parties involved in the procurement process.
- To obtain the best value for the money spent.
- To eliminate the possibility of corruption or unethical practices in the procurement process.

B.2.2. Procurement Committee

Within the Procurement Department function Procurement Committees of at least three ARSIS' members as follows: a separate committee who is responsible for Southern Greece and the islands and it is based in Athens and another one who is responsible for Northern Greece and is based in Thessaloniki.

Each Procurement committee is responsible to supervise and coordinate all relevant processes in order to purchase procurements of above 10.000 Euros, while for purchases of value of up to 10.000 Euros ARSIS' Procurement Department and/or authorized personnel according to para. B4 are responsible.

Indicatively, Procurement committee:

- a. Acts whenever is formally asked to, by ARSIS' administrative council in order to initiate procurement procedures. Procurement committee following the administrative council's decision identifies, quantifies, specifies and plans the needs of the organization and goods/services to be procured. Procurement committee will, also, provide planning support to the administrative council with regard to detailed specification, delivery expectations, policy and procedures.
- b. In cooperation with the competent manager of a specific project/operation/program, is responsible for low value purchases for organization's daily function, considering and respecting its financial guidelines

- c. Is responsible for preparing and implementing, in cooperation with ARSIS legal team/unit, the standard procurement processes (as prescribed in chapter C and D below)
- d. Is responsible for conducting pre-award surveys for procurement contracts of high value and complexity; the evaluation of the surveys' results is subjected to the prior evaluation of the legal team unit.
- e. Is responsible for keeping complete files concerning each procurement including all relevant bid and supporting documents for a period of at least seven years.
- f. Is responsible for the expedition of Purchase Orders/contracts with the cooperation and contribution of the legal unit when necessary
- g. In cooperation with the legal team unit, is responsible for drafting and formulating the authorization schedule. The final schedule is subjected to the administrative council's approval.

ARSIS' administrative council has the sole responsibility to define the members of each procurement committee at the beginning of each year. Members of procurement committees can be ARSIS' staff, including persons who have been registered members of ARSIS' for at least 5 years previous to their appointment.

Members of procurement committees shall be aware of and responsible for applying the procurement policy and procedures. The results/products of procurement committees are subjected to the final approval of the administrative council.

B.3. ARSIS principal contact point with vendors

Considering the abovementioned (paragraphs B.1 – B.2) ARSIS principal contact point with vendors in the context of procurement process as following:

- In case of a project/operation/program implementation: principal contact point/unit is the properly authorized competent manager of the project/operation/program and procurement department.
- In case of purchases/procedures related to the daily function of an Office/structure of ARSIS principal contact point/unit is: the properly authorized competent manager of the Office/structure

B.4. The authorization schedule

The authorization schedule is formulated considering and in line with the current legal framework and with each project/operation/program funding guidelines. It is

formulated by distinguishing two functions pertinent to procurement: 1) to make purchase commitments for the purpose of procuring goods and services; and 2) to make or approve cash or bank disbursements:

Immediately below are presented two charts: one general chart regarding the number of staff members authorized to approve and sign purchases and disbursements according to monetary thresholds and the authorization schedule in which everyone is able to crosscheck who staff member has specific authorization for purchase or disbursement and up to which amount.

GENERAL AUTHORIZATION CHART				
Value of purchase	Purchase commitments	Authorized staff for purchase (title because name will vary)	Disbursement approval	Authorized staff for approval of disbursement (title + name)
Up to EURO 5.000	Yes 2 signatures needed	UNICEF: Local Coordinator for each Safe Zone ± Logistics Assistant for Athens/Thessaloniki UNHCR: Local Coordinator for Athens OR Thessaloniki OR Islands OR Athens Youth Center (KYN) OR Athens ESTIA PROSYGON OR Case Manager for Streetwork Thessaloniki OR Local Coordinator for Mobile Unit OR Case Manager for N.Kavala OR Local Coordinator for Social Apartments Thessaloniki OR Local Coordinator for Social Apartments Volos ± Assistant Financial Manager Athens (For purchases regarding Athens/Islands) /Assistant Financial Manager Thessaloniki (for purchases regarding Northern Greece)	Yes 2 signatures needed	UNICEF + UNHCR: Financial Manager of Project ± Accountant Athens/Thessaloniki
From EURO 5.001 up to 150.000	Yes 2 signatures needed	UNICEF: Logistics Manager ± Logistics Assistant for Athens/Thessaloniki UNHCR: Assistant Financial Manager Athens (For purchases regarding Athens/Islands) / Financial Manager for Northern and Central Greece ± Supply/Logistics Coordinator Athens (For purchases regarding Athens/Islands)/ Supply/Logistics Coordinator for Northern and Central Greece	Yes 3 signatures needed	UNICEF: Project Manager of the Project or Scientifically Responsible Expert (for Northern Greece) ± Financial Manager of Project ± One of ARSIS legal representatives UNHCR: Project Manager of the Project or Project Manager for Northern and Central Greece ± Financial Manager of Project ± One of ARSIS legal representatives
From EURO 150.001 up to 1.000.000	Yes 2 signatures needed	UNICEF: Logistics Manager ± One of ARSIS legal representatives UNHCR: Supply/Logistics Coordinator Athens (For purchases regarding Athens/Islands)/ Supply/Logistics Coordinator for Northern and Central Greece ± One of ARSIS legal representatives		

