KARAMOJA TUMAINI NETWORK · KTN

Procurement and Asset Management Policy

Spending and stewarding resources with integrity

Policy Category Governance Policy · Classification: Public
Adopted by the Board of Directors May 2026
Status Version 1.0 · Effective May 2026 · Next review May 2029

OUR COMMITMENT

Karamoja Tumaini Network commits to buying fairly, openly and for value, and to caring for every asset and every item of stock placed in its keeping. We will plan our purchases, compete them honestly, divide authority so no one person controls a purchase alone, document every step, and pay only for what was properly ordered and truly delivered.

We will refuse bribes, kickbacks and favouritism, declare our conflicts, hold our suppliers to integrity and their contracts, and keep registers that let any auditor trace any shilling. We will measure our performance, report it to our Board, and improve year on year.

WHY IT MATTERS

Almost everything KTN does for children is bought: the vehicle that reaches the village, the rent on the drop-in centre, the supplies for the work. Procurement is where money is most easily wasted, steered to a friend, or quietly stolen, in organisations everywhere. A shilling lost to an inflated price is a child not helped, and the next grant depends on KTN showing exactly where the last one went.

WHERE IT APPLIES

Every purchase and every asset, on every source of funding: all board members, staff, volunteers, consultants, budget holders, store and asset custodians, and all suppliers, contractors and partners to the extent of their agreements, at every KTN office and field location.

HOPE · HEAL · EMPOWER

Value for money is the best use of every shilling for a child, judged over time.

PROCUREMENT AND ASSET MANAGEMENT POLICY · KARAMOJA TUMAINI NETWORK

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Policy Approval

This Procurement and Asset Management Policy was considered and approved by the Board of Directors of Karamoja Tumaini Network in May 2026 and takes effect from that date as a governance instrument of the organisation. Compliance with it is mandatory for everyone within the scope set out in Section 2.2. It is the policy by which KTN keeps faith with the donors who fund it and the children it serves, and it sits above the speed, cost and convenience of any task. The resolution reference and the signatures below complete the formal record of adoption.

Field	Detail
Policy status	Approved
Approval authority	Board of Directors
Approval date	May 2026
Effective date	May 2026
Version	1.0
Board resolution reference	KTN/BRD/RES/2026/____

The Board Secretary enters the resolution number from the minutes of the approving meeting before the signed copy is filed.

APPROVAL SIGNATURES

Chairperson, Board of Directors
Karamoja Tumaini Network · May 2026

A Statement of Commitment from the Board

Almost everything Karamoja Tumaini Network does for children is paid for with money given in trust. A donor in another country, a partner, a well-wisher: each hands KTN their money believing it will be turned into help for a child in Karamoja, and not lost on the way. Between that gift and that child stands procurement, the buying of the vehicle that reaches the village, the rent on the drop-in centre, the supplies for the work. Procurement is where the money meets the market, and it is where, in organisations everywhere, money is most easily wasted, steered to a friend, or quietly stolen. The Board does not pretend KTN is immune to that pressure. We are determined to be ready for it.

With donor money comes a plain duty: to spend it honestly, to buy wisely, and to look after what it pays for, so that the maximum reaches children and the minimum is lost. That duty is not paperwork and not a brake on the work; it is the condition of being trusted with the work at all. A shilling lost to an inflated price or a kickback is a child not helped and a donor relationship put at risk, and the next grant, and the next child, depend on KTN being the kind of organisation that can show exactly where the last shilling went. This policy is how the Board turns that duty from good intentions into something the organisation can be held to.

Good stewardship and good programmes are the same thing, not competing things. The care we owe the children we serve, we owe the resources given to serve them. Competition that drives value, authority that is divided so no one person controls a purchase, interests that are declared, bribes that are refused, assets that are registered and looked after, records that are honest: none of this is dramatic, and all of it is what keeps KTN worth funding. Value for money is not the lowest price; it is the best use of every shilling for a child, judged over time.

The Board therefore commits to lead on this. We will approve and back this policy, set and review the spending thresholds, fund the modest systems and the Procurement Focal Person it needs, and receive the procurement and asset reports it requires, including the ones that tell us where we fell short. We will expect honest measurement and honest reporting, because an organisation that records only that it had no problems is not looking. We will back any person who refuses a bribe or raises a concern, and we will treat every audit finding as a chance to do better. This policy binds every one of us, from the boardroom to the field, because stewardship of what we are given is how we keep our promise to the children of Karamoja.

Chairperson, Board of Directors
Karamoja Tumaini Network

Adopted by resolution of the Board of Directors, May 2026.

Document Control

Field	Detail
Policy title	Procurement and Asset Management Policy
Registered name	Karamoja Tumaini Network Limited, a company limited by guarantee without share capital, Reg. No. 80034272074698, incorporated on 1 July 2025 under the Companies Act, 2012 (Cap. 106); permitted to operate as a Non-Governmental Organisation by the National Bureau for Non-Governmental Organisations under permit number INDP000745-NB, file number MIA/NB/2026/06/7454
Version	1.0
Status	Approved and adopted by the Board of Directors
Approval date	May 2026
Effective date	May 2026
Policy owner	Karamoja Tumaini Network, acting through its Board of Directors
Policy custodian	The Procurement Focal Person, on behalf of the Executive Director
Applies to	All board members, staff, volunteers, interns, consultants, contractors, project managers, budget holders and store and asset custodians, and all suppliers, contractors and partners to the extent of their agreements with KTN; covering all procurement and all assets and stock, on every source of funding, at every KTN office and site
Reads alongside	The Strategic Plan 2026 to 2030; the Finance and Anti-Fraud Policy; the Human Resources and People Management Policy; the Code of Conduct; the Whistleblowing Policy; the IT and AI Use Policy; the Environmental Policy; the Child Safeguarding Policy; the PSEA Policy; the Gender Equality and Social Inclusion Policy; the Complaints and Community Feedback Policy; the Health, Safety and Security Policy; and the Data Protection standards under the Data Protection and Privacy Act, 2019 (Cap. 97)
Definitions	Key terms are defined in Section 3.2; acronyms and abbreviations are listed at the front of this document
Review frequency	Every three years, or earlier where required by a change in law, a donor requirement, organisational restructuring or growth, a revision of the Strategic Plan, a significant procurement or asset fraud or pattern of concerns, the adoption of a new procurement, asset or financial system, an audit or evaluation finding, or the direction of the Board (Section 16.3)
Next scheduled review	May 2029

Version Control Register

Version	Date	Description of change	Approved by
1.0	May 2026	First edition. Full policy developed, benchmarked against Ugandan law, common donor procurement rules and recognised international procurement, anti-bribery and asset management standards, reviewed and adopted as a governance instrument of Karamoja Tumaini Network.	Board of Directors

Amendment History Register

No.	Date	Section(s) affected	Summary of amendment	Approved by
			Completed by the policy custodian as amendments are approved under Section 16.3. The Board's annual revision of the procurement thresholds (Section 6.2, Annex C) is recorded here. Amendments are listed below in the order they are made.	
1	15 August 2026	Contents; annex titles; cross-references throughout; Annex C	Presentation and cross-reference rebuild. Contents rebuilt as three live, hyperlinked fields (front matter, the policy, the annexes); annex titles renumbered Annex A to Annex P; every internal section cross-reference remapped from the superseded flat numbering to the	Executive Director, as an administrative update under Section 16.3

current chapter numbering; closing page added. No change to any policy requirement, threshold, responsibility or approval level. The asset capitalisation threshold was stated in Annex C, where the policy previously referred to a figure it never gave.

Distribution List

Recipient	Format	Date issued
Board of Directors	Electronic copy and one signed print copy for the corporate record	May 2026
Executive Director and all staff	Electronic copy; included in the staff induction pack; signed acknowledgement (Annex A) returned by those with a procurement or asset role	May 2026
Budget holders, custodians and procurement staff	Electronic copy, with the relevant forms and the thresholds schedule (Annex C)	May 2026
Suppliers, contractors and partners	Relevant extracts and the supplier conduct standard issued with their agreements	With each agreement
Donors	Full copy in due diligence and assessment packs	On request
Public	Published on the KTN website, www.karamojatumaini.org	From adoption

The policy custodian keeps this list current. The authoritative version of this policy is the signed copy held by the custodian; numbered electronic copies carry the same text.

Contact Information

Field	Detail
Policy owner	Karamoja Tumaini Network
Policy custodian	The Procurement Focal Person, on behalf of the Executive Director
Report a procurement concern or suspected fraud	The Procurement Focal Person, or your line manager, or the channels in the Whistleblowing Policy; suspected fraud is handled under the Finance and Anti-Fraud Policy (Sections 9.2 and 9.3)
Kampala office	Da Joy House, Room JS05A, Waliggo Road, Komamboga, P.O. Box 10066, Kampala
Napak office	C/o Matany Trading Centre, Matany Town Council, Napak District
Email	info@karamojatumaini.org
Website	www.karamojatumaini.org

Acronyms and Abbreviations

Acronym	Meaning
ACFE	Association of Certified Fraud Examiners
AML	Anti-Money Laundering (Act, 2013, as amended)
CHS	Core Humanitarian Standard on Quality and Accountability
CoI	Conflict of Interest
DPA	Data Protection and Privacy Act, 2019 (Cap. 97)
EFRIS	Electronic Fiscal Receipting and Invoicing Solution (Uganda Revenue Authority)
ERP	Enterprise Resource Planning
FIA	Financial Intelligence Authority
GESI	Gender Equality and Social Inclusion
GRN	Goods Received Note
ISO	International Organization for Standardization
KTN	Karamoja Tumaini Network
LPO	Local Purchase Order
MEAL	Monitoring, Evaluation, Accountability and Learning
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Co-operation and Development
PPDA	Public Procurement and Disposal of Public Assets (Act, 2003)
PSEA	Protection from Sexual Exploitation and Abuse
RFQ	Request for Quotation
SHIELD	Safeguard, Heal, Integrate, Empower, Lead, Data: the framework of the KTN Strategic Plan
TIN	Taxpayer Identification Number
UNGC	United Nations Global Compact
URA	Uganda Revenue Authority
VAT	Value Added Tax
VfM	Value for Money

Key terms used in this policy are defined in Section 3.2.

Executive Summary

This is Karamoja Tumaini Network's authoritative framework for how it spends money, buys goods, works and services, manages its suppliers and contracts, and looks after the assets and stock placed in its care. It was reviewed and adopted by the Board of Directors in May 2026 and applies to every purchase and every asset, in every office and field location, on every source of funding, and to everyone who requests, approves, handles or accounts for KTN's resources.

KTN is funded by donors and well-wishers who trust it to turn their money into help for children. Almost everything KTN does for those children, from a bus fare home to the rent on a drop-in centre, passes through procurement at some point, and every shilling spent well is a shilling that reaches a child while every shilling lost to waste, favouritism or fraud is a child not helped and a donor relationship put at risk. Procurement and asset management are therefore not back-office paperwork; they are how KTN keeps faith with the people who fund it and the children it serves. This policy is how the Board makes that stewardship enforceable rather than merely intended.

The policy does five things. First, it states KTN's procurement and asset management commitments and the principles behind them: stewardship, transparency, accountability, fair competition, value for money, sustainability and ethical conduct. Second, it sets out who may commit KTN to spend, up to what limit and with what checks, so that authority is written down, divided between people, and never concentrated in one pair of hands. Third, it builds control into the whole cycle, from planning and sourcing, through quotation, evaluation and award, to contract, delivery, payment, and the management and eventual disposal of the asset, and it governs the higher-risk routes of single-source and emergency buying with particular care. Fourth, it protects KTN against the fraud and corruption that target procurement everywhere, through segregation of duties, conflict-of-interest rules, supplier due diligence, and honest record-keeping. Fifth, it establishes the governance, monitoring, audit and reporting arrangements that let the Board, donors and auditors see that the commitments are being kept.

The policy is deliberately proportionate. KTN is a young, growing Ugandan organisation, and the controls here are ones it can actually operate at its current size and that scale as it grows. A small team cannot run a large bureaucracy, so the policy ties the weight of process to the value and risk of the spend: small, routine purchases move quickly, while larger commitments attract more quotations, more eyes and higher approval. The committees this policy names may be small today and will grow with the organisation. Where KTN does not yet have a system in place, the policy says so and sets a direction. That honesty is a KTN value, and it runs through every section that follows.

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CHAPTER ONE

INTRODUCTION

Procurement is where the money meets the market, and where trust is won or lost.

