

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF EDUCATION AND CULTURE



EDUCATION SECTOR DEVELOPMENT PROGRAMME

PROCUREMENT GUIDELINES FOR SECONDARY EDUCATION
DEVELOPMENT PLAN 2004 - 2009

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ABBREVIATIONS

ACGEN	Accountant General
APP	Annual Procurement Plan
BEDC	Basic Education Development Committee
BoQ	Bills of Quantity
CA	Chief Accountant
CAG	Controller and Auditor General
CD	Council Director
CEO	Chief Education Officer
CPO	Central Payment Office
DC	Direct Contacting
DPs	Development Partners
DSE	Director of Secondary Education
EMAC	Educational Materials Approval Committee
FA	Force Account
FC	Foreign Currency (US Dollar, EURO Currency etc)
GDN	Goods Delivery Note
GN	Government Notice
GRN	Goods Receive Note
HoS	Head of School
IFMS	Integrated Financial Management and Accounting Systems
LPO	Local Purchase Order
LS	Local Shopping
MoEC	Ministry of Education and Culture
MoF	Ministry of Finance
MTB	Ministerial Tender Board
PMU	Procurement Management Unit
PoC	Procurement of Commodities
PO-RALG	Presidents' Office Regional Administration and Local Government
PPA	Public Procurement Act
PS	Permanent Secretary
RAS	Regional Administrative Secretary

RE	Regional Engineer
REO	Regional Education Officer
RS	Regional Secretariats
RT	Restricted Tendering
RTB	Regional Tender Board
SB	School Board
SCC	School Construction Committee
SEDP	Secondary Education Development Plan
SMT	School Management Team
SOE	Statement of Expenditure
SPC	School Procurement Committee
SSO	School Supplies Officer
STD	Standard Tender Document

PART 1:

APPLICATION OBJECTIVE AND PURPOSE

1. NAME:

**The Secondary Education Development Plan Procurement Guidelines;
Hereafter called “the Guidelines”**

2. APPLICATION

2.1. The Guidelines shall apply to all procurement of goods, works and services undertaken by a secondary school and to the specified procurement levels under the SEDP.

2.2. The Guidelines shall not apply at the central level for the procurement of goods, works and services. At the Central level the Public Procurement Act (PPA) No 3 of 2001 and its regulations shall apply.

3. OBJECTIVES:

The Guidelines shall be used by the HoS in executing the procurement functions.

The objectives of the guidelines are to ensure that:

- (a) Efficiency, transparency, good governance, accountability and value for money in that prices paid represent the lowest evaluated cost that can reasonably be obtained.
- (b) Goods, works and services procured are of adequate quality and are appropriate to the school's requirements.
- (c) Goods, works and services are delivered or completed in the appropriate time and place.
- (d) The procurement is carried out within the frame-work of the PPA No 3 of 2001 and its regulations.
- (e) All eligible contractors, suppliers and service providers are given equal opportunity in the procurement process and that transparency and fairness is exercised in the process.
- (f) Environmental issues are taken into consideration when procuring goods, works and services for the school. Where necessary environment impact assessment would be conducted in accordance with Tanzanian Environmental Impact assessment act.

4. RELATIONSHIP WITH THE PREVAILING REGULATIONS

- (a) The guidelines shall be used within the framework of the PPA No 3 of 2001 and its regulations.
- (b) The guidelines is prepared pursuant to Part 75 of the Public Procurement Act No. 3 of 2001 and Regulations 93 of GN 138 of 2001.

The regulation provides that:

“Where in the interest of Project sustainability, or to achieve certain specific social objectives of the Project, it is desirable in selected project components to:

- (i) Call for participation of local communities; or*
- (ii) Increase the utilization of local know-how and materials; or*
- (iii) Employ labour-intensive and other appropriate technologies.*

The Procurement Procedures, specification and contract packaging shall be suitably adapted to reflect these considerations, provided that these are sufficient”.

The SEDP meets all the above listed criteria. The guidelines has adapted the procurement procedures to meet the requirements of the PPA No 3 of 2001 and its regulations. The guidelines sufficiently covers the procedures, specifications and contract packaging for community participation in procurement under the SEDP.