It is to be noted that when one of two of ARSIS' legal representatives signs for a purchase, he/she will not sign for the disbursement of the relevant amount.

For each purchase, authorized staff will sign special "expenditure's approval" sheet.

C. PROCUREMENT PROCESS

Standard procurement process is based on monetary thresholds and it is noted that the following thresholds apply to the net value of the procurement (without VAT and other taxes being included to this value):

C.1. Procurement of value up to EURO 10.000 (net amount without VAT):

Procurement of value up to EURO 10.000 does not require a competitive bidding process, nor is it obligatory for ARSIS' administrative council or procurement committee to be involved. However, authorization schedule of para. B4 must be followed.

Without prejudice to article C.1.1, a simple written request for offer (circulated via every available method) is acceptable, if market's conditions as well as organization's needs allow written form of request. In any case, offers by vendors can be submitted in any written form (e. g email, fax). Otherwise, in case of orally submitted offers, duly authorized personnel (para. B.4) should include them in a signed memo.

C.1.1: Especially purchases of value up to EURO 1.000 (net amount without VAT)

For purchases of value up to EURO 1.000, the member of the staff who has identify the specific need for acquisition, can proceed with the purchase, following the authorization schedule of para. B4. A market research should be conducted prior to acquisition, in order to ensure reasonable prices.

C.2 Procurement of value between EURO 10.001 (net amount without VAT) to EURO 20.000 (net amount without VAT):

Procurement of value between EURO 10.001 to EURO 20.000 (net amount without VAT) does not require a formal competitive bidding process, but authorization schedule of para. B.4 must be followed. A request for offer or quotation (RFQ, a type of solicitation document) is sufficient. Solicitation document must state all necessary information, must provide for vendors sufficient time to respond (usually 4 working days) and explain the main criteria of evaluation (eg lowest price), in order for a bidder to prepare an offer.

Offers submitted via this process must be fairly reviewed by procurement committee who will submit its recommendation to ARSIS' administrative council.

If technical evaluation committee is established for the specific procurement, then this committee will evaluate offers from technical point of view and report to ARSIS' administrative council as already mentioned (B.1.d).

In any case when offers are requested, procurement committee and administrative council must ensure that vendors as outlined at the following chart submit their offers, always in any written form, (following specific criteria set in solicitation document). For that purpose, solicitation document should be circulated to adequate number of vendors.

Specifically:

Value of tender (EURO) [net amounts, without VAT]	Solicitation document required	Recommended minimum number of vendors to be invited
<1.000	-	-
<1.000<10.000	Written Request for Offers	Three
10.000 <20.000	RFQ	Three

C.3. Procurement of value above EURO 20.000 (net amount without VAT):

Such procurement requires a formal competitive bidding process. Solicitation document in this case is either an Invitation to Bid (ITB) when goods/services to be procured meet standard and firm specifications which can be stated qualitatively and quantitatively or Request for Proposal (RFP) when goods/services to be procured cannot be stated in sufficient detail, for example in case of professional service or complex goods. Authorization schedule will be duly maintained.

ARSIS will publish formal competitive bidding process (specifying details of the process, technical and evaluation criteria, time limits etc) on its website (www.arsis.gr) and its summary will be published in a newspaper of national circulation.