1 Introduction

Karamoja Tumaini Network Limited is a Karamojong-led, child-focused organisation incorporated in Uganda as a company limited by guarantee and licensed by the National Bureau for Non-Governmental Organisations to operate as an indigenous NGO. It works to break the cycle that pushes children from the Karamoja sub-region onto the streets of Kampala and other urban centres, and to give those already on the streets a credible, culturally grounded route back to school, family and a stable life, organised under the six pillars of the SHIELD framework: Safeguard, Heal, Integrate, Empower, Lead and Data.

A child-protection organisation lives or dies by trust. Donors give KTN money because they believe it will be used honestly and well; communities work with KTN because they believe it is straight with them; regulators license it on the same understanding. Procurement is where that trust is most easily lost, because procurement is where the money meets the market, and where the temptations of an inflated price, a friend's company, a kickback or a quiet theft are real and constant. The evidence is plain about how large the risk is, in Uganda and across the sector.

UGX 9.1tn **lost to corruption in Uganda every year, about 23% of the national budget; the first national study built its estimate from procurement red flags (Inspectorate of Government, 2021)**	**UGX 590bn** of that loss traced to public procurement alone, the single activity this policy is built to guard (Inspectorate of Government, 2021)	**5%** of its revenue a typical organisation loses to fraud each year; strong controls and a way to report cut that sharply (ACFE, 2024)	**26/100** Uganda's score on Transparency International's Corruption Perceptions Index, among the lowest third of countries assessed (Transparency International, 2024)

Figure 1. Why procurement integrity is mission-critical. Corruption is large, close and concentrated in procurement; honest systems are what keep donor money reaching children.

> **Businesses should work against corruption in all its forms, including extortion and bribery.**
> **UNITED NATIONS GLOBAL COMPACT, PRINCIPLE 10**

Good procurement is not only about preventing the bad; it is about getting genuine value. Value for money does not mean the lowest price. It means the best combination of quality, cost, timeliness and fitness for purpose over the whole life of what is bought, judged against the need it serves. A cheap vehicle that breaks down on the Karamoja roads, a low bid from a supplier who never delivers, or a donated computer that no one is responsible for, each costs KTN far more than it saved. This policy commits KTN to buy and keep things in the way that serves children best over time, not the way that looks cheapest on the day.

This policy reads alongside KTN's other governance documents, in particular the Finance and Anti-Fraud Policy, which carries the wider financial controls and the response to fraud; the Human Resources and People Management Policy and the Code of Conduct, which set the standards of behaviour; the IT and AI Use Policy, which governs digital and information assets; the Environmental Policy, which underpins sustainable procurement; and the Child Safeguarding and PSEA Policies, which protect children in everything KTN does, including in its supply chain. Where those documents set the detailed procedure, this policy points to them rather than repeating them. Where any donor agreement is stricter than this policy, the donor's requirement is followed; where Ugandan law is stricter than either, the law prevails.

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CHAPTER TWO

PURPOSE, SCOPE AND THE POLICY STATEMENT

What this policy is for, what it covers, and the stand KTN takes on every purchase.

2 Purpose, Scope and the Policy Statement

2.1 Purpose

This policy exists to:

1. establish a single, Board-approved framework for procurement, supply chain, inventory and asset management across all of KTN's operations, programmes and funding sources;
2. make clear that KTN holds its money and its assets in trust for the children it serves and the donors who fund it, and to translate that stewardship into rules people can follow;
3. secure value for money in every purchase, judged on the best combination of quality, cost, timeliness and fitness for purpose over the whole life of what is bought, not on the lowest price alone;
4. set out who may commit KTN to spend, up to what limit, and with what quotations, evaluation, approval and documentation, so that authority is divided, recorded and never concentrated in one person;
5. open KTN's purchasing to fair and honest competition, give suppliers an equal and transparent chance to compete, and build a register of suppliers checked for capability, integrity and risk;
6. protect KTN against the bribery, kickbacks, collusion, favouritism, splitting, fraud and theft that target procurement, and against the legal and reputational harm they bring;
7. manage KTN's assets and stock across their whole life, from acquisition and registration to custody, maintenance, verification and disposal, so that what KTN owns is known, used and protected;
8. embed sustainability, local sourcing and ethical supply into how KTN buys, consistent with its Environmental Policy and its values; and
9. set clear responsibilities, measurable indicators, and reporting and audit arrangements, so that KTN's procurement and asset performance can be assessed by its Board, its donors, its regulators and its auditors.

2.2 Scope and Applicability

This policy applies to all procurement of goods, works, services and consultancies by KTN, to all management of KTN's inventory and stores, and to all assets owned by KTN, held by KTN, or funded by a donor through KTN, of every kind and value. It applies regardless of the source of funds, whether core, project, grant, donation or KTN's own income, and whether the spend is large or small, one-off or recurrent.

It binds every member of the Board of Directors and every member of staff, and all volunteers, interns, consultants, contractors, project managers, budget holders, store and asset custodians and anyone else who requests a purchase, approves a spend, evaluates a bid, receives goods, holds an asset, or accounts for KTN's resources. It binds suppliers, contractors and partners to the extent set out in Section 15.1 and in their agreements with KTN. It applies at the Kampala and Napak offices, at every field location, drop-in centre or facility KTN runs, and to procurement and assets wherever they physically are.

Where a donor imposes procurement conditions of its own, those conditions apply alongside this policy, and where they are stricter, they prevail; KTN follows the rules of the fund that is paying. Where Ugandan law is stricter than either this policy or a donor rule, the law prevails. Where this policy is silent on a situation, the guiding principles in Section 3.3 govern the decision, and the matter is referred upward rather than improvised.

Compliance with this policy is mandatory for everyone within its scope. A breach by a member of staff or a volunteer is handled under the Human Resources and People Management Policy and the disciplinary procedure, and may result in dismissal and, where the conduct is also an offence, referral to the authorities. A breach by a supplier, contractor or partner is handled under its agreement with KTN, up to and including suspension, blacklisting and termination. Conduct that is an offence under Ugandan law, including bribery, fraud, forgery, theft or money laundering, is reported to the relevant authorities regardless of the person's position in or relationship to KTN. No one is above this policy, and no result, deadline or saving justifies breaking it.

2.3 Procurement and Asset Management Policy Statement

Karamoja Tumaini Network holds every shilling and every asset in trust for the children it serves and the donors who fund it. We are committed to spending honestly, buying wisely, and looking after what we own so that the maximum reaches the children and the minimum is lost.

We will buy through fair and open competition, judged on value for money and not on the lowest price alone. We will divide the authority to spend so that no one person controls a purchase from start to finish. We will check our suppliers, declare and stand aside from conflicts of interest, refuse and report bribes and kickbacks, and keep an honest record of every decision. We will register, protect, maintain and account for our assets and stock across their whole life, and dispose of them openly and fairly.

We will obey the laws of Uganda, follow the rules of the donors who fund us, meet the international standards we are held to, and measure and report our procurement honestly, including where we fall short. Stewardship of the resources entrusted to us is the duty of everyone who spends, approves or handles them, and it is how we keep our promise to the children of Karamoja.

This statement is displayed at every KTN office and is included in staff, supplier and partner induction materials. It is signed by everyone with a role in procurement or asset custody through the acknowledgement at Annex A.

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CHAPTER THREE

LEGAL FRAMEWORK, DEFINITIONS AND PRINCIPLES

Ugandan law, international standards, defined terms and guiding principles.

3 Legal Framework, Definitions and Principles

3.1 Legal and Regulatory Framework

This policy is built on the law of Uganda and on the donor rules and international standards KTN is bound by or chooses to be held to. KTN does not invent obligations, and it does not claim a legal certainty it does not have; where a procurement question turns on a point of law, tax or contract, KTN takes proper professional advice rather than guessing.

Ugandan law

As a private body, a company limited by guarantee, KTN is not a public entity and is not directly subject to the Public Procurement and Disposal of Public Assets Act, 2003, which governs government procurement. KTN nonetheless adopts the core principles that Act exists to protect, namely transparency, fairness, competition, accountability and value for money, as recognised good practice, and applies them in a manner proportionate to its size. A number of laws of general application bind KTN directly. The Companies Act, 2012 (Cap. 106) imposes duties on KTN's directors, including the duty to act in the company's interests and to manage conflicts of interest, and governs related-party dealings. The Contracts Act, 2010 governs the validity and enforcement of every contract KTN enters with a supplier, and the Sale of Goods and Supply of Services Act, 2017 governs contracts for the supply of goods and services. The Anti-Corruption Act, 2009 (Cap. 116) as amended criminalises bribery, corruption, abuse of office, conflict of interest, influence peddling and related conduct in both the public and private spheres, and the Penal Code Act criminalises fraud, forgery, false accounting and theft. The Anti-Money Laundering Act, 2013 (Cap. 118) as amended places obligations to guard against the laundering of proceeds of crime through transactions, overseen by the Financial Intelligence Authority.

KTN's tax obligations bear directly on procurement. Under the Income Tax Act, Cap. 340, KTN is required to withhold tax on certain payments to suppliers and to remit it to the Uganda Revenue Authority, and under the Value Added Tax Act, Cap. 349, it must handle VAT correctly and deal with suppliers who issue valid tax invoices through the URA's electronic systems. KTN deals, so far as practicable, with suppliers who hold a Taxpayer Identification Number and who issue compliant invoices. The Employment Act, 2006 (Cap. 226) sets the labour standards that bear on KTN's supply chain, including the prohibition of the worst forms of child labour and forced labour, which KTN will not knowingly support through its purchasing. The Data Protection and Privacy Act, 2019 (Cap. 97) governs the personal data of suppliers and their staff that KTN collects and holds. The National Environment Act, 2019 and the National Environment (Waste Management) Regulations, 2020 govern the environmental aspects of what KTN buys, uses and disposes of, including electronic waste. KTN operates within the framework of the Non-Governmental Organisations Act, Cap. 109 and the Non-Governmental Organisations Regulations, 2017, under which its assets and spending must serve its registered objects.

Donor rules and international standards

Much of KTN's funding carries the procurement rules of the donor, and these are followed as a condition of the grant. KTN structures this policy to be compatible with the procurement requirements commonly imposed by institutional donors, including the European Union's practical guide to contract procedures, the United States Government's uniform guidance at 2 CFR Part 200, and the standards of United Kingdom, United Nations and foundation funders. KTN also holds itself to recognised international standards as a matter of choice and ambition: the guidance of ISO 20400 on sustainable procurement, the anti-bribery management principles of ISO 37001, the OECD anti-bribery framework, the ten principles of the United Nations Global Compact, and the Core Humanitarian Standard on Quality and Accountability. Where any of these goes further than Ugandan law, KTN follows it as far as it is able.

The principal instruments and what each means for KTN are set out below. The full, live register of legal, donor and standards obligations, with how KTN meets each and the evidence held, is maintained by the Procurement Focal Person and tested at the annual audit (Section 15.4).

Instrument	What it means for KTN	Where in this policy

Companies Act, 2012 (Cap. 106)	Directors' duties; management of conflicts of interest; related-party dealings.	Sections 5.1 and 9.2
Contracts Act, 2010; Sale of Goods and Supply of Services Act, 2017	Valid, enforceable contracts for goods, works and services.	Sections 7.2 and 8.3
Anti-Corruption Act, 2009 (Cap. 116) (as amended)	Bribery, kickbacks, abuse of office and conflict of interest are crimes, in the private sphere too.	Sections 9.1, 9.2 and 9.3
Penal Code Act	Fraud, forgery, false accounting and theft are crimes.	Sections 9.3 and 13.1
Anti-Money Laundering Act, 2013 (Cap. 118) (as amended)	Guard against laundering proceeds of crime through transactions and suppliers.	Sections 8.1 and 12.1
Income Tax Act, Cap. 340; VAT Act, Cap. 349	Withholding tax, VAT and the use of compliant, URA-registered suppliers.	Section 14.1
Employment Act, 2006 (Cap. 226)	Labour standards in the supply chain; no forced or child labour.	Section 9.1 and Chapter 10
Data Protection and Privacy Act, 2019 (Cap. 97)	Lawful handling of supplier and personal data.	Section 14.2
National Environment Act, 2019; Waste Regulations, 2020	Environmental compliance, including electronic waste and disposal.	Chapter 10 and Section 13.1
NGO Act, Cap. 109; NGO Regulations, 2017	Assets and spending must serve KTN's registered objects.	Sections 2.2 and 13.2
PPDA Act, 2003 (principles adopted voluntarily)	Transparency, competition, fairness and value for money as good practice.	Whole policy
ISO 20400; ISO 37001; UN Global Compact; CHS	Sector benchmarks for sustainable procurement, anti-bribery and accountability.	Whole policy

Table 1. Core legal, donor and standards register. The full, live register, with how KTN meets each obligation and the evidence held, is maintained by the Procurement Focal Person and tested at the annual audit (Section 15.4).