PART 2:
APPROVAL PROCEDURES:

5. PROCUREMENT APPROVALS AND LIMITS OF AUTHORITY

(a) Approval of procurement

- (i) Any procurement by a school must be authorized by the HoS and endorsed by an approving authority whose limit is appropriate to the value of the goods, works or services as stipulated in Annex 1 of the Guidelines.
- (ii) Under these guidelines, the HoS, the SPC and SB shall approve procurement within the approval limits of authority as set in Annex 1
- (iii) Where the value of the goods or works and services exceeds the limit of authority of the HoS, SPC and SB or School Construction Committee (SCC) the procurement must be reviewed and approved by the District tender board or Regional Tender Board or Ministerial Tender Board; pursuant to provisions of part 11 of the PPA No 3 of 2001.

(b) Amendments and additions of contracts after signature:

- (i) Once signed, the contract or written agreement may not be altered, except when an alteration is necessary for the benefit of the School or when an alteration does not put the School in a disadvantageous position and the Authority that approved the original contract shall be responsible for permitting any alteration.
- (ii) Any alteration of the signed contract or written agreement which shall cause an increase or decrease in contract sum, shall only be done after receiving prior written approval of the Approving Authority that approved the original contract and from the office of the Attorney General.
- (iii) The contract extension which includes the remission or reduction of penalties in favour of the supplier or contractor shall be permitted or in the case of “force majeure” or default or shortcoming in the part of the purchaser or employer.
- (iv) For any contract, any changes in the scope of the contract beyond twenty per cent (20%) of the original contract shall require the prior written approval of the Ministerial

Tender Board and for contracts whose changes in price are less than 20%, approvals for additional expenditure shall be obtained from the SB/SCC.

- (v) All alterations requested by a School shall be regarded as changes in the scope of the contract and that additional financial authority is required in every case provided however, the contingency sum is not to be used for changes of scope.
 - (vi) For the purposes of this Guidelines, the term “changes in the scope of the contract” includes all changes in the quantity or quality of goods to be supplied or work to be performed by a supplier or contractor with whom a contract has been entered into and such changes shall generally be changes of a policy nature such as an increase in the area of a building or finish to a higher standard than originally specified, but do not include changes of a technical nature (variations due to site and ground conditions differing from those originally disclosed or substitution for materials not available).
 - (vii) No changes of a policy nature in the scope of the contract shall be made after a financial authority has been granted, but if in any case it is considered that the scope of the contract be extended because of a change of circumstances, additional financial authority is to be obtained before the increase in the scope of the contract is committed and ordered.
- (c) **Procurement authorization:**
- (i) Before any procurement is initiated, the SSO shall furnish to the appropriate Procurement Authority with the estimated value of the goods, rks or services, specifications, solicitation documents and draft contracts for review and approval.
 - (ii) After a tender has been received and evaluated, and before the tender is awarded, the SSO shall furnish to the appropriate procurement authority, a detailed evaluation report with recommendation for award consideration and approval.
 - (iii) The HoS shall be accountable for the use of all funds allocated for SEDP, and justification for the requirements that are procured.
 - (iv) Any contract or LPO entered to by the School shall be signed by the HOS or any officer acting with powers delegated in writing by the HoS. The HoS may delegate powers of procurement to any member of the SMT.

6 FUNCTIONS OF APPROVING AUTHORITIES UNDER SEDP

There shall be established a school Board in accordance with the SEDP main document

- (a) The SB shall have the following functions:
 - (i) To ensure that there is openness and transparency in the procurement activities at school level.
 - (ii) To approve the School's annual procurement Plans and Budgets.
 - (iii) To approve award recommendations for procurement contracts within the SB/SCC prescribed limit.
 - (iv) To monitor and advise MOEC on procurement practices to ensure efficiency and value for money.