In both the cases of ITB and RFP the two envelope system must be used and bidders must submit two separate sealed envelopes: one for the technical offer and one for the commercial offer.

- a. Within this process, the invitation of the highest possible number of potential vendors is required (at least three competitive quotations or bids) according to the estimated value of the contract. A written justification is required in the exceptional case that the sourcing comes from a sole supplier.

Specifically:

Value of tender (EURO) *amounts are net, without VAT	Solicitation document required	Recommended minimum number of vendors to be invited
10,000 < 150,000	ITB or RFP	Eight
150,000 < 1 million (for a single or aggregate purchases)	ITB or RFP	Twelve
> 1 million (for single or aggregate purchases)	ITB or RFP	Twenty

- b. The procedure details and the required qualifications of the potentials vendors shall be included in an up-to-date database of qualified vendors.
- c. In exceptional cases the formal competitive bidding may not be applied. Such an exception shall be valid and fully justified through a formal written notification to the engaged ARSIS' competent funding partners/authority; no negotiation or any other procurement procedure shall be preceded prior to written approval by procurement committee or/and ARSIS' administrative council.
- d. Exceptions may (indicatively) include cases relating to: legally fixed prices/rate, sole authorized vendors, prior recent solicitations have not given satisfactory results, emergency etc. In case of emergency, the former notification shall be accompanied by a written and explicative note on the emergency situation. Note that emergency is defined as an unexpected situation that is so compelling that,

if not addressed immediately, it would endanger life, property or adversely affect essential operations. The emergency situation is such that it precludes requisitioning through normal supply channels, use of normal contracting methods and obtaining advanced approvals normally required to respond to the situation.

C.4. Typical stages of formal competitive process

When formal competitive process is initiated, all of ARSIS' involved units must ensure that at least the following steps are followed:

- ARSIS' administrative council initiates the procurement proceedings by asking the relevant procurement committee to review and quantify the specific procurement need, as well as the type of procurement proceeding to be applied.
- ARSIS' procurement committee after thoroughly reviewing specific needs, agrees (or disagrees) with the above mentioned administrative council's decision and specifies goods/services to be procured along with the type of proceeding, technical criteria and evaluation criteria.
- ARSIS' administrative council declares the procurement proceeding based on the above mentioned decision made by procurement committee. Also administrative council establishes a committee who will conduct the tender proceedings and the technical evaluation committee (Tender Committee). Tender committee supervises tender proceeding, primarily checks whether vendors have submitted the necessary declarations and certificates, then unseals the relevant envelopes of technical and commercial offers and checks whether submitted offers typically meet the criteria that were specified by procurement committee and administrative council. Tender proceedings' committee does not evaluate technical and commercial offers. Evaluation is made by technical evaluation committee (for technical offers) and by procurement committee (for commercial offers).
- Solicitation document is published according to the above mentioned steps. Solicitation document must include at least:
 - Technical criteria of goods/services
 - Commercial criteria of procurement ie lowest offered price or value for money offer
 - Minimum of criteria that vendor has to meet regarding vendor's capacity to implement the contract, vendor's meeting with criteria of ethical behavior

and vendor's business not facing legal limitations (ie bankruptcy, or similar situations). Also it is stated which documentation vendor has to furnish in each stage of the procedure, according to Greek and European legislation.

- Certificates that vendor has to produce to organization when awarded with the contract
 - Time limits of each stage ie time limit for offers/proposals to be submitted to organization (at least 8 days from public announcement).
 - Date, time and place of unsealing each offer.
 - Proceedings after the evaluation of offers, regarding award of tender proceedings, ie time limit for awarded vendor to produce specific certificates, time limit for signing the contract etc
 - Payment and delivery terms
- At the date, time and place defined in solicitation document, tender proceedings' committee starts by opening the offers and specifically opens the file with relevant certificates filed by vendors according to solicitation document. Offers which meet the minimum of documentation set by solicitation document continue to the unsealing of technical offer. Tender proceedings' committee checks the typical agreement of technical offers with the solicitation document and refers to technical evaluation committee who is the sole responsible to check the actual agreement between technical offers and solicitation documents. Technical evaluation committee drafts its relevant minutes to ARSIS' administrative council and refers to offers that have to be accepted by council. ARSIS' administrative council approves technical committee's suggestion, in order to move to next step of the proceedings.
 - At the date, time and place defined in solicitation document, tender proceedings' committee unseals the commercial offer of those vendors who were specified by technical evaluation committee and checks the typical compliance of those offers with commercial criteria set in solicitation document. Afterwards, procurement committee has to thoroughly evaluate commercial offers and suggest to ARSIS' administrative council the vendor to be awarded.
 - ARSIS' administrative council awards the contract and clarifies, following solicitation document the time limit within it, vendor has to produce certificates and signs the contract.
 - At date, time and place defined in solicitation document, tender proceedings' committee unseals the file submitted by the awarded vendor, checks whether vendor has produced necessary documentation and suggests to ARSIS' administrative council to proceed with the sign of the contract.