3.2 Definitions

In this policy, unless the context requires otherwise:

Term	Meaning
Procurement	The whole process of obtaining goods, works, services or consultancies, from identifying a need through to payment and contract close-out.
Goods, works, services	Goods are physical items; works are construction, installation or repair; services and consultancies are the supply of labour, expertise or a result.
Value for money	The best combination of quality, cost, timeliness and fitness for purpose over the whole life of what is bought, judged against the need. It is not the lowest price alone.

Supplier (vendor)	Any person or organisation that supplies, or seeks to supply, goods, works or services to KTN, including contractors and consultants.
Requisition	The formal, approved request to buy something, raised by a budget holder or project before any commitment is made to a supplier.
Quotation, bid, tender	A supplier's priced offer to supply, given in response to a request. The number required rises with the value of the purchase (Section 6.2).
Procurement threshold	A value band that determines the method, the number of quotations, the evaluation and the approval authority for a purchase (Section 6.2, Annex C).
Single-source procurement	Buying from one supplier without competition, permitted only in the limited, justified and approved circumstances of Section 7.3.
Framework agreement	A standing agreement with one or more suppliers setting terms for repeated purchases over a period, so each order need not be re-tendered.
Conflict of interest	Any situation where a person's private interest, financial or personal, could improperly influence, or appear to influence, a procurement or asset decision.
Related party	A person connected to a KTN decision-maker, including family, a business they own or control, or a close associate, whose involvement must be declared.
Kickback	A secret payment or benefit given to, or taken by, a person to influence a purchase in a supplier's favour. It is a crime and grounds for dismissal.
Collusion and bid rigging	Secret arrangements between suppliers, or between a supplier and a KTN insider, to defeat genuine competition, for example by agreeing prices or sharing out contracts.
Procurement splitting	Dividing one purchase into smaller parts to stay under a threshold and avoid competition or higher approval. It is prohibited.
Asset	An item of value KTN owns or controls and expects to use for more than one year, such as a vehicle, computer, equipment or furniture, at or above the capitalisation threshold set in Annex C.
Inventory (stores)	Consumable items held for use or distribution, such as office supplies, programme materials, fuel and spare parts.
Custodian	The named person responsible for an asset or a store: for its safekeeping, proper use, and accounting.
Disposal	The authorised removal of an asset or stock from KTN's books, by sale, transfer, donation, recycling, destruction or write-off (Section 13.1).

Budget holder	The manager accountable for a budget, who confirms that funds are available and correctly charged before a purchase proceeds.

Table 2. Definitions of key terms used in this policy.

3.3 Guiding Principles

Seven principles guide how this policy is applied. When a situation arises that the policy does not expressly cover, decisions follow these principles, and every procurement and asset decision must be capable of being explained by reference to them.

Stewardship

KTN's money and assets are not its own; they are held in trust for the children it serves and the donors who fund it. Everyone who spends, approves or handles KTN's resources treats them with the care they would give resources they were personally answerable for, and spends as if the next shilling were the last one available for a child in need.

Transparency

Procurement decisions are made openly and recorded honestly, so that anyone with a right to look, an auditor, a donor, the Board, can see what was bought, from whom, at what price, and why. KTN does not hide its dealings, and a decision that could not stand being explained in the open is a decision that should not be made.

Accountability

Every procurement and asset decision has a named owner who is answerable for it. Authority to spend is matched by responsibility for the spend, controls are real rather than nominal, and people are held to account for following the rules, whatever their seniority.

Fair competition

KTN gives suppliers an equal, honest and transparent opportunity to compete for its business. Competition drives value and guards against favouritism, and it is set aside only in the limited, justified and approved circumstances this policy allows. No supplier is given an unfair advantage, and no insider steers a contract to a favoured party.

Value for money

KTN buys the best combination of quality, cost, timeliness and fitness for purpose over the whole life of what is bought, not the cheapest option on the day. Value for money is judged against the need a purchase serves and the result it must deliver for children, and it is the test every purchase must pass.

Sustainability

KTN weighs the social and environmental effects of what it buys, not only the price. It favours local suppliers and community enterprises where they offer value, buys in a way that respects the environment consistent with its Environmental Policy, and avoids supply chains that exploit people or harm the land KTN's communities depend on.

Ethical conduct

Everyone connected to KTN's procurement behaves with honesty and integrity. Bribes and kickbacks are refused and reported, conflicts of interest are declared and stood aside from, gifts that could influence a decision are declined, and suppliers are treated fairly and paid as agreed. Integrity is not negotiable, and no saving or convenience buys a departure from it.

4

CHAPTER FOUR

OUR COMMITMENTS AND GOVERNANCE

The commitments the Board can be held to, and the governance that owns them.

4 Our Commitments and Governance

4.1 Our Procurement and Asset Management Commitments

KTN makes the following commitments. Each is developed in the sections that follow and measured through the indicators in Section 15.3 and Annex P.

1. Hold every shilling and every asset in trust for children and donors, and put stewardship and value for money ahead of speed, convenience and personal interest in every decision.
2. Plan procurement ahead through annual and project procurement plans, so that buying is timely, budgeted and competitive rather than rushed and sole-sourced (Section 6.1).
3. Divide the authority to spend through clear thresholds and a delegation matrix, so that no one person controls a purchase from requisition to payment (Sections 5.1 and 6.2).
4. Buy through fair and open competition appropriate to the value, obtain and evaluate quotations honestly, and award on value for money against stated criteria (Sections 6.2 to 7.2).
5. Register and check suppliers for capability, integrity, tax compliance and risk, and screen against conflicts of interest and applicable sanctions (Section 8.1).
6. Refuse and report all bribery, kickbacks, collusion, favouritism and splitting, and protect anyone who raises a procurement concern in good faith (Sections 9.1 and 9.3).
7. Manage contracts so that suppliers deliver what was agreed, at the agreed price and quality, with variations and disputes handled properly (Section 8.3).
8. Register, tag, safeguard, maintain, insure where appropriate, verify and account for every asset across its life, and dispose of assets openly and fairly (Sections 12.1 to 13.1).
9. Manage inventory and stores so that what KTN holds is recorded, secure, used for its purpose and reconciled (Chapter 11).
10. Buy sustainably and locally where it offers value, and account for the social and environmental effects of what KTN purchases (Chapter 10).
11. Measure procurement and asset performance against a small set of honest indicators, report quarterly to the Executive Director, and present an annual statement to the Board (Sections 15.3 and 15.4).

4.2 Procurement and Asset Governance Framework

Procurement and asset management follow the same chain of accountability as every other governance matter at KTN, with the controls that the handling of money and valuables requires: clear roles, divided authority, and committees that bring more than one judgement to bear as the value and risk of a decision rise. The structure below is designed to work at KTN's current size and to scale as the organisation grows; where a committee is small today, it is named so that it can grow into its role rather than be invented later.

The Board of Directors

The Board holds ultimate accountability for the stewardship of KTN's resources. It approves this policy and any substantive amendment, approves the procurement thresholds and the delegation of authority, approves procurement above the highest threshold and the disposal of major assets, receives the annual procurement and asset statement described in Section 15.3, and satisfies itself once a year that KTN is buying and accounting for its resources lawfully, competitively and well.

The Finance and Audit Sub-Committee

The Finance and Audit Sub-Committee oversees procurement and asset management on the Board's behalf. It reviews procurement and asset risk as part of the organisational risk register each quarter, reviews high-value and single-source procurement and major disposals, receives the findings of internal and external audits of procurement and assets, tracks corrective actions, and reviews the procurement and asset indicators within management reporting.

The Executive Director

The Executive Director is accountable to the Board for implementing this policy. The Executive Director ensures procurement and asset responsibilities appear in relevant job descriptions, approves the annual procurement plan, approves procurement and disposals within the limits delegated by the Board, chairs or appoints the Procurement Committee, ensures segregation of duties is maintained as the team grows, and escalates to the Board the matters this policy reserves to it. Where a procurement or asset decision involves the Executive Director's own interest, the Executive Director declares it and takes no part in the decision, which passes to the Finance and Audit Sub-Committee.

The Procurement Committee

The Procurement Committee brings collective judgement to procurement above the low-value threshold. It reviews and recommends procurement plans, oversees tenders, considers the recommendations of evaluations, recommends or approves awards within its delegated limits, and reviews single-source and emergency procurement after the fact. At KTN's current size the Committee is small, drawing on the Executive Director, the Procurement Focal Person and a senior programme or finance person, and no member may sit in judgement on a procurement in which they have an interest. Its terms of reference, membership and quorum are set by the Executive Director and approved by the Board.

The Evaluation Committee

For a specific tender or higher-value purchase, an Evaluation Committee is convened to evaluate the bids against the published criteria and to recommend an award. It is made up of people with the relevant knowledge of the need and the market, is independent of the suppliers bidding, and records its evaluation and reasons. For smaller purchases the evaluation may be done by two staff rather than a formal committee, but the principle that more than one person evaluates a competitive purchase holds throughout.

The Asset Management Committee

Responsibility for assets is held by an asset management function, which at KTN's current size may be a small group convened by the Executive Director rather than a standing committee. It oversees the asset register, approves asset transfers and write-offs within its limits, recommends disposals to the appropriate authority, and ensures the annual asset verification is carried out. Major disposals and write-offs are approved by the Board or the Finance and Audit Sub-Committee under the thresholds in Section 6.2.

Procurement Focal Person, budget holders and custodians

The Procurement Focal Person leads procurement day to day: maintaining the supplier register, running quotation and tender processes, keeping procurement records, supporting evaluations, and maintaining the legal, donor and standards register. Budget holders confirm that funds are available and correctly charged before a purchase proceeds and are accountable for the value obtained from their budgets. Asset and store custodians are the named people responsible for the safekeeping, proper use and accounting of the assets and stock in their charge. Everyone else covered by this policy is responsible for following it, for declaring conflicts, and for reporting any concern about a purchase or an asset.

5

CHAPTER FIVE

AUTHORITY, SEGREGATION AND RISK

Authority divided, duties separated, and the risks of buying managed honestly.

5 Authority, Segregation and Risk

5.1 Delegation of Authority and Segregation of Duties

Two controls do more than any other to keep procurement honest: no one person controls a purchase from start to finish, and no one spends beyond the authority they have been given. These are the heart of this policy, and they apply to every purchase regardless of value.

Segregation of duties

The key steps in a purchase are separated between different people, so that committing KTN, approving the spend, receiving the goods, and paying for them are never all in the same hands. Separation makes fraud require collusion rather than a single dishonest act, and it makes honest error more likely to be caught. Where KTN's team is too small to separate every step fully, the gap is closed by a compensating control, such as a second review or the involvement of a manager, and the limitation is recorded rather than ignored. As the organisation grows, full separation is restored.

Step in a purchase	Who does it	Kept separate from
Identify the need and raise the requisition	Budget holder or project	The person who approves the spend
Confirm budget and funding	Budget holder / Finance	The person who selects the supplier
Source and obtain quotations	Procurement Focal Person	The person who evaluates and awards
Evaluate and recommend the award	Evaluator(s) / Evaluation Committee	The supplier and any interested party
Approve the purchase	The authority for the value band (Section 6.2)	The requester and the evaluator
Receive and check the goods or work	Store custodian or user, not the buyer	The person who placed the order
Authorise and make payment	Finance, against complete documents	The person who received the goods

Table 3. The separation of duties in a purchase. No single person performs all of these steps; where the team is too small, a compensating control is recorded.

Delegation of authority

Authority to commit KTN to spend is delegated by the Board through the thresholds and the delegation matrix in Section 6.2 and Annex C. Each level of authority is matched to a value band, rises through the budget holder, the Procurement Focal Person, the Executive Director, the Procurement Committee and the Board, and is exercised personally and not informally sub-delegated. A person may not approve a purchase that exceeds their limit, may not split a purchase to bring it within their limit, and may not approve a purchase from which they would benefit. Spending without the required authority is a breach of this policy, and a purchase made without proper approval may be treated as a personal liability of the person who made it.