- (b) The SB shall establish a School Procurement Committee (SPC) whose members shall be the School Management Team (SMT). The HoS is the Chair and the SSO the Secretary. The SPC functions shall be:
 - (i) To process all procurement within the approval limit as stipulated in Annex 1,
 - (ii) To prepare the School's Annual Procurement Plans (APP) and Budgets

The School management team comprises of the Head of School, Assistant HoS, Senior academic master/mistress, Senior master/mistress in charge of discipline, sports and cultural affairs, Senior master/mistress for school maintenance and projects and School Accountant

The school construction committee shall be established in accordance with the SEDP main document

7. ABUSE OF AUTHORITY BY SCHOOL OFFICERS.

Regulation 56 of the government notice No. 138 of 2001 shall prevail upon any school officer who exercises his/her powers in abuse of the authority given by these guidelines.

PART 3

PROCUREMENT PLANNING

8. ANNUAL PROCUREMENT PLANS:

- (i) Planning for the implementation of the school's annual work plan as approved by the SB/SCC, shall involve strategic decision making on whether the most economic and efficient procurement can best be achieved by separating contracts for each component.
- (ii) A school must forecast its requirements for goods and works as accurately as is practicable, with reference to the activities as programmed in the schools annual work plans and budgets. The detailed plans must include an estimate of the optimum time for completion of works or delivery of goods and services. The School shall use the Annual Procurement Plan Template (Annex 4) for this purpose.
- (iii) There shall be estimated costs for each package of the procurement, which shall then be compared with the availability of funds allocated to the school. The SSO shall be responsible for the estimates and may use either previous experiences or current market information.
- (iv) The estimates for each procurement package shall always be shown in the tender evaluation report.
- (v) A school shall draw up procurement plans for requirements which have funds allocation in the current vote Sub-head in the current year.
- (vi) In compiling procurement plans, a school shall establish the appropriate method of procurement, as set out in paragraph 12 of this Guidelines. The timescale of each procurement package shall be calculated based on the necessary approval levels as appropriate and in accordance with authority limits as defined in annex 1.

9. PACKAGING OF PROCUREMENT CONTRACTS:

- 9.1 In considering how a project may be carried out, account shall be taken of the advantage, for economic and technical reasons, of dividing the project into homogeneous lots or packages which are as large as possible.
- 9.2 Where a project has been divided into packages, the size of the package should be appropriate to foster maximum competition to obtain the most economic contract.

9.3 If similar items of equipment are to be procured for several subcomponents in a project or for several projects, it may be convenient to combine them all into one procurement package in order to achieve economies of sale.

9.4. Where a project has been divided into lots or packages, the instructions to tenderers shall state:

- (i) The number of lots or packages;
- (ii) The nature, location and size of each lot; and
- (iii) Where appropriate, the minimum and maximum number of lots or packages for which a tenderer may tender.

9.5 The procedure for submitting a tender shall be as follows:

- (i) tenderer may submit a tender for each lot or package;
- (ii) unless the instructions to tenders provide otherwise, a tenderer may include in his tender the overall rebate he would grant in the event of amalgamation of some or all of the lots or packages for which he has submitted individual tenders;
- (iii) unless the instructions to tenderers state that lots or packages apportioned to the same tenderer shall form a single contract, each lot shall form a separate contract;
- (iv) where lots or packages are to be apportioned to different tenderers, the invitation to tender document or the instructions to tenders may provide that the tenderer for a particular lot or packages shall ensure the coordination of the execution of all the lots or packages.

10. APPROVAL TO PROCEED WITH PROCUREMENT

- (i) The procurement plan shall be treated as a genuine intention to proceed with the procurement provided that the plan has been approved by the SB/SCC.
- (ii) All other procurements which are not included in the APP must first be authorized by the HoS. These must be endorsed in the next SB/SCC meeting, or the SSO shall amend the APP and seek SB/SCC approval before the procurement process commences.

11. MAINTENANCE AND REPAIR OF VEHICLES, EQUIPMENT.

- (i) In the event that the appropriate local government workshop or garage is unable to carry out the repair or maintenance due to various reasons, a school may obtain services from:
 - (a) One of the approved and authorized private garages or,
 - (b) By obtaining competitive quotations from private garages offering the same services.