- ARSIS' administrative council declares its final decision to award to specific vendor with the contract and gives the authority to one of its administrators to sign on its behalf the contract.

C.5 Criteria of offers' evaluation

When conducting tender process criterion for the award of the procurement must be either the lowest offered price or the principle of best value for money. ARSIS' administrative council (with the procurement committee) must specify in solicitation document which specific criteria must be met by vendors.

If the main criterion for awarding the procurement is the lowest offered price, then the contract must be awarded to the bidder who meets the technical specifications and also gives the lowest price for goods/service.

In case where the basis of the procurement is the best value for money, then after the conduct of technical evaluation from the Technical Evaluation Committee then the results of technical evaluation scores will be provided to procurement committee who will summarize them in a "Bid Tabulation Form" listing which offers meet technical criteria and which not (the commercial offer for suppliers' bids that are not technically cleared is not opened and must be returned to the relevant bidder), with the corresponding evaluation scores. Technical evaluation scores will be weighted in line with the tender document criteria (apportioned technical/price percentages, such as 70% and 30%). Price scores will be tabulated and weighted (for each technically acceptable offer or proposal, after the opening of the envelope of commercial price) and a combined score will be calculated. The score is highest for the lowest price offer. Commercial scores are allocated to the other bids in proportion to the lowest price offer. Procurement committee must include all supporting document and a written statement of all relevant factors leading to its final recommendation for the award of the contracted addressed to ARSIS' administrative council. It must be noted that specific evaluation criteria and the specific percentages must also be mentioned in the relevant solicitation document.

C.6 Lease of Real Estate: procedural rules

When ARSIS is obliged to lease real estate, due to the implementation of a program or because of the organization's need to house its offices and facilities, the following rules should apply:

- ARSIS' administrative council/Procurement Department finalizes specific criteria that apartment/facility must meet in order to be rent.



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- Especially for apartments: it's area should not be less than 20 s. f., and the relevant estate must not be a basement.
- All estates must be luminous and airy.
- For apartments in Athens, Thessaloniki the rent must not exceed € 500, while for apartments in the Islands the rent must not exceed € 600.
- Rental costs can be reviewed by ARSIS according to needs specified by each program implemented.
- ARSIS publishes an open call in which the specific criteria for the wanted real estate are stated, in order to collect and categorize all available estates.
- ARSIS' administrative council consists committees in each area of concern, whenever there is the relevant need, that have the responsibility to review estates, check their compatibility with the stated criteria and propose the award of lease contract.
- Every committee is constituted by the relevant coordinator and if possible three members of his/her team. Coordinator and another committee's member have the responsibility to separately negotiate the rent with the owner, while the remaining two members have the responsibility to inspect the estate and validate its compatibility with the stated criteria.



D. CONTRACTS

- ARSIS' administrative council solely decides on the award of a contract, following formal bidding procedures according to articles C.2 and C.3 with RFQ, ITB, RFP, after procurement committee has submitted its evaluation and relevant decision, as well as all relevant documentation of the specific process.
- For informal procedures according to article C.1, procurement department along with legal department decide on the award of the relevant contract.
- Contracts must include at least terms and conditions, timeframe of the contract, descriptions of goods, order values and every other detail that is necessary according to Greek and European legislation.
- For purchases of value up to 2.000 euros (no VAT included), written contract is not obligatory.
- Each contract may include specific clause regarding the possibility of extension, according to each structure's needs.