5.2 Risk Management in Procurement and Assets

KTN cannot manage a procurement risk it will not name. Procurement and asset risk is held inside KTN's existing risk system, not beside it: the organisational risk register, reviewed quarterly by the Finance and Audit Sub-Committee, carries procurement and asset risks alongside every other category, with the same likelihood and impact ratings and the same escalation rules. Every significant procurement, and every new supplier relationship or asset arrangement of significance, is considered for its risk before it proceeds, and the controls in this policy are applied in proportion to that risk.

The main categories of procurement and asset risk in KTN's work are set out below, with how KTN manages each. The full register, with ratings, owners and treatments, is held by the Procurement Focal Person and reviewed quarterly.

Risk area	Where it bites in KTN's work	How KTN manages it
Fraud and corruption	Bribery, kickbacks, ghost suppliers, inflated prices and collusion divert donor money.	Segregation of duties, competition, conflict-of-interest rules, supplier checks, audit (Sections 5.1, 9.1 and 9.3).
Favouritism and conflict of interest	Contracts steered to friends, relatives or staff-owned businesses.	Declaration and recusal, related-party rules, competitive process (Section 9.2).
Poor value for money	Paying too much, or buying the wrong thing, for what children need.	Planning, competition, evaluation on whole-life value (Sections 6.1 to 7.2).
Supplier failure	A supplier who cannot deliver, delivers late, or delivers poor quality.	Due diligence, performance management, contracts with remedies (Sections 8.1 to 8.3).
Splitting and threshold avoidance	Breaking up purchases to dodge competition or higher approval.	Annual planning, monitoring of spend by supplier and category (Sections 6.1 and 9.3).
Emergency pressure	Speed in a crisis used to bypass controls.	Pre-agreed emergency rules, post-hoc documentation and reporting (Section 7.3).
Asset loss and misuse	Vehicles, ICT and equipment lost, stolen, misused or unaccounted for.	Registration, tagging, custody, verification and insurance (Sections 12.1 to 12.4).
Sanctions and money laundering	Dealing with a sanctioned or illegitimate party, or laundering funds.	Screening and due diligence proportionate to value and risk (Sections 8.1 and 12.1).
Data and information	Supplier and personal data lost, or procurement information misused.	Data protection controls and the IT and AI Use Policy (Section 14.2).

Table 4. Categories of procurement and asset risk in KTN's work. The full register, with ratings, owners and treatments, is held by the Procurement Focal Person and reviewed quarterly.

6

CHAPTER SIX

PLANNING, METHODS AND THRESHOLDS

Planning ahead, and the right competition for the right value.

6 Planning, Methods and Thresholds

6.1 Procurement Planning

Most bad procurement begins with no plan. A need that arrives as an emergency cannot be competed properly, is bought from whoever is to hand, and rarely gives value. KTN plans its procurement ahead so that buying is timely, budgeted, competitive and consolidated, and so that the rush that breeds waste and sole-sourcing is the exception, not the rule.

Each year, as part of budgeting, KTN prepares an annual procurement plan that brings together the goods, works and services each programme and function expects to need, with timing, estimated value, funding source and likely method. The plan is built from the project budgets and work plans, is approved with the budget, and is used through the year to consolidate similar needs into single competitive processes, to anticipate long-lead items, and to put framework agreements in place for things bought repeatedly. The plan template is at Annex B.

- Planning consolidates demand: similar items needed across programmes are bought together to get better value and to reduce the number of small, uncompetitive purchases.
- Planning aligns procurement with funding: each planned purchase is tied to a budget line and a funding source, so that what is bought is affordable and correctly charged, and donor procurement rules are applied from the start.
- Planning anticipates the calendar: long-lead, seasonal and predictable needs are identified early so they can be competed properly rather than rushed.
- Framework and preferred-supplier arrangements are established for goods and services bought repeatedly, so that each order draws on pre-agreed, competitively-set terms without re-tendering each time.
- The plan is reviewed during the year as needs and funding change, and significant departures from it are explained.

Planning is not a constraint invented to slow the work; it is what lets KTN buy well under pressure, because the thinking has been done before the need becomes urgent. A purchase that was foreseeable but was left until it became an emergency is a planning failure, and is reviewed as one.

6.2 Procurement Methods and Thresholds

The method KTN uses to buy something, the number of offers it seeks, the way it evaluates them, and the level at which the purchase is approved, all rise with the value and risk of the purchase. This ties the weight of process to the size of the spend: small, routine purchases move quickly, while larger commitments attract more competition, more scrutiny and higher approval. The schedule below sets KTN's methods and thresholds.

The shilling values in this schedule are indicative and are set, and reviewed at least annually with the budget, by the Board of Directors. They are the figures KTN should confirm and adjust to its scale and its donors' requirements; the Executive Director may not amend them. Where a donor sets stricter thresholds or methods than these, the donor's rules apply to that funding. The authoritative, current schedule is held at Annex C.

Value band (indicative)	Method and minimum competition	Approval authority	Key documents
Petty cash / micro Up to UGX 100,000	Direct purchase from petty cash; no quotations needed; buy from a reasonable, fair-priced source.	Budget holder	Receipt; petty cash voucher

Low value UGX 100,001 to 2,000,000	At least three quotations, written or from a current price list; simple written comparison.	Line manager / Procurement Focal Person	Requisition; three quotations; comparison; goods received note
Medium value UGX 2,000,001 to 20,000,000	Written request for quotation to at least three suppliers; written evaluation by two staff or the Evaluation Committee.	Executive Director, on Procurement Committee recommendation	Requisition; RFQ; evaluation; award; contract or LPO; GRN
High value UGX 20,000,001 to 100,000,000	Restricted or open tender; formal Evaluation Committee; Procurement Committee recommendation.	Executive Director; above UGX 50,000,000, the Finance and Audit Sub-Committee	Full tender file; evaluation report; contract; performance security where used
Strategic Above UGX 100,000,000	Open competitive tender; full evaluation; Board scrutiny of value for money.	Board of Directors	Full tender file; Board minute; signed contract
Single-source Any value	No competition, on written justification meeting Section 7.3; the more is spent, the higher the approval.	One level above the normal authority for the value	Written single-source justification; approval; contract
Emergency Any value	Fastest route that protects value; competition relaxed only as far as the emergency requires (Section 7.3).	Executive Director; reported to the Board	Emergency justification; whatever records the situation allowed; later reconciliation

Table 5. Procurement methods and thresholds. The shilling values are indicative and Board-set; the current schedule is at Annex C, and stricter donor rules prevail.

Two rules sit above the whole schedule. A purchase may never be split into smaller parts to bring it within a lower band, to avoid competition, or to keep it within a person's approval limit; splitting is treated as a deliberate breach. And the method may always be raised, never lowered: where a purchase is sensitive, risky or in a thin market, KTN may seek more competition or higher approval than the band requires, but it may not seek less.

7

CHAPTER SEVEN

THE PROCUREMENT CYCLE AND AWARD

From requisition to payment: the cycle every purchase travels.

7 The Procurement Cycle and Award

7.1 The Procurement Cycle, from Requisition to Payment

Every purchase above petty cash follows the same path, so that each step is done, in order, by the right person, and recorded. The cycle below is the standard route; the methods and approvals at each point follow the value band in Section 6.2, and the forms are at Annexes D, E and J.

Step 1: Plan and identify the need

The need is identified against the procurement plan and the budget. What is genuinely required, in what quantity and to what specification, is defined honestly, neither padded nor written around a favoured supplier.

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Step 2: Requisition and budget check

The budget holder raises an approved requisition (Annex D). Finance or the budget holder confirms that funds are available, correctly charged, and within the relevant donor's rules, before any commitment is made to a supplier.

▼

Step 3: Source and obtain offers

The Procurement Focal Person seeks the number of quotations or bids the value band requires (Section 6.2), from the supplier register and the open market, giving every supplier the same information and the same chance to compete.

▼

Step 4: Evaluate and recommend

The offers are evaluated against the stated criteria by the evaluator or Evaluation Committee, independent of the suppliers, and a recommendation is made on value for money, with the reasons recorded (Section 7.2).

▼

Step 5: Approve and award

The purchase is approved by the authority for its value band (Section 6.2). The successful supplier is notified, and a contract or local purchase order sets out what is to be supplied, at what price, when and on what terms (Section 8.3).

▼

Step 6: Receive and check

The goods, works or services are received and checked against the order by the user or store custodian, not by the person who placed the order, and a goods received note (Annex J) records what arrived, in what condition and when. Assets are entered on the asset register (Section 12.1).

▼

Step 7: Pay

Finance pays the supplier against a complete and matching set of documents, the requisition, approval, order, invoice and goods received note, with tax handled correctly (Section 14.1). No payment is made on incomplete or mismatched documents.

▼

Step 8: Record and close

The complete procurement file is kept (Section 14.2), the contract is monitored to close-out (Section 8.3), and the purchase feeds the procurement records and indicators. The file is the evidence that the purchase was proper, and it is kept as long as the law and the donor require.

Figure 2. The procurement cycle, from requisition to payment. Each step is done by the right person, in order, and recorded; the controls scale with the value of the purchase.

7.2 Bid Evaluation and Award

Evaluation is where competition is turned into a decision, and where favouritism, if it is going to happen, happens. KTN evaluates offers honestly, against criteria set before the offers are seen, by people independent of the suppliers, and it records why the winner won. A contract is awarded on value for money, not on the lowest price alone and never on a relationship.

- Criteria are set in advance. Before suppliers are invited, the criteria on which their offers will be judged are decided and, for tenders, published with the request, so that no criterion is invented afterwards to favour a particular bidder.
- Offers are compared like for like. Suppliers are given the same specification and the same information, and their offers are compared on the same basis, with clarifications sought openly and equally where an offer is unclear.
- Value for money is the test. Price matters, but so do quality, fitness for purpose, delivery, after-sales support, running and disposal costs, and the supplier's capability and record. The evaluation weighs these against the need, and a higher-priced offer may represent better value.
- Evaluation is independent and recorded. Those who evaluate have no interest in the result, declare any conflict and stand aside, and record their scoring and reasons. The recommendation and the reasons are kept on the file (Annex E).
- The award is approved and notified. The award is approved by the authority for the value band (Section 6.2), the successful supplier is notified, and unsuccessful suppliers are told, fairly and without disclosing others' confidential information, that they were not selected.

Where only one offer is received despite a genuine competitive process, or where offers are all unsatisfactory, KTN does not award by default; it considers whether to re-tender, revise the requirement, or proceed under the single-source rules of Section 7.3 with proper justification. A poor competition is not cured by pretending it was a good one.

7.3 Single-Source, Direct and Emergency Procurement

Competition is the rule. Buying without it, from a single chosen supplier, or buying fast in an emergency, is the exception, and the exceptions are where procurement is most exposed, so they are governed with particular care. The point is not to forbid them, because both are sometimes genuinely necessary, but to make sure they are justified, approved at the right level, documented, and reported, rather than used as a convenient way around the rules.

Single-source and direct procurement

KTN may buy from a single supplier without competition only where there is a genuine and recorded reason, such as: only one supplier can provide what is needed; the item must be compatible with existing equipment that only one supplier provides; the need is for a continuation of work where changing supplier would cause disproportionate cost or risk; or the value is so low that competition would cost more than it saves. The reason is set out in a written single-source justification, the price is checked for reasonableness against the market so far as possible, and the approval is given one level above the authority that would normally apply to the value. Every single-source purchase is recorded in a register and reviewed by the Procurement Committee and the Finance and Audit Sub-Committee. A preference for a particular supplier, a friendship, or simple convenience is never a valid single-source reason.

Emergency procurement

In a genuine emergency, where a delay would put children, staff or the work at serious risk, the need for speed may justify relaxing the normal competition and approval steps, but only as far as the emergency actually requires. Even then, the spend must be within budget and authority is obtained at the time from the Executive Director, or the fastest senior person reachable, and confirmed immediately after. Whatever records the situation allowed are kept at the time, and the purchase is fully documented and reconciled as soon as the emergency passes, with a written account of why the emergency route was used. Every emergency purchase is reported to the Board. An emergency is a real and sudden threat, not a need that was foreseeable and was left too late; foreseeable needs are planned for under Section 6.1, and calling a planning failure an emergency is itself a breach.