PART 4
METHODS OF PROCUREMENT

12. Competitive Tendering

- (i) The default method shall be the competitive tendering open to all local suppliers, contractors and service providers in the Region.
- (ii) Where tendering would not be the most economic and efficient method of procurement and the nature and estimated value of goods, or works or services permit, the following methods may be used:
 - (a) Restricted Tendering (RT)
 - (b) Local Shopping (LS)
 - (c) Direct contracting (DC)
 - (d) Procurement of Commodities (PoC)
 - (e) Force Account (FA).

iii) Procedures for Competitive Tendering

A school shall invite suppliers or contractors regardless of their locality, by means of a tender notice advertised in the local area. Such adverts must be posted to local news papers and all notice boards in the area, Council offices, Churches, Mosques and any other public meeting places including markets, other schools, etc. Tender adverts may be in English or Kiswahili language.

iv) Restricted Tendering (RT)

A school is allowed to restrict the issue of tendering documents to a limited number of specified suppliers or contractors when:

- (a) Such suppliers or contractors have already been approved by the SB/SCC; or
- (b) Goods required are of specialized nature or can be obtained from a limited number of reputable sources; or
- (c) The works required are within the competence of a limited number of specialist contractors; or
- (e) The estimated contract values are within the limit for RT as shown in annex 2 and the time and cost required to examine and evaluate a large number of tenders would be disproportionate to that value or
- (f) There is an urgent need for the goods, or works such that there would be insufficient time for a school to engage in a competitive tendering process, provided that the

circumstances giving rise to the urgency could not have been foreseen by a school and have not been caused by dilatory conduct on its part; or

- (g) Other exceptional reasons justifying departure from full competitive tendering procedures.

(v) Local Shopping:

This is a procurement method based on comparing price quotations obtained from several suppliers, usually at least three, for goods readily available off-the-shelf or standard specification commodities that are small in value. However, a school shall not divide its procurement into separate contracts for the purpose of invoking this procedure.

- (a) The list of suppliers to be contacted must first be approved by the school Procurement committee before quotations are issued.
- (b) A minimum period of five days must be allowed for tenderers to submit their quotations.

(vi) Direct Contracting

This may only be used subject to approval by the appropriate tender authority with appropriate limit to the estimated cost of a procurement package or direct contracting under the following circumstances;

- (a) the goods or works or services are only available from one supplier or contractor or service provider in that area;
- (b) under emergency cases provided that the circumstances giving rise were neither foreseeable by the school nor the result of dilatory conduct on its part;
- (c) Where standardization of goods is essential for economic and technical reasons and it has been proved to the SB/SCC's satisfaction that the compatibility of existing goods or equipment with another new make has no advantage in having an alternative supplier.
- (d) Where an on-going project, additional items need to be purchased for completion of implementation.

(vii) Procurement of commodities:

- (a) This shall involve procurement of grain, students' foodstuffs, cooking oil, fuel, fertilizers and the like, whose market prices fluctuate depending upon the demand and supply at any particular time. Under these circumstances a school may involve multiple awards for

partial quantities to assure security of supply and multiple purchases over a period of time to take advantage of favourable market conditions and to keep inventories low.

- (b) A school may draw up a list of pre-qualified suppliers to whom periodic invitations for the supply of commodities may be issued. The list may be obtained through advertising pre-qualification tenders or expression of interests.
- (c) Such suppliers may then be invited to quote prices linked to the market price at the time of or prior to, the delivery of the commodities.
- (d) Where market conditions so allow a school may enter into a contract for a period of 12 months with pre-set terms giving advantages to the school.

(viii) Force Account:

This is where a school used a public or semi-public department or agency with its personnel and equipment to carry out the works satisfactorily. The use of a Force Account can be justified where:

- a) The works are small, scattered and in remote locations for which qualified Construction firms are unlikely to tender at reasonable prices,
- b) Work is required to be carried out without disrupting on-going operations,
- c) Quantities of works cannot be determined in advance,
- d) There is an emergency needing immediate attention.

(ix) Procurement of textbooks:

- (a) All textbooks used in secondary schools must have EMAC approval.
- (b) All textbooks procured must conform to the Tanzania Secondary School Syllabus.