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email: arsisathina@gmail.com, URL: www.arsis.gr

E. PROCEDURAL PRINCIPLES

- The tender process is based on the principles stated in the current document (more details see pp A.2, A.3), in order to ensure equal opportunities to all vendors, to implement fair, legal and ethical competitive values.
- Invitation to Bid (ITB), Requests for Proposal (RFP), as well as Request for Quotations (RFQ) shall include all the necessary procedural rules ensuring the legal procurement process (closing date, elements required, guidelines and required qualifications, safeguarding of the offers before the opening deadline, documents to be provided by vendors etc).
- The vendors refer to the procurement department/principal contact of ARSIS, while the final vendors' selection falls within the power of ARSIS administrative council or procurement department according to article D.

F. OTHER IMPORTANT DETAILS

F.1. Enhancing local economies

In certain cases, vendors related to the local community may be preferred – provided that they fulfill the required qualifications – with the aim to enhance the local economies of the areas/communities that support the target population of a project (allowing up to a 15% higher price differential for local goods/services – based on a documented comparative analysis of local and national/international procurement costs.)

F.2. Payment

The payment procedure is explicitly defined in the procurement contract; It is concluded upon the satisfaction of the relevant contract clauses, including the issuance of the relevant invoice and any other required document, while advanced payment may be allowed only in case that it is specifically and fully justified within the contract. Advance payments shall not exceed 50% of the total vendor contract; Payment options shall be clearly defined in the contract agreement (i.e. Bank transfer, Check drawn, Letter of credit).

F.3. Checking documentation and files

After the opening of the offers/ proposals the compliance with the general bidding requirements (including proper sign) shall be verified and the completeness of the required bidding documents shall be checked.

For each procurement a separate file will be held at ARSIS audit – finance department including all the relevant bid and supporting documents for a period of at least seven years, as follows:

F.3.1 Formal Competitive Process:

When formal competitive process is completed the relevant file should contain:

- ARSIS administrative council's decision (Board's minutes) and order to Procurement Committee to initiate the procedure.
- ARSIS procurement committee's minutes regarding organization's needs and specific technical criteria to be met by vendors.

- ARSIS administrative council's decision (Board's minutes) to initiate the tendering process, to set tender proceeding's committee and technical evaluation committee.
- Tender committee's minutes regarding opening of offers and review of relevant documents.
- Technical evaluation committee's minutes regarding technical evaluation of filed offers.
- Procurement committee's minutes regarding commercial – financial evaluation of filed offers.
- ARSIS administrative council's decision (Board's minutes) regarding approval of decisions made by tender committee, technical evaluation committee and procurement committee.
- ARSIS administrative council's decision (Board's minutes) to award the specific contract.
- Solicitation document.
- Summary of solicitation document as published in newspaper.
- Offers by vendors [which include all documents requested in solicitation document for vendors to produce with their offers: declaration from vendor declaring the ability to procure relevant items/services, legalization documents (for companies), balance sheets].
- Document (email) addressed to vendor who will be awarded with contract that contract will be awarded to him/company and that certain documents have to be produced for this purpose, which are also included in file (ie documents that prove that the supplier has met tax and social security obligations, is not bankrupt or under similar processes, has not been convicted for fraud, bribe and relevant crimes).
- Contract
- Vendor's invoices.
- Payment vouchers/receipts
- Receiving Report for goods

F.3.2 Informal Procurement Process for purchases of value from € 10.001 to 20.000:

When informal competitive process for value from € 10.001 to € 20.000 is completed the relevant file will usually contain:

- ARSIS administrative council's decision (Board's minutes) and order to Procurement Committee to initiate the procedure.
- ARSIS procurement committee's minutes regarding organization's needs and specific technical criteria (if it is necessary) to be met by vendors.
- ARSIS administrative council's decision (Board's minutes) to initiate the tendering process, to set tender proceeding's committee and technical evaluation committee (if it is necessary).
- Tender committee's minutes regarding opening of offers and review of relevant documents.
- Technical evaluation committee's minutes regarding technical evaluation of filed offers (if established).
- Procurement committee's minutes regarding commercial evaluation of filed offers.
- ARSIS administrative council's decision (Board's minutes) regarding approval of decisions made by tender committee, technical evaluation committee and procurement committee.
- Solicitation document
- Offers filed by vendors
- Documents produced by vendor, awarded with procurement (ie. declaration regarding the ability to procure relevant items/services, legalization documents (for companies), balance sheet, documents that prove that supplier has met tax and social security obligations and is not bankrupt). ARSIS administrative council has the power not to ask vendors to produce documents if it is common practice for the relevant market not to produce such documents.
- Contract or purchase order
- Vendor's invoices.
- Payment vouchers/receipts

F.3.3 Files in purchases of value up to € 10.000.