8

CHAPTER EIGHT

SUPPLIERS: REGISTRATION, PERFORMANCE AND CONTRACTS

Knowing our suppliers: registration, due diligence, performance and contracts.

8 Suppliers: Registration, Performance and Contracts

8.1 Vendor Registration, Due Diligence and Screening

KTN buys from suppliers it has checked. A supplier register, due diligence proportionate to the value and risk of what is bought, and screening against conflicts of interest and applicable sanctions, together keep ghost suppliers, fronts, fraudsters and prohibited parties out of KTN's supply chain.

Registration and the supplier register

Suppliers who wish to do business with KTN register using the form at Annex F, providing their legal identity, ownership, contact details, tax registration, bank details, references and the categories they can supply. The Procurement Focal Person maintains the register, records each supplier's category and risk rating, and keeps it current. Registration does not guarantee any business; it is the pool from which KTN seeks competition, alongside the open market.

Due diligence proportionate to risk

Before KTN engages a supplier for anything beyond a low-value, routine purchase, it checks that the supplier genuinely exists, is who it says it is, can actually deliver, and is fit to be trusted with money given for children. The depth of the check rises with the value and risk of the engagement, as set out below; the checklist is at Annex F.

Engagement	Due diligence KTN carries out
Low value, routine	Confirm the supplier exists and is reachable; confirm a reasonable, fair price; keep the receipt and basic details.
Medium value	Confirm legal registration and tax registration (TIN); confirm bank details independently of the invoice; take references; check capability to deliver; screen for conflict of interest.
High value, strategic, or higher-risk	All of the above, plus confirmation of ownership and that no KTN decision-maker has an undeclared interest; a check that the supplier is not a sanctioned or prohibited party where the funding or risk requires it; a site or capacity check where the value justifies it; and the supplier's agreement to KTN's supplier conduct standards (Section 9.1).
Any supplier handling children, data or sensitive work	The relevant safeguarding, data-protection or security checks of the Child Safeguarding, IT and AI Use, and Health, Safety and Security Policies, in addition to the financial checks.

Table 6. Supplier due diligence, scaled to the value and risk of the engagement. The checklist is at Annex F.

Conflict-of-interest and sanctions screening

Every supplier engagement above low value is screened for conflict of interest: whether any KTN board member, member of staff or their related party has an interest in the supplier. Any interest is declared and managed under Section 9.2. Where the funding source, the value or the risk requires it, KTN also screens suppliers against applicable sanctions and prohibited-party lists, consistent with the Anti-Money Laundering Act, 2013 (Cap. 118) and donor requirements, and does not engage a party that screening shows it may not lawfully deal with. KTN does not knowingly enter a transaction structured to launder the proceeds of crime, and a suspicion of such is escalated under the Finance and Anti-Fraud Policy.

8.2 Supplier Performance, Suspension and Blacklisting

A supplier relationship does not end at the award; it is managed so that KTN gets what it paid for and so that suppliers who perform well are recognised and those who fail or cheat are dealt with. Managing performance protects value, and a clear route to suspend or blacklist protects KTN's integrity.

- Performance is assessed against the contract: whether the supplier delivered what was agreed, on time, at the agreed quality and price, and behaved with integrity. For significant or repeat suppliers, performance is recorded on a scorecard (Annex H) and fed into future decisions.
- Good performance counts: a supplier's record of reliable, honest delivery is a legitimate factor in future evaluations and in building preferred-supplier and framework arrangements.
- Poor performance is addressed: persistent late delivery, poor quality or breach of contract is raised with the supplier, managed under the contract's remedies (Section 8.3), and recorded.
- Suspension and blacklisting protect KTN: a supplier found to have offered a bribe, colluded, misrepresented itself, supplied dangerous or counterfeit goods, or seriously or repeatedly breached its contract may be suspended from bidding or removed from the register, on a recorded decision by the Procurement Committee, with the supplier told the reason and given a fair chance to respond.
- Blacklisting is recorded and proportionate: a decision to blacklist is documented, time-limited or subject to review, and applied consistently, so that it protects KTN without being used unfairly against a supplier who has fallen out of favour for the wrong reasons.

Conduct by a supplier that is also a crime, such as offering a bribe or supplying counterfeit goods, is reported to the authorities as well as handled commercially, consistent with the Finance and Anti-Fraud Policy and Section 9.3.

8.3 Contract Management

A contract is the point at which KTN turns an award into an enforceable promise, and managing it well is how KTN actually receives the value it competed for. Without contract management, a good procurement decision leaks away in late delivery, poor quality, scope creep and disputes. KTN puts its significant purchases on proper contracts and manages them from signature to close-out.

Every purchase above the low-value band is supported by a written contract or, for simpler purchases, a local purchase order, that records what is to be supplied, the specification and quality, the price and payment terms, the timeframe, the obligations of each party, and what happens if the supplier fails. Contracts are reviewed for legal soundness in proportion to their value and risk, are signed by a person with the authority to bind KTN, and include, where appropriate, the right to inspect, remedies for non-performance, KTN's supplier conduct and safeguarding requirements, data-protection terms where personal data is involved, and provisions for variation, termination and dispute resolution consistent with the Contracts Act, 2010.

- Administration and monitoring: each significant contract has a named manager who tracks delivery against the contract, using the tool at Annex I, and confirms that what is delivered matches what was agreed before payment is authorised.
- Performance and deliverables: payment is tied to delivery and acceptance, not released in advance of it except where the contract genuinely requires a justified, secured advance; milestones and deliverables are checked against the contract.
- Variations: any change to scope, price or time is agreed in writing, within budget and authority, and recorded; a variation is never used to enlarge a contract beyond what competition would have allowed.
- Renewal and termination: renewals are considered against performance and value, not granted automatically; termination follows the contract's terms and is approved at the level that approved the award.

- Disputes: disputes are handled in good faith and through the contract's dispute-resolution route, with legal advice where the value or complexity requires it.
- Close-out and archiving: on completion, the contract is closed out, final payment made against complete documents, any assets received are on the register, and the file is archived under Section 14.2.

9

CHAPTER NINE

INTEGRITY IN PROCUREMENT

Ethics, conflicts, gifts and the fraud that targets procurement.

9 Integrity in Procurement

9.1 Ethical Procurement and Anti-Corruption

Procurement attracts corruption because it is where money meets discretion. KTN's answer is a plain ethical standard for everyone who touches its procurement, and a firm line against the conduct, bribery, kickbacks, collusion and the rest, that the Anti-Corruption Act, 2009 (Cap. 116) makes criminal. This section states the standard; the Finance and Anti-Fraud Policy and the Code of Conduct carry the wider detail and the disciplinary route.

Everyone connected to KTN's procurement is required to act with honesty and integrity, to put KTN's interests and the children's ahead of their own, to treat suppliers fairly and even-handedly, and to keep procurement information confidential and use it only for KTN's purposes. The following are prohibited absolutely, and several are crimes:

- Offering, giving, soliciting or accepting any bribe, kickback, secret commission or improper payment or benefit, in money or in kind, to influence a procurement or asset decision.
- Colluding with a supplier, or helping suppliers collude with each other, to defeat genuine competition, including rigging bids, sharing out contracts, or leaking confidential bid information.
- Steering a contract to a particular supplier, including a relative, a friend, or a business in which the person has an interest, otherwise than through fair competition.
- Splitting a purchase to avoid competition or higher approval, creating ghost or fictitious suppliers, raising false or inflated invoices, or arranging duplicate payments.
- Using KTN's procurement, assets or supplier relationships for private gain, or allowing a supplier to confer a private benefit in return for business.

KTN expects the same of its suppliers. Significant suppliers agree to a supplier conduct standard, drawn from this policy and the United Nations Global Compact and Core Humanitarian Standard, covering anti-bribery, fair labour, no child or forced labour, environmental responsibility, and the safeguarding of children where their work brings any contact. A supplier that breaches it is dealt with under Section 8.2. Anyone who is offered a bribe, or who suspects corruption in KTN's procurement, must report it under the Whistleblowing Policy and Section 9.3, and is protected for doing so.

9.2 Conflict of Interest, Gifts and Hospitality

Most procurement wrongdoing begins not with theft but with an interest that was not declared. A staff member whose relative owns a bidding company, a manager who would benefit from an award, a board member with a stake in a supplier: each is a conflict of interest, and the harm is done when the interest is hidden and allowed to influence a decision. KTN's rule is simple: declare it, and stand aside.

- Declare: everyone involved in a procurement or asset decision must declare any interest, financial or personal, that they or a related party have in the matter, as soon as it arises, using the declaration at Annex G. Related parties include family, close associates, and businesses a person owns, controls or benefits from.
- Stand aside: a person with a declared interest takes no part in the decision, the evaluation or the approval; they do not influence it directly or indirectly, and the decision is taken by others. Where the conflict is the Executive Director's, the matter passes to the Finance and Audit Sub-Committee; where it is a board member's, that member recuses under the Companies Act, 2012 (Cap. 106).
- Record: declarations and the way they were managed are recorded, so that the integrity of the decision can be shown afterwards. An annual declaration is made by board members, managers and procurement staff, and a specific declaration is made for each relevant decision.

- Gifts and hospitality: staff do not accept gifts, hospitality or favours from suppliers or potential suppliers that could influence, or appear to influence, a procurement decision. Modest, customary courtesies may be acceptable, but anything beyond token value is declined or declared and recorded under the Code of Conduct, and gifts are never solicited.
- Related-party dealings: KTN may deal with a business connected to a board member or staff member only where the interest is fully declared, the person stands wholly aside, the transaction is on arm's-length terms won through normal competition, and the dealing is approved at a higher level and recorded.

A conflict of interest is not in itself wrongdoing; failing to declare it, or acting despite it, is. KTN treats an honest, timely declaration as exactly the right thing to do, and treats a hidden interest, discovered later, as a serious breach.

9.3 Fraud Prevention and Procurement Integrity

Procurement is one of the most common places for fraud against an organisation to occur, and a child-protection NGO can least afford it: every shilling stolen is a child not helped and a donor relationship at risk. KTN builds its defences against procurement fraud deliberately, detects it through honest records and a culture that reports, and responds to it firmly. This section sits within, and is governed in detail by, the Finance and Anti-Fraud Policy.

The fraud risks KTN guards against

KTN is alert to the specific ways procurement and asset systems are exploited for fraud, and builds a control against each: bribery and kickbacks; collusion and bid rigging; supplier favouritism; conflict of interest; ghost and fictitious suppliers; false, inflated or duplicate invoicing; procurement splitting; theft and misuse of assets and stock; manipulation of inventory records; and the newer routes of cyber-enabled payment fraud and the misuse of any digital or AI-assisted procurement tools KTN adopts. Each is named in the risk register (Section 5.2) and is countered by the controls in this policy.

How KTN prevents and detects it

- Prevention is built in: segregation of duties, competition, conflict-of-interest rules, supplier due diligence, delegated authority, document matching before payment, and asset registration and verification together make fraud hard to commit and easy to spot.
- Detection comes from honest records and many eyes: complete procurement files, regular reconciliation of spend by supplier and category to detect splitting and ghost suppliers, asset verification, and the review of single-source and emergency purchases surface what is wrong.
- Reporting is protected and expected: anyone who suspects procurement fraud or corruption reports it under the Whistleblowing Policy, through the channels it provides, and is protected from retaliation. Tips are the single most common way fraud is found; KTN makes it safe to give one.
- Investigation and response follow the Finance and Anti-Fraud Policy: a suspected fraud is investigated fairly, the people involved are dealt with under the disciplinary procedure, losses are pursued, and conduct that is a crime is reported to the Police and the relevant authorities.
- KTN does not allow a person to resign quietly to avoid the consequences of procurement fraud, does not give a clean reference to someone dismissed for it, and informs donors as their agreements and honesty require.

KTN treats the prevention of procurement fraud as protection of children's resources, not as a paperwork exercise, and it reports honestly on what it finds, because an organisation that reports only that it had no problems is not looking.

10

CHAPTER TEN

SUSTAINABLE, GREEN AND LOCAL PROCUREMENT

Buying greener, buying local, buying to KTN's values.

10 Sustainable, Green and Local Procurement

What KTN buys has effects beyond its price: on the environment, on local livelihoods, and on the people in the supply chain. Consistent with its Environmental Policy and its values, KTN weighs those effects in its purchasing, favouring choices that do good or least harm where they offer value for money, drawing on the guidance of ISO 20400 on sustainable procurement.