PART 5
TENDERING PROCEEDINGS

13. SOLICITATION OF TENDERS

- 13.1 The tender proceedings shall be divided into four parts
- (i) Solicitation of tenders and of applications to pre-qualify
 - (ii) Submission and opening of tenders or pre-qualification applications.
 - (iii) Evaluation and comparison of tenders
 - (iv) Award of contracts.
- 13.2 Invitations to tenders shall be made through written invitations. The draft text of the invitations, must be reviewed and approved by the authority with appropriate limit as stipulated in Annex 1 of the Guidelines. The time given to suppliers or contractors to prepare and submit tenders must be not less than 21 days from date of issue of tender documents.
- 13.3 Contents of tender invitation document must include at the minimum the following information;
- (i) Full address of the school,
 - (ii) The desired time for the supply of goods or completion of the works or timetable for the provision of services.
 - (iii) Major evaluation and qualifications criteria to be used to obtain the lowest evaluated cost of the tender.
 - (iv) Procedures and conditions on how to obtain the tender document.
 - (v) Language to be used, place and time for submission of tenders.
- 13.4 Contents of solicitation documents must include, at least the following information.
- (i) Instructions to tenderers for preparing tenders.
 - (ii) Qualification criteria together with documentary evidence required to qualify for a particular tender.
 - (iii) Technical specifications, or statements of Work or BOQs, or schedules of activities.
 - (iv) Evaluation criteria to be used by a school in determining the successful tender or lowest evaluated cost tender.
 - (v) Notice that the school reserves the right to reject any or all tenders.
 - (vi) Terms and conditions of contract.

A school shall use the appropriate standard tender document (STD) issued by the Central Tender Board wherever applicable. When the use of these is not appropriate, the MOEC PMU shall provide the modified tender documents.

13.5 Submission and opening of tenders

- (i) A school shall fix the place, date and time for the submission of tenders. The time for the tender opening shall be the same as time for the deadline for submission of tenders or promptly thereafter. The deadline for submission and opening can be extended by the School under special circumstances only.
- (ii) All tenders received after the deadline for submission shall be rejected by the school and returned un-opened. All tenders received before or at the submission time as specified in the tender documents shall be opened in front of tenderers who wish to attend the opening ceremony.
- (iii) Tender validity period must be indicated in the tender document and shall not exceed 60 days.
- (iv) All relevant information such as the name of tenderer, tender price, tender security if required, shall be read aloud at tender opening. Tender security must not be more than 2% of the bid price.
- (v) The appropriate authority which approved the issue of tenders shall be responsible for receiving and opening of tenders. However, the approving authority may delegate the opening task to a subcommittee where necessary. All tenders submitted before the deadline time and date for submission shall be opened in public. The SSO shall keep a record of all who attend the meeting.
- (vi) After tender opening a school shall appoint an Evaluation Committee of 3-5 people for that particular tender. All tenders that have been accepted and opened shall be passed promptly to the Evaluation Committee for evaluation with a copy of the minutes of the opening ceremony.
- (vi) The evaluation process shall be carried out under strict confidentiality. Any tenderer who attempts to influence the outcome of the evaluation, shall cause the disqualification of the particular tender.

13.6 Evaluation and Comparison of tenders:

- (i) The tender evaluation committee so appointed in accordance with paragraph 13.5 (vi), by a school shall evaluate on a common basis and in accordance with the criteria stipulated in the tender document, all tenders received before the submission deadline.
- (ii) The Evaluation committee shall establish responsive tenders by using the criteria explicitly stated in the tender documents. A substantially responsive tender is one which conforms to all the terms, conditions, and specifications of the tender documents without materials deviation or reservation. A material deviation or reservation is one which affects the scope, quality or performance of the contract or which, is inconsistent substantially with the tender document or limits the school's right or the tenderer's obligations under the contract and affects unfairly the competitive position of responsive tenders.
- (iii) The Evaluation Committee shall carry out the detailed examination of responsive tenders by correcting arithmetical errors and quantity. Minor deviations as appropriate and in accordance with the pre-set criteria shall be acceptable as stipulated in the tender document.
- (iv) The determination of a tender's responsiveness shall be based on the contents of the issued tender document without recourse to extrinsic evidence.
- (v) A school shall evaluate and compare all tenders that have been accepted as responsive to ascertain the successful tender, in accordance with the criteria set forth in the solicitation documents; as shown in Annex 3. The basis of criteria in the solicitation documents must be objective and quantifiable and shall either be given a relative weight in the evaluation procedure or be expressed in monetary terms.
- (vi) If the supplier or contractor submitting successful tender is requested to demonstrate again its qualifications but fails to do so, a school shall reject that tender.