When ARSIS completes purchases of low value, the relevant file should include: purchase order or contract (if it is possible, according to relevant market's practices), offers by vendors (if those are in written form) vendor's invoices, payment vouchers. Other relevant documents (ie minutes of administrative council or procurement committee) should be also included in the file.

F.4. Vendor database

ARSIS may establish a vendor database, where potentials vendors, fulfilling certain criteria, are registered. The necessary information and data for each vendor shall be kept and updated in the list, considering the compliance of the vendor's ethics, policy and practices with the scope and principles of ARSIS objectives and procurement policy (see p.A), their prior experience and past performance, offered facilities etc

F. 5. Order confirmation/acceptance

Order confirmation/acceptance is documented following to a letter submitted to the authorized partner contract officer including the necessary tendering documents (i.e. requisition, RFQ or ITB or RFP, opening of the offers/proposals record, offers documents). Contractual obligations are based on purchase orders/contracts, including basic data that ensure their legal validity and standard conditions (i.e. vendor's and buyer's data, trade terms, relevant trade terms and conditions, delivery date, liquidated damages/compensation terms, item number, order value, payment terms, amendment process, incoterms, authorized signature etc).

F.6. Transportation

In case transportation is required for the delivery of the order, the delivery time, the issuance of the necessary legal documents and the compliance with the domestic and international transportation legal procedures (including taxes) shall be ensured (for example shipping, certificate documents, commercial invoice and any other necessary document).

F.7. Expedition of Purchase Orders/contracts

The expedition of Purchase Orders/contracts is under the responsibility of ARSIS audit – finance team in cooperation with the procurement committee.

F.8. Inspection and compensation

- The competent procurement committee or administrative council will establish a “receiving committee” who will be responsible to receive the goods/services, sign and date relevant report, certifying whether the goods/services have been received in full and in good order or otherwise. Upon certifications of receipt the received goods/services must be promptly and accurately recorded in the accounting system. As soon as goods or services are received, they must be promptly and carefully examined or assessed to verify that they fully conform to the contract.
- If the receiving committee detects problems upon delivery must not accept the non – conforming goods, informing the vendor. In such a case the committee states in its report the specific item, the reason of non conformity and informs immediately the vendor and, depending on the case, on the contract terms, -, the appropriate legal action shall be taken according to the current legal framework (indicatively: either rejecting the delivery, or requesting for replacement, or terminating the contract or implementing insurance cover terms, if such terms are predicted or issue a change order in exceptional and justified cases or, if necessary, to return the goods on the basis of the contract agreement).

F.9 Misconduct and disciplinary process

ARSIS’ legal and audit team, project/operation managers, Office managers, and any staff member or contractor with designated procurement authority shall immediately and promptly report to ARSIS administrative council any case of alleged abuse and/or misconduct (including fraud and corruption) so as to proceed with the appropriate disciplinary measures, that, may include (indicatively): the expulsion the engaged vendor of the procurement process, withdrawal from the procurement contract, report to the competent official authorities and judicial authorities. If such a case, occurs during the implementation of an action/project/program/operation a) either in the context of a partnership between ARSIS and other partner(s) and/or either b) under the funds assigned by ARSIS partner(s), by other public or private funding authority/organization/donor, then the administrative council of ARSIS shall promptly and duly inform and share an information-investigation report with its aforementioned partners and funders.

G. Inventory Policy and Procedures

The purpose of the inventory Policy and Procedure is to lay down procedures and processes for the procurement management and control over inventory (stock) items in accordance with all relevant regulations and legislations and other ARSIS policies and directives. The envisaged outcome is an efficient and effective control and inventory management tool for ARSIS.

The Supply and Logistics Coordinator of ARSIS must ensure that processes (whether manual or electronic) and procedures are in place for effective, efficient, economical and transparent use of the organization's inventory and amongst others has to maintain a proper record keeping system for inventory Items.

Arsis maintains a detailed list of inventory and property and equipment records. Inventory should be at a minimum on a quarterly basis to ensure that the amount on hand is reconciled with the accounting records. The same is true for property and equipment.