- Local and community procurement: KTN buys from local suppliers, community enterprises, and women- and youth-owned businesses where they can meet the need at fair value, so that its spending supports the Karamojong economy it serves rather than drawing money away from it. This is balanced against value for money and the rules against favouritism, and is pursued through fair competition, not by steering contracts.
- Green procurement: KTN considers the environmental footprint of what it buys, including energy use, durability, repairability and disposal, favours solar and efficient equipment where it offers whole-life value, and avoids wasteful or short-lived purchases, in line with the Environmental Policy.
- Ethical supply: KTN avoids, so far as it can know, supply chains that rely on forced labour, the worst forms of child labour, or serious environmental harm, consistent with the Employment Act, 2006 (Cap. 226) and its own safeguarding standards.
- Waste and the circular economy: KTN reduces waste in what it buys and uses, reuses and repairs in preference to replacing where sensible, and disposes of what it no longer needs in an environmentally responsible way, including the proper handling of electronic waste under the National Environment (Waste Management) Regulations, 2020 (Section 13.1).
- Whole-life thinking: sustainability and value for money meet in the whole-life view: the durable, repairable, efficient option is often both the greener and the better-value choice over time.

Sustainability is weighed honestly alongside cost, quality and the children's needs, not used as a label. KTN does not pay materially more for a marginal environmental or social claim it cannot stand behind, and it does not greenwash its procurement in its reporting.

11

CHAPTER ELEVEN

INVENTORY AND STORES

Stores and inventory: what is held, counted and reconciled.

11 Inventory and Stores

Between purchase and use, KTN holds stock: office and programme supplies, training and psychosocial materials, fuel, spare parts, and emergency items. Stock that is not controlled is stock that is wasted, stolen or allowed to expire, so KTN manages its stores so that what it holds is recorded, secure, used for its purpose, and reconciled.

- Receipt and recording: items received into stores are checked against the order and recorded on a stock or bin card (Annex M) as they come in, so that the record matches what is physically held.
- Storage and security: stores are kept secure, with access limited to the store custodian, and arranged so that items are protected from damage, theft and deterioration; fuel, medicines and hazardous items are stored to the relevant safety standards.
- Issue against authority: items leave stores only against an authorised request, recorded on the stock card, so that issues are tied to a genuine programme or operational need and to a person who received them.
- Stock rotation and expiry: perishable and dated items are issued oldest-first and monitored for expiry, so that nothing is wasted through poor rotation; expired or damaged stock is written off under Section 13.1.
- Counts and reconciliation: stores are counted regularly through cycle counts, and fully at least once a year, and the physical count is reconciled to the records (Annex M); differences are investigated, not simply adjusted away.
- Minimum and buffer levels: for critical items, KTN sets sensible minimum and buffer levels so that it neither runs out at a crucial moment nor ties up money and risks expiry in excessive stock.

A discrepancy between the stock record and the physical count is treated as a control signal, investigated under Section 9.3 where it suggests theft or manipulation, and used to improve the system, rather than quietly corrected.

12

CHAPTER TWELVE

ASSETS: LIFECYCLE, CUSTODY AND CARE

Assets from acquisition to custody, verification and care.

12 Assets: Lifecycle, Custody and Care

12.1 Asset Management and the Asset Lifecycle

KTN's assets, its vehicles and motorcycles, computers and equipment, solar systems, furniture and the digital and intellectual property it builds, are resources entrusted to it, often by donors, to serve children. An asset that is not registered, assigned and accounted for is an asset waiting to be lost. KTN manages every asset across its whole life, so that what it owns is known, used for its purpose, protected, and properly disposed of at the end.

An asset, for this policy, is an item of value KTN owns or controls and expects to use for more than one year, at or above the capitalisation threshold set in Annex C; lower-value or consumable items are managed as inventory under Chapter 11. The asset lifecycle, and what happens at each stage, is set out below; the asset register is at Annex K.

1. Acquisition: assets are acquired through this policy's procurement process, against an approved need and budget, and donor-funded assets are acquired within the donor's rules.
2. Registration: every asset is entered on the asset register (Annex K) on receipt, with its description, identifying and serial numbers, cost or value, funding source, date, location and assigned custodian.
3. Tagging: each asset is given a unique KTN identification tag or number, fixed to it where practicable, so that it can be identified, tracked and verified; KTN designs its tagging to allow future barcode or QR-code asset systems.
4. Custody assignment: every asset has a named custodian responsible for its safekeeping, proper use and return (Section 12.2).
5. Use, maintenance and insurance: assets are used for KTN's purposes, maintained so that they last and remain safe, and insured where their value and risk justify it (Section 12.4).
6. Movement and verification: asset movements and transfers are recorded, and all assets are verified against the register at least once a year (Section 12.2).
7. Depreciation and impairment: assets are depreciated in KTN's accounts in line with the Finance and Anti-Fraud Policy and applicable accounting standards, and written down where they are impaired (Section 12.4).
8. Disposal: at the end of an asset's useful life, or when it is no longer needed, it is disposed of openly and fairly and removed from the register (Section 13.1).

The asset register is the single source of truth for what KTN owns and where it is. It is kept current as assets are acquired, moved and disposed of, and it is reconciled to the accounts and to the annual physical verification, so that the record and the reality match.

12.2 Asset Custody, Movement and Verification

Assets are kept safe by making someone responsible for each one, by recording every movement, and by checking regularly that the register and the reality still agree. These three controls, custody, movement records and verification, are what stand between KTN and the quiet disappearance of its equipment.

- Custody: every asset is assigned to a named custodian who signs for it (Annex L), is responsible for its safekeeping and proper use, reports its loss or damage at once, and returns it when leaving KTN or the role. An asset issued for personal use in the role, such as a laptop or phone, is used within KTN's policies and returned on exit.

- Movement and transfer: an asset moved between locations, projects or custodians is recorded on an asset transfer form (Annex L), so that the register always shows where an asset is and who holds it. Assets are not moved informally or taken off-site without record.
- Use of vehicles and equipment: vehicles, motorcycles and major equipment are used for KTN purposes, logged where appropriate, and operated within the Health, Safety and Security Policy; personal use is limited to what KTN policy allows and is controlled.
- Verification: at least once a year, KTN physically verifies all assets against the register, confirming that each asset exists, is where the register says, is in the recorded condition, and is being used for its purpose. The verification is done by someone independent of day-to-day custody where possible.
- Discrepancies: a missing, damaged or misused asset found at verification, or reported at any time, is investigated; suspected theft or misuse is escalated under Section 9.3 and the Finance and Anti-Fraud Policy, and a genuine loss is written off only on a proper, approved decision (Section 13.1).

Loss or theft of an asset is reported promptly, recorded, and, where a crime is suspected, reported to the Police. An asset is removed from the register only by disposal or by an approved write-off, never by simply ceasing to record it.

12.3 Special Asset Categories

Some assets carry risks or rules beyond the general lifecycle, and KTN governs them accordingly. The categories below attract specific controls, in addition to registration, custody and verification.

Asset category	Specific controls
Vehicles and motorcycles	Logged use, maintenance schedules, insurance, and operation within the Health, Safety and Security Policy; fuel managed as inventory; disposal at proper value.
ICT equipment: computers, tablets, phones, servers, networking	Registered and tagged; secured and access-controlled under the IT and AI Use Policy; data wiped securely before transfer or disposal; software licences tracked.
Digital assets and platforms; software licences; AI systems	Governed by the IT and AI Use Policy; licences and subscriptions registered, renewed and decommissioned deliberately; access and ownership recorded.
Data assets	Treated as valuable assets and protected under the Data Protection and Privacy Act, 2019 (Cap. 97) and the IT and AI Use Policy; children's data protected to the safeguarding standard; never entered into uncontrolled tools.
Intellectual property and brand assets	KTN's logo, publications, tools, research and the Nga'Karamojong language work are recorded and protected as assets; ownership and permitted use are clear, and contracts assign rights to KTN where appropriate.
Solar and energy equipment	Registered, maintained and insured where justified; disposal handled as electronic and hazardous waste under the Waste Regulations, 2020.
Buildings and fixtures	Held, maintained and insured appropriately; any KTN-funded improvement to premises recorded; donor conditions on premises observed.

Donor-funded and research equipment	Registered with the funding source noted; used and disposed of within the donor's rules, which may reserve title or direct end-use (Section 13.2).

Table 7. Special asset categories and the controls they attract, in addition to the general asset lifecycle.

12.4 Asset Maintenance, Insurance and Depreciation

Assets keep their value, and keep serving children, only if they are looked after, protected against loss, and accounted for honestly as they age. KTN maintains its assets, insures them where it makes sense, and depreciates them properly.

- Maintenance: assets are maintained on a sensible schedule so that they last their expected life, remain safe to use, and do not fail at a crucial moment; vehicles and equipment in particular are serviced and kept roadworthy and safe under the Health, Safety and Security Policy.
- Insurance: assets are insured where their value and the risk of loss justify the cost, including vehicles as the law requires and high-value or high-risk equipment; the insurance position is reviewed as the asset base changes, and a claim is supported by the asset register and records.
- Depreciation: assets are depreciated in KTN's accounts over their useful lives, in line with the Finance and Anti-Fraud Policy and applicable accounting standards, so that the accounts reflect the real, declining value of what KTN holds.
- Impairment: an asset that is damaged, obsolete or no longer usable is written down or written off on a proper, approved decision, so that the register and the accounts do not carry value that no longer exists.
- Replacement: assets are replaced on the basis of condition, usefulness and whole-life cost, planned through the procurement plan where foreseeable, rather than replaced prematurely or run dangerously past their safe life.

Maintenance and insurance are treated as protection of donor-funded value, not as discretionary cost; an asset allowed to fail for want of maintenance, or lost without insurance where insurance was warranted, is a stewardship failure.

13

CHAPTER THIRTEEN

DISPOSAL AND DONOR-FUNDED ASSETS

Disposal done properly, and the special rules of donor-funded assets.

13 Disposal and Donor-Funded Assets

13.1 Asset Disposal and Write-Off

Disposal is where assets are most quietly abused: sold cheaply to an insider, written off to cover a theft, or given away without authority. KTN disposes of assets it no longer needs openly, fairly, at proper value, and on a recorded decision, with the same care it gives to buying them. No asset leaves KTN's hands without authority.

An asset is disposed of only when it is genuinely no longer needed or no longer usable, on a decision approved at the level set by its value, and recorded on a disposal and write-off form (Annex N). Donor-funded assets are disposed of only within the donor's rules, which may require the donor's approval or direct what becomes of the asset (Section 13.2). The disposal method is chosen to get the best fair value or outcome, and is set out below.

Disposal method	When used, and the safeguards	Approval
Sale or auction	For assets with residual value; sold openly at fair market value, never privately to an insider at a favourable price.	Per value band; insiders barred from buying
Trade-in	Where trading in against a replacement gives better value than a separate sale; the value is documented.	Per value band
Transfer or donation	To another organisation, a community body or a beneficiary, where this serves KTN's mission and the donor's rules allow.	Executive Director or Board; recorded
Recycling or environmentally sound disposal	For items with no residual value, especially electronic and hazardous waste, handled under the Waste Regulations, 2020.	Asset function; recorded
Scrapping or destruction	Where an item is unusable, unsafe or must be destroyed (for example media holding sensitive data, which is securely wiped or destroyed).	Asset function; witnessed and recorded
Write-off	Where an asset is lost, stolen, destroyed or obsolete and is removed from the books; a loss to theft is investigated first.	Per value band; Board for major write-offs

Table 8. Asset disposal methods and their safeguards. Every disposal is approved by value, recorded, and barred to interested insiders.

Every disposal is documented: what was disposed of, why, by what method, to whom, at what value, who approved it, and how the proceeds were accounted for. Proceeds of sale belong to KTN, or to the donor where the donor's rules so require, and are banked and recorded, never taken in cash by the person handling the disposal. No board member or member of staff, or their related party, buys a KTN asset on disposal except through a genuinely open process at full value, and even then only with declared interest and higher approval. Disposals are reported in the annual asset statement (Section 15.3).

13.2 Donor-Funded and Grant-Funded Assets

Much of what KTN buys and owns is paid for by a donor, and the donor's money comes with rules about how it is spent, how the resulting assets are used, and what becomes of them. KTN treats donor procurement rules and donor-asset conditions as binding, follows the rules of the fund that paid, and keeps the records that let it account to each donor honestly.