13.7 No negotiation shall take place between the school and the supplier or contractor with respect to a tender submitted by a supplier or contractor.

13.8 Approval of award:

The appropriate approving authority shall review the evaluation and recommendation and may:

- (i) Approve the recommendation and, if the value of the contract is within its limit of authority, award a contract in the form specified in the tender documents, or
- (ii) Refuse to approve the recommendation but authorize the school to an alternative tender and award a contract; or
- (iii) Refuse to authorize acceptance of any tender and refer the evaluation back to the new evaluation team to be appointed for that purpose, or
- (iv) Recommend for the re-tendering or other appropriate action.
- (v) A school may reject the award of contract to the lowest evaluated cost bid, provided there is an evidence of the tenderer's bad references.

13.9 The HoS shall send a copy of the decision made on tenders to the Permanent Secretary of the Ministry of Education and Culture and a copy to the Internal Auditor of the Ministry. If the value of contract exceeds the limit of authority of the school level, the evaluation and recommendations shall be referred to the RTB or to the MTB as appropriate.

13.10 The award shall be made within 60 days or the period of tender validity whichever is the shortest time.

13.11 A tender which is awarded without the approving authority's approval may not be eligible for SEDP financing.

13.12 The successful tenderer shall promptly be notified after all necessary approvals have been obtained. A procurement contract shall then be signed after meeting the conditions for contract effectiveness, such as availing the performance bond.

13.13 All awarded contracts shall be advertised locally in all places where there are social gathering and at the notice boards of the school.

13.14 All unsuccessful tenderers have the right to submit their claims for dissatisfaction to the Permanent Secretary of the Ministry of Education and Culture or to the REO for action.

13.15 Any tenderer who attempts to influence the school or approving authority on award decisions will result in the rejection of the tender.

PART 6

PROHIBITION AND PROCUREMENT REVIEW:

14. FRAUD AND CORRUPTION

- 14.1 Schools and approving entities as well as tenderers, suppliers and contractors under the SEDP financed contracts shall proceed in a transparent and accountable manner during the procurement and execution of such contracts. A school or an approving authority may, if satisfied through investigations and in accordance with the procedures under the PPA, that any person or firm has engaged in corrupt or fraudulent practices in competing for the contract in question:
- (i) Reject a proposal for award of such contract;
 - (ii) Declare any person or firm ineligible for a period of two years to be awarded an SEDP financed contract.
- 14.2 A school or approving authority may, after determination by a court of law or following special audit by the Controller and Auditor General, that corrupt or fraudulent practices were engaged in by any person or firm during the procurement, award of contract, or the execution of the contract for SEDP activities may: declare the person or firm ineligible for a period of five years to be awarded an SEDP financed contract.
- 14.3 Any officer of the school or member of the approving authority who engages in corrupt or fraudulent practices under SEDP funds shall face part 64 of the Public Procurement Act. No. 3 of 2001.
- 14.4 Improper inducement is prohibited under these guidelines. Therefore, no person, whether such person has made an offer or not, shall give a gift or any form, or extend any advantage to or for the benefit of any school officer or member of the approving authority whether directly or indirectly as an inducement for action or inaction by the official. Similarly, no school officer or any member of approving authority shall receive any gift or benefit or any advantage for any services or goods by kind or materials for the purpose to take action or inaction regarding SEDP financed contracts.
- 14.5 Procurement shall not be made from a school officer or associate or a school officer acting in private capacity, either alone or as a partner or an officer of a company. Consequently, such

officers or members of approving authorities shall declare any interest that they may have in any supplier or contractor, and shall not take part in that procurement process. Any tender proved to have been awarded on the basis of inducement shall be revoked and reported accordingly and the tenderer disqualified for participating in tenders under the SEDP funds.