Property and equipment, also known as Fixed Assets, can be defined as assets which cannot be easily converted into cash. Examples of property and equipment are land, buildings, motor vehicles, furniture, fixtures, office equipment and computers. Each of the items listed have a useful life beyond the current year and will be retained by the organization until their useful life expires. Because the life of the equipment is often longer term, detailed records of the purchase of such equipment are maintained not only for accounting purposes but also for management replacement purposes. Property and equipment is depreciated according to guidelines established by Greek GAAP.

Warehouse procedures: Storekeeper is member of ARSIS' staff and in constant communication with ARSIS' Procurement/Logistics Department.

The storekeeper shall be responsible for:

1. The safekeeping of inventory items
2. The receiving and issuing of items of inventory from the store rooms.
3. The performance of such other tasks as may be assigned to him or her according to the relevant job description or the procedures.

Safe keeping of inventory items:

1. Inventory shall, until it is issued, at all times be safeguarded and kept in a suitable protected area. Wherever practical such area shall be in an enclosed place, the entrance to which shall be locked and fully fire protected.



2. No unauthorized entrance to any such area is permissible. Authorization to enter such area may be granted only by the Supply and Logistics Coordinator or delegated person.
- 3 No person other than storekeeper, or any other person designated by the Supply and Logistics Coordinator, may have access to any key for such area.
4. No person other than the storekeeper, or any other person designated by the Supply and Logistics Coordinator or the storekeeper, may have control over the administration of the inventory items.
5. When items are moved from one location to another, it should be done safely and with maximum care. Care will also be taken to ensure that employees are not injured whilst moving heavy items.
6. The inventory of the project will be insured against common dangers (fire, theft, flooding etc) in a well-known Greek insurance company for an amount of at least € 10.000.

Receiving of inventory items:

1. All items received by the Receiving Committee should be verified with the purchase order and inspected for proper quantities, quality to ensure receipt of what was ordered.
2. After receiving of the items, Storekeeper should tag the equipment, before the delivery.

Shelving: The Storekeeper should categorize and organize storage areas for efficient, logical and safe storage of all supplies.

Issuing of inventory items:

1. Only the Storekeeper shall be authorized to issue goods from the warehouse.
2. No item of equipment should be permitted to leave the warehouse without a delivery note completed and signed by the Storekeeper.
3. The Storekeeper and the recipient of goods must agree that the goods requisitioned, agree to the goods.
4. The storekeeper and the recipient of goods must agree that the goods requisitioned, agree to the goods drawn from warehouse which is consistent with the issue register.



Equipment Records:

1. Equipment control records shall be maintained for each item of equipment identified by a serial number.
2. The following information must be entered in the inventory system/ software:
 - I. Description
 - II. Serial identification number, if applicable
 - III. Original cost
 - IV. Purchase order number (if applicable)
 - V. Acquisition date
 - VI. Disposition date
 - VII. Category
 - VIII. Location

Stocktaking / Counts

1. The Supply and Logistics Coordinator will ensure that the stock count (physical inventory) takes place on quarterly basis.
2. Internal Auditors need to be invited to witness the stock take/count during the third quarter.
3. All stock items counted should be placed under serial number control.
4. An inventory reconciliation shall be performed to ensure that the actual and recorded inventory amounts are the same.

Status of items

1. Status changes are to be reported by the accountable unit as they occur. The Supply and Logistics Coordinator will update the inventory to reflect the change.
2. Whenever an equipment item is temporarily (less than 6 months) or permanently transferred between locations, the unit initiating the transfer must keep a record of its new location.
3. Whenever an item of equipment is found missing or believed to be stolen, this must be reported immediately to the Supply and Logistics Coordinator.

Inventory Levels: The following should be determined to maintain the optimum stock levels: minimum, maximum and re-order levels.

Record Keeping: All files and documents must be recorded and maintained in the inventory management unit for Issues, Receipts and Stock Counts



ARSIS - ASSOCIATION FOR THE SOCIAL SUPPORT OF YOUTH
43 Mavrommateon str., 104 34, Athens - tel / fax: +30 210 8259880,
email: arsisathina@gmail.com, URL: www.arsis.gr

This policy is the responsibility of ARSIS' administrative council.

For further information on the policy, please contact via email:
arsisathina@gmail.com