- Donor rules prevail where stricter: where a grant agreement sets procurement methods, thresholds, eligibility or reporting stricter than this policy, the donor's rules apply to that funding, and KTN applies them from the planning stage, not as an afterthought.
- Eligibility and correct charging: goods, works and services bought on a grant are eligible under that grant and are charged to the correct budget line and funding source, so that no cost is charged where it does not belong and no donor pays for what its rules exclude.
- Asset title and end-use: donor-funded assets are recorded on the asset register with the funding source noted, and are used for the purpose the donor funded; where a donor reserves title, or directs what happens to an asset at the end of a project, KTN observes that and disposes of the asset only within those rules and with the donor's approval where required.
- No double funding: KTN does not charge the same cost or asset to more than one donor, and its records allow it to demonstrate this.
- Reporting and audit: KTN keeps the procurement and asset records each donor requires, reports to donors as their agreements require, and supports donor procurement audits and verifications openly, with the files this policy requires made available.

Honest donor accounting is part of stewardship and a condition of KTN's funding and its future. A breach of a donor's procurement or asset rules is treated as seriously as a breach of this policy, and is disclosed to the donor as honesty and the agreement require.

14

CHAPTER FOURTEEN

PAYMENTS, RECORDS AND TECHNOLOGY

Payment controls, records that prove everything, and future-ready tools.

14 Payments, Records and Technology

14.1 Payment, Tax and Financial Controls

Payment is the last gate in procurement, and the one where fraud is finally realised or finally stopped. KTN pays suppliers correctly, on time, against complete documents, with tax handled lawfully, and through controls that work alongside the Finance and Anti-Fraud Policy, which governs payment in detail.

- Pay against matching documents: a payment is made only against a complete, matching set, the approved requisition, the approval, the order or contract, the supplier's invoice, and the goods received note, so that KTN pays only for what it ordered, approved and actually received. Incomplete or mismatched documents are not paid.
- Separation and authorisation: the person who approves a payment is not the person who received the goods or who set up the supplier, and payments are authorised within the financial limits of the Finance and Anti-Fraud Policy; bank payments use dual authorisation.
- Pay the genuine supplier: payment is made to the supplier's verified bank account, confirmed independently of the invoice, to guard against diversion and payment-redirection fraud; a change to a supplier's bank details is verified before any payment is made to the new account.
- Tax handled lawfully: KTN withholds tax where the Income Tax Act, Cap. 340 requires, remits it to the Uganda Revenue Authority, handles VAT correctly, and deals so far as practicable with suppliers who hold a TIN and issue compliant invoices through the URA's electronic systems.
- Advances and pre-payment: payment in advance of delivery is avoided, and made only where a contract genuinely requires it, the amount is justified and, for larger sums, secured, and the delivery is then tracked against it.
- No cash where it can be avoided: payments are made by traceable means rather than cash wherever possible; petty cash is limited to genuine small purchases and is reconciled.

Suppliers are paid as agreed and on time, because fair dealing is part of KTN's integrity and late payment harms the small local suppliers KTN wants to support. A payment that cannot be supported by complete documents is not made until it can be, however urgent the supplier's request.

14.2 Records, Information and Data Protection

The procurement file is the evidence that a purchase was proper, and the asset register is the record of what KTN owns. Without complete, honest, well-kept records, KTN cannot show that it bought fairly, cannot defend itself in an audit or a dispute, and cannot account to its donors. KTN keeps full procurement and asset records, protects the data in them, and retains them as long as the law and donors require.

- Complete files: every procurement above petty cash has a file holding the requisition, quotations or bids, the evaluation and recommendation, the approval, the contract or order, the goods received note, the invoice and proof of payment, and any single-source or emergency justification. The file is the record that the purchase was proper.
- The asset register: the register (Annex K) records every asset and is kept current, reconciled to the accounts and to the annual verification.
- Retention: records are kept for at least the period required by Ugandan law, KTN's accounting needs, and the relevant donor agreements, whichever is longest, and are then disposed of securely.

- Data protection: supplier and personal data in procurement records is collected minimally, held securely with access limited to those who need it, used only for the purpose for which it was given, and protected under the Data Protection and Privacy Act, 2019 (Cap. 97) and the IT and AI Use Policy.
- Confidentiality: bids, prices and supplier information are kept confidential and used only for KTN's procurement; leaking a competitor's bid or a supplier's confidential information is a serious breach.
- Access for assurance: procurement and asset records are available, without rehearsal, to KTN's internal review, its auditors, the Board, and donor verifications, because transparency is a KTN principle.

Records are kept so that a person who had nothing to do with a purchase could follow the file and see that it was fair. A purchase that cannot be evidenced is treated, for assurance purposes, as a purchase that was not properly made.

14.3 Technology and Future-Ready Procurement

KTN's procurement is run today on simple, reliable tools, and it is designed to grow into stronger systems as the organisation scales, without changing the principles. This policy is written so that the move from paper and spreadsheets to digital procurement, asset and inventory systems strengthens control rather than weakening it, and so that new technology is adopted deliberately and safely under the IT and AI Use Policy.

- Build for the future now: KTN keeps its procurement and asset data structured and consistent, and designs its asset tagging to allow future barcode, QR-code or other asset-tracking systems, so that adopting a system later is a step up, not a rebuild.
- Digital procurement and approvals: as KTN grows, it may adopt electronic requisition, approval and procurement systems, supplier portals, and digital signatures; these are introduced under the IT and AI Use Policy, preserve the segregation of duties and approval controls of this policy, and keep a complete audit trail.
- Asset and inventory systems: digital asset and inventory management systems are adopted to strengthen registration, custody, verification and reconciliation, not to replace accountability with automation.
- AI-assisted procurement: any use of artificial intelligence to support procurement, such as analysing spend or screening suppliers, is governed by the IT and AI Use Policy, keeps a human accountable for every decision, never makes an award or a payment decision on its own, and is alert to new fraud risks that automation can introduce.
- Dashboards and reporting: KTN develops simple dashboards and reports on the indicators in Section 15.3 as its data and tools allow, so that procurement and asset performance can be seen and acted on, by management and the Board.
- Data and cyber security: digital procurement and payment introduce cyber-fraud risks, including payment redirection and system compromise; these are managed under the IT and AI Use Policy and the controls of Section 14.1.

KTN does not adopt technology for its own sake, or claim a sophistication it does not have. It adopts what genuinely improves stewardship, value and control, when it is ready to operate it safely, and it says plainly where it is on that road.

15

CHAPTER FIFTEEN

PARTNERSHIPS, ROLES AND ASSURANCE

Procurement in partnerships, who is responsible, and how it is assured.

15 Partnerships, Roles and Assurance

15.1 Procurement in Partnerships, Consortia and Sub-Grants

KTN increasingly works through and with others: as a partner in a consortium, as a recipient passing funds to community-based organisations, and alongside contractors and suppliers who reach children through KTN's work. Its procurement integrity extends to these relationships, because money KTN passes on, and procurement done in its name, carries KTN's accountability with it.

- Sub-grantees and downstream partners: where KTN funds another organisation that will itself procure, KTN checks that the partner has adequate procurement and financial controls before funds flow, requires it to procure to standards consistent with this policy and the relevant donor's rules, builds the partner's capacity where it is willing but not yet able, and monitors the procurement done with KTN's funds.
- Consortia: where KTN procures within or on behalf of a consortium, it follows the agreed lead's rules or this policy, whichever is stricter and applicable, and keeps clear records of what was procured for whom and from whose funds.
- Suppliers and contractors: significant suppliers and contractors agree to KTN's supplier conduct standard (Section 9.1), including anti-bribery, fair labour and, where their work brings any contact with children, KTN's safeguarding requirements; breach is handled under Section 8.2 and their agreements.
- Due diligence on partners handling children: any partner, contractor or supplier whose work involves contact with children meets the safeguarding due-diligence requirements of the Child Safeguarding Policy in addition to the procurement checks in this policy.
- Accountability flows down and back: KTN remains accountable to its donors for procurement done with their funds by those it passes funds to, and it builds that accountability into its sub-grant and partnership agreements rather than assuming it.

KTN is honest with partners and donors about what it can and cannot assure in a downstream relationship, and it does not pass funds to an organisation it has reason to believe cannot account for them. Where it builds a partner's capacity, it does so as a genuine investment in the partner, consistent with its Karamojong-led, locally-rooted mission.

15.2 Roles and Responsibilities Matrix

Stewardship is everyone's duty, but specific responsibilities sit with specific people, so that nothing in this policy depends on goodwill alone. The matrix states who does what. At KTN's current size one person may hold more than one role, provided the separation of duties in Section 5.1 is preserved; as KTN grows, the roles separate.

Who	Responsibility under this policy
Board of Directors	Holds ultimate accountability for stewardship; adopts the policy and revisions; approves thresholds, delegation and the highest-value procurement and disposals; receives the annual statement; reviews compliance yearly.
Finance and Audit Sub-Committee	Oversees procurement and asset risk quarterly; reviews high-value, single-source and emergency procurement and major disposals; receives audit findings and tracks corrective actions.

Executive Director	Accountable for implementation; approves the procurement plan and procurement within delegated limits; maintains segregation of duties; chairs or appoints the Procurement Committee; escalates reserved matters; stands aside where conflicted.
Procurement Committee	Recommends plans; oversees tenders; considers evaluations and recommends or approves awards within its limits; reviews single-source and emergency purchases.
Evaluation Committee / evaluators	Evaluate bids against published criteria, independent of suppliers; record scoring and reasons; recommend the award.
Asset management function	Maintains the asset register; approves transfers and write-offs within limits; recommends disposals; ensures annual verification.
Procurement Focal Person	Runs procurement day to day; maintains the supplier register and procurement records; supports evaluations; maintains the legal, donor and standards register; prepares procurement reports.
Budget holders	Confirm funds are available and correctly charged before commitment; accountable for value obtained from their budgets; raise honest requisitions.
Store and asset custodians	Responsible for the safekeeping, proper use and accounting of the stock and assets in their charge; record receipts, issues and movements; report loss or damage.
Finance	Pays against complete, matching, authorised documents; handles tax; maintains financial controls and dual authorisation; supports reconciliation and audit.
All staff and volunteers	Follow the policy; declare conflicts; refuse and report bribes and fraud; care for assets in their use; report concerns without fear of detriment.
Suppliers, contractors, partners	Meet KTN's supplier conduct standard and the terms of their agreements; compete fairly; deliver as agreed; cooperate with KTN's controls and audits.

Table 9. Roles and responsibilities for procurement and asset management. One person may hold more than one role at KTN's current size, provided segregation of duties is preserved.

15.3 Monitoring, Evaluation, Accountability and Learning

Procurement and asset management live inside KTN's MEAL framework, not beside it. KTN tracks a small set of indicators chosen to be honest and collectable rather than impressive, and reads them for what they show, including bad news. The measurement philosophy is the one KTN applies to its programmes: outcomes over activity. The number of purchases made is an activity count; whether KTN bought competitively, got value, and lost nothing to fraud is the outcome.

The core indicators cover: the proportion of procurement above the low-value band that followed the required competition and approval; the proportion of purchases with a complete procurement file; the proportion of single-source and emergency purchases properly justified and approved; procurement cycle time, the time from requisition to award, watched so that control does not become delay; value-for-money evidence and any savings achieved; the proportion of significant suppliers with due diligence completed; supplier and contract performance; the accuracy of the asset register against physical verification, and asset loss rates; inventory accuracy against physical counts; procurement and asset audit findings and the status of corrective actions; and the number and handling of procurement concerns and fraud reports. The full set, with definitions, frequencies and owners, is at Annex P, and KTN develops dashboards on these indicators as its tools allow (Section 14.3).

The Procurement Focal Person reports these quarterly to the Executive Director and, once a year, prepares a procurement and asset statement for the Board: what was bought and how competitively, value and savings, single-source and emergency use, supplier and contract performance, the asset position and any losses and disposals, audit findings, concerns and fraud handled in anonymised form, lessons learned, and what KTN will do differently. An organisation that reports only that it had no problems is not measuring; KTN measures, and reports honestly, because transparency and accountability are KTN values and not slogans.

15.4 Quality Assurance, Audit and Review

Once a year, KTN checks its own procurement and asset management using the checklist at Annex P, led by someone independent of day-to-day procurement and custody so that it is a check and not a self-portrait.