14.6 A school shall not invite, accept or place a running contract for the supply of goods or execution of works. All contracts shall have specific starting and completion target dates. No school shall engage suppliers or contractors without further competition in the forthcoming contracts regardless of their similarities.

14.7 A School shall not divide its procurement into separate contracts:

- (a) For the purpose of avoiding competitive tendering;
- (b) So that the procurement may be authorised by a lower level of authority than would be appropriate for the total requirement.

Any School and officer proved to contravene this condition shall be held personally responsible pursuant of Part 64 of the PPA.

15 REVIEW OF PROCUREMENT DECISIONS

15.3 The review procedures shall follow the regulations as set from time to time by the Minister responsible for the Central Tender Board as stipulated in the PPA.

15.4 A supplier or contractor who is aggrieved by the decision of a school or approving authority may refer the matter to the PS Ministry of Education and Culture for review and administrative decision. The decision of the Ministry shall be final unless an action is commenced under the prevailing regulations of the PPA.

PART 7:
CONTRACT MANAGEMENT

16. MANAGEMENT OF CONTRACTS FOR GOODS AND WORKS:

- 16.1 A school shall be responsible for the effective management of any procurement of goods or works which it is undertaking as follows:
- (i) Monitor the timely delivery of goods in the correct quantities and to the quality specified in each contract.
 - (ii) Monitor the progress and timely completion of works in accordance with terms and conditions of the contract.
 - (iii) Take necessary actions to correct or discipline deviations from the plan of the execution of the contract
 - (iv) Ensure that the responsibilities imposed on it by the contract are fully discharged.
- 16.2 A school shall obtain reports on the receipt of goods that have been delivered against contracts and provided these are satisfactory, shall authorise payments to the supplier in accordance with the SEDP Financial Management and Accounting Guidelines.
- 16.3 Where receipt of goods is delayed, or seems to be delayed, a school may institute liquidated damages as may be provided in the contract.
- 16.4 For works, a school shall monitor the contractors performance against the schedule of works stated in the contract. This shall be done by means of reports from the school's works supervisor. The RE or Council Engineer or works inspection committee will have the responsibility to supervise the construction works. If the performance is good a school may authorize payments in accordance with the contract otherwise the payments may be withheld or contract terminated. Termination procedures stipulated in the contract must be followed.

- 16.5 Goods delivered must be inspected, and tested by the receiving school, and shall not be accepted unless they comply with the stipulations of the contract. Contracts must contain a clause that the supplier shall be responsible for all costs and expenses incurred due to a justified rejection of the goods.
- 16.6 A school shall establish committees for:
- (i) Goods inspection,
 - (ii) Text books and academic materials inspection,
 - (iii) Works inspection.
- 16.7 The goods and textbooks inspection committee shall inspect and count the goods to ascertain whether they are correct and complete in accordance with the contract. In case of a technical or scientific test or experiment, an expert or qualified person in respect of the goods may be invited for consultation. After the acceptance, the goods will be handed over to the responsible officer who has been appointed by the school for safekeeping of the goods. Two acceptance certificates shall be signed for both contract parties and to enable processing of payment. Only quantity of items that are accepted shall be paid for.
- 16.8 The RE or Council engineer or works inspection committee shall inspect, supervise and see to it that the works are progressing in accordance with the approved program of works and with the contract conditions, drawing and specifications. If the contractor refuses to comply with the order, the inspection committee shall order the stop of the whole works or a part of the works as the case may be, until the contractor complies with the order, otherwise the contract may be terminated.
- 16.9 If a supervisor is appointed to take charge of the works in progress, the committee shall oversee his performance. The committee shall make a daily or weekly record of the contractor's performance and report the same to HoS.
- 16.10 The inspection committee shall be composed of three people with adequate skills and knowledge of the specific contract.

PART 8:

MISCELLANEOUS PROVISIONS

17 AMENDMENT OF THE GUIDELINES

17.1 The Permanent Secretary of the Ministry of Education and Culture may by order of a circular, modify or alter these guidelines and their applications in such a manner and to such extent as may be necessary or expedient to bring the guidelines into conformance with the PPA No 3 of 2001 and its prevailing regulations.

17.2 The Permanent Secretary may, before the commencement of a financial year, by order of a circular, vary upwards or downwards the thresholds of the limits of authority for any approving authority and the respective approving authority shall comply with such amendments.

17.3 All other procedures in use other than the prevailing PPA Regulations, for procurement of goods, works and services shall cease and the guidelines contained in the Guidelines shall apply in the use of the SEDP funds.

18. MONITORING OF CONTRACTS AND RECORD KEEPING

18.1 The SSO will be responsible for maintaining procurement contract records by opening a file for each procurement contract containing the following details:

- (a) Contract serial number;
- (b) Name of the Contract;
- (c) Contract particulars, e.g. for supply of cement;
- (d) Quantity to be supplied and value;
- (e) Name of supplier and business address;
- (e) Commencement of contract and completion dates.

On completion of the contract the file will be closed and kept in a secure place for future reference and audit at the school. Copy of the certificate of completion should be forwarded to the PS MOEC.

18.2 Control of Procurement Documents

Procurement documents, which are, classified as valuable and sensitive are those that can cause financial and material loss to the Government and the community once they fall into the hands of unauthorised persons. These documents must be controlled and accounted for from ordering, printing, receiving and recording, storing and issuing for usage and destruction of unwanted documents.

The documents to be under strict control are: -

Local Purchase Orders (LPOs); and

Goods Receipt Notes (GRN).

18.3 Records and Issue to Users

A register for recording receipt and issues to users shall be maintained. The user shall produce evidence of use of the last issue. The book copy of the specified valuable document together with approved requisition for replacement shall be the basis for issuing another accountable document to user.

18.4 Stock Checking

The Internal Auditor from the MOEC, Zone, Region or Council shall visit the schools for occasional checks of the balance of unused valuable documents. The book register balance shall be compared with the physical balance of each of the valuable document.

18.5 Destruction of Procurement Documents

All valuable Procurement documents shall be maintained by the school for the minimum of five years. The destruction of these documents should follow the same procedures as set forth in the PPA No3 of 2001 and its regulations.

PART 9
ANNEXES:

Annex 1:

LIMITS OF AUTHORITY FOR PROCUREMENT UNDER SEDP FUNDS FOR HoS SPC, SB/SCC, RTB and MTB

S/No	Approving Authority	Prescribed Limit in Tshs.		
		Works	Goods	Services
1.	Head of school (HOS) 1	200,000.00	100,000.00	50,000.00
2.	School Procurement Committee	1,000,000.00	500,000.00	250,000.00
3.	School Board (SB)	30,000,000.00	10,000,000.00	5,000,000.00
4.	Regional tender Board (RTB)	In accordance with the prevailing regulations of the PPA No 3 of 2001		
5.	Ministry tender Board (MTB)	In accordance with the prevailing regulations of the PPA No 3 of 2001		

Note 1: The aggregate total for Procurement authorized by HOS per annual should not exceed Tshs.
3,000,000.00

Annex 2: Limits for methods of Procurements in Tshs.

Method of Procurement	Goods and services	Works
Competitive tendering	No limit	No limit
Restricted tendering	Up to 10,000,000.00	Up to 20,000,000.00
Local shopping by competitive quotations	Up to 1,000,000.00	Up to 2,000,000.00
Direct contracting	Up to 1,000,000.00 but must be justified	Up to 2,000,000 .00 but must be justified
Procurement of commodities	Up to 10,000,000	Not applicable
Force Account	NA	40,000,000.00

Note: 1. Local shopping should not exceed an aggregate of TShs. 5,000,000.00 per annum.

2. Force Account should not exceed an aggregate of TShs.40,000,000.00 per annum.

ANNEX 3 ANNUAL PROCUREMENT PLAN TEMPLATE

Contract Package No.	Description	Cost estimate in TShs.	Plan VS Actual	Method of Procurement	Prior MTB review	Preparation of specification	Preparation of tender documents	Approval of tender Documents	Tenders invited	Tenders Received	Tenders evaluation	Evaluations report approval	Contracts signed	Execution period	Contract amount	Completion/delivery date
			Plan													
			Actual													
			Plan													
			Actual													
			Plan													
			Actual													
			Plan													
			Actual													