The audit tests whether the policy is being lived: that competition and approval thresholds were followed, that files are complete, that single-source and emergency purchases were justified and approved, that conflicts of interest were declared and managed, that suppliers were checked, that the asset register matches the physical verification, that stores reconcile, that disposals were proper, and that donor procurement rules were met. Findings, with corrective actions and owners, go to the Executive Director and the Finance and Audit Sub-Committee, and a summary appears in the annual statement.

KTN supports external and donor procurement audits openly, with the registers, files and records this policy requires made available without rehearsal. It commissions independent external review of its procurement and asset arrangements at least once within the life of the Strategic Plan 2026 to 2030, and sooner if a serious procurement or asset issue warrants it. The findings of audit and review feed the risk register, the indicators and the next review of this policy, so that the system improves from what is actually found.

15.5 Records, Audit Trail and Retention

Procurement either leaves a trail or it leaves nothing. Every requisition, quotation, evaluation, approval, delivery and payment under this policy is recorded when it happens, protected from later alteration, and kept for a set period rather than for as long as it happens to survive. An auditor, a donor or the Board must be able to reconstruct who bought what, from whom, at what price, and on whose authority.

- One purchase, one traceable file. Every procurement above petty cash carries its requisition, its quotations or bids, the evaluation and recommendation, the approval, the contract or order, the goods received note, the invoice and the proof of payment under a single reference. A purchase without a complete file is a control failure, whether or not the goods arrived.
- Approvals recorded against the schedule. Each approval names the person, the date and the band in Annex C under which it was given. Splitting a purchase to stay under a band is a breach in itself (Section 5.1), and it is visible only if the record is kept this way.
- No silent edits. Registers are not overwritten. A correction to the asset register, the stores record or the supplier register is a dated entry carrying its reason and its approver, leaving the original legible.
- Systems keep their own log. Where procurement, stores or asset records are held electronically, the system records who created, changed or approved each entry and when. Those logs are retained and reviewed under this section, and are configured so that a person cannot erase the record of their own activity. Shared logins defeat this and are prohibited.
- Reviewed, not just kept. The annual internal check in Section 15.4, and any external or donor audit, test a sample of purchases end to end against this section, including the access logs, and report what they find to the Finance and Audit Sub-Committee.

The periods below are minimums, running from the end of the financial year in which the transaction closed unless stated otherwise. Where a donor agreement, an open investigation, a tax query or a court process requires longer, the longer period applies, and nothing is destroyed while a matter it relates to is live. At the end of the period records are destroyed securely, and the destruction is itself logged: what was destroyed, when, on whose authority.

Record	Minimum retention period
Procurement file for any purchase above petty cash	Seven years from final payment or contract close-out, whichever is later
Contracts, including donor-funded contracts	Seven years from expiry, or the period the donor agreement requires if that is longer
Supplier register, due diligence and screening records	Seven years from the end of the relationship
Asset register and asset custody records	The working life of the asset, then seven years from its disposal
Stores, inventory and stock count records	Seven years
Disposal and write-off approvals, and the proceeds record	Seven years from disposal
Conflict of interest, gift and hospitality declarations	Seven years
Records of a suspected or proven procurement fraud	Ten years from closure of the case
System access, approval and change logs	Twelve months, with the most recent three months immediately retrievable
Board and committee minutes approving thresholds, awards and disposals	Permanent

Minimum retention periods for procurement and asset records. A donor agreement, an investigation or a legal process may require longer, and then the longer period applies.

16

CHAPTER SIXTEEN

RESOURCING, IMPLEMENTATION, REVIEW AND CONCLUSION

The budget, the first year, the review discipline, and what it is all for.

16 Resourcing, Implementation, Review and Conclusion

16.1 Budgeting and Resourcing

A procurement and asset system needs resourcing to work, and good procurement saves more than it costs. KTN resources this policy as part of running a credible, fundable organisation.

The Board ensures that KTN has the means to operate this policy: a Procurement Focal Person's time and capability, the training that staff, budget holders and custodians need, the simple tools to keep the supplier register, the asset register and procurement records, the cost of competition and proper evaluation, asset tagging, verification and insurance, and, over time, the digital systems of Section 14.3. Where KTN procures on a project, the costs of procuring and managing assets to this policy's standard are built into the project budget rather than borrowed from a central pot, and KTN presents sound procurement and asset stewardship to donors as part of programme quality and invites them to fund it as such.

What KTN does not do is pretend to a level of procurement capability its resources cannot support. A small organisation that operates honest, proportionate controls it can actually run is more credible to a donor than one that claims a sophisticated system it cannot staff, and credibility, here, is continued funding for children. KTN resources what it commits to, and is honest about what it is still building.

16.2 Implementation Roadmap

Implementation begins in the first quarter of the 2026/27 year and builds in a disciplined sequence: the controls that protect money first, then the systems that sustain them, then external assurance. The detailed one-year plan, with responsibilities and indicators per action, is at Annex P.

Period	Focus
Year One, Q1 (Apr to Jun 2026)	Appoint or confirm the Procurement Focal Person and procurement roles in job descriptions; adopt the thresholds and delegation matrix (Annex C) and put segregation of duties in place; open the procurement files, the supplier register and the conflict-of-interest register; establish the asset register (Annex K) and begin tagging assets; display the policy statement at every site.
Year One, Q2 (Jul to Sep 2026)	Prepare the first annual procurement plan (Annex B) with the budget; embed the requisition-to-payment cycle and the quotation and evaluation steps; complete supplier due diligence (Annex F) for significant suppliers and add conduct clauses to agreements; first quarterly procurement report to the Executive Director.
Year One, Q3 (Oct to Dec 2026)	Bring significant purchases onto proper contracts and begin contract monitoring (Annex I); establish inventory and stores controls (Annex M); complete the first asset verification; train staff, budget holders and custodians on the policy.
Year One, Q4 (Jan to Mar 2027)	First annual procurement and asset statement to the Board; first internal procurement and asset audit (Annex P); consolidate lessons from the year and agree the Year Two plan; review the thresholds with the budget.

Years Two to Three	Mature the system: framework and preferred-supplier arrangements for repeated needs; stronger supplier performance management and scorecards; introduce digital procurement, asset or inventory tools under the IT and AI Use Policy where ready; deepen the asset verification and reconciliation.
Years Four to Five	Commission independent external review of procurement and asset arrangements; integrate procurement and value-for-money evidence into KTN's wider reporting; review and revise this policy for the next strategic period.

16.3 Policy Review and Updates

This policy is reviewed every three years, with the next scheduled review by May 2029, and earlier where any of the following requires it: a change in Ugandan law on procurement, tax, anti-corruption, contracts, the environment or data; a new or changed donor requirement; organisational restructuring or significant growth; a revision of the Strategic Plan; a significant procurement or asset fraud or a pattern of concerns that shows the policy is not working as written; the adoption of a new procurement, asset or financial system; a finding from audit or evaluation; or the direction of the Board.

Minor administrative updates, such as corrected references, retitled roles and changed contact details, may be approved by the Executive Director. The procurement threshold values are set and revised only by the Board, and every revision is recorded in the Amendment History Register. Any substantive change to commitments, standards or responsibilities is approved by the Board. Every change is recorded in the Version Control Register and the Amendment History Register at the front of this document, with the version number incremented accordingly. Each review checks the policy against the legal and donor register, the procurement and asset records, the audit findings and the indicator data, so that revision is driven by evidence and by what has actually happened in KTN's work, not by the calendar alone.

16.4 Conclusion

KTN is trusted with other people's money to do something difficult and important: to find, protect and bring home the children of Karamoja. Almost every part of that work passes through procurement, and almost everything KTN owns was bought with money given in trust. How KTN buys, and how it looks after what it owns, is therefore not an administrative detail. It is one of the clearest tests of whether KTN can be trusted with what it is given, and whether the maximum reaches the children or leaks away on the road.

This policy is how KTN keeps that trust. The controls in it are deliberately ordinary: plan before you buy, compete fairly, divide the authority to spend, declare your interests, refuse the bribe, check the supplier, pay only for what arrived, register and look after the asset, dispose of it openly, and measure honestly whether you did. None of it is dramatic. Done consistently, it is what keeps donor money turning into help for children, and what keeps the door open to the next grant and the next child.

KTN cannot promise that nothing will ever go wrong; no honest organisation can. What it promises is that it has built its defences against waste and fraud with care, that it will back any person who refuses a bribe or raises a concern, that it will put stewardship and value for money before the speed, cost or convenience of any task, and that it will keep this policy the way it keeps all its promises: in the open, against the evidence, for the long term. Spending honestly and wisely is how we keep our promise to the children of Karamoja.

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17 Annexes

The sixteen annexes that follow are the working tools of this policy. They are templates, forms and checklists, not records: blank copies are held by the Procurement Focal Person, completed copies are filed in the relevant procurement, contract or asset records, and the formats may be adjusted for practicality by the Executive Director provided the substance and the controls are kept. The shilling thresholds in Annex C are set by the Board. Where an annex refers to another KTN policy, that policy governs the detail.

Annex A: Procurement and Asset Management Responsibilities and Acknowledgement

Read, agreed and signed by every member of staff with a role in procurement or asset custody, by members of the Board and the procurement and asset committees, and by volunteers, consultants and contractors as their role requires, as part of induction and before they request, approve or handle KTN's resources.

I have read and understood the KTN Procurement and Asset Management Policy, and I agree to uphold it in everything I do with KTN's money, purchases and assets.

I will:

- treat KTN's money and assets as held in trust for children and donors, and put stewardship and value for money ahead of speed, convenience and personal interest;
- follow the procurement methods, thresholds and approvals that apply to what I buy, and keep within the authority I have been given;
- compete purchases fairly, evaluate honestly against the stated criteria, and record my decisions and reasons;
- declare any conflict of interest as soon as it arises, and take no part in a decision in which I or a related party have an interest;
- care for any asset or stock in my charge, record its movement, and report its loss or damage at once; and
- report any bribe offered to me, and any procurement fraud or wrongdoing I suspect, through the routes in Sections 9.2 and 9.3, knowing I will be protected for doing so.

I will never:

- offer, give, solicit or accept a bribe, kickback or improper benefit, in money or in kind, in connection with KTN's procurement;
- steer a purchase to a relative, friend or business I have an interest in, or split a purchase to avoid competition or higher approval;
- create a false or ghost supplier, raise a false or inflated invoice, or approve a payment for goods not received;
- buy a KTN asset on disposal other than through a genuinely open process at full value, with my interest declared; or
- use KTN's procurement, assets or supplier relationships for my own private gain.

I understand that compliance with this policy is a condition of my role with KTN, that a breach is a disciplinary matter that may lead to dismissal, and that conduct which is a crime, including bribery, fraud, forgery, theft and money laundering, will be reported to the authorities.

Field	Detail
Name	
Role / relationship to KTN	
Signature	

Date	
Witnessed by (KTN)	

Annex B: Annual Procurement Plan Template

Prepared each year with the budget, built from project and functional work plans, approved with the budget by the Executive Director, and used through the year to consolidate needs and plan competition. One row per planned purchase or category.

#	Item / category	Programme / dept	Est. value (UGX)	Funding source	Method (Sec 14)	Timing

Summary fields completed with the plan: total planned procurement value by funding source; items suitable for framework or preferred-supplier arrangements; long-lead items needing early action; and the prepared-by, reviewed-by and approved-by names and dates.

Annex C: Procurement Methods, Thresholds and Approval Matrix

The authoritative, current schedule of procurement methods, thresholds and approval authorities. The shilling values are indicative and are set, and reviewed at least annually with the budget, by the Board of Directors; the Executive Director may not amend them. Stricter donor thresholds prevail for the funding concerned. The asset capitalisation threshold is UGX 500,000: an item at or above that value with a useful life of more than one year is registered as an asset; below it, the item is managed as inventory under Chapter 11.

Methods and thresholds

Value band (indicative)	Method and minimum competition	Approval authority
Up to UGX 100,000	Direct purchase from petty cash; no quotations; fair-priced source.	Budget holder
UGX 100,001 to 2,000,000	At least three quotations or a current price list; written comparison.	Line manager / Procurement Focal Person
UGX 2,000,001 to 20,000,000	Written RFQ to at least three suppliers; written evaluation.	Executive Director, on Committee recommendation
UGX 20,000,001 to 100,000,000	Restricted or open tender; Evaluation Committee; Committee recommendation.	Executive Director; above 50,000,000, Finance and Audit Sub-Committee
Above UGX 100,000,000	Open competitive tender; full evaluation.	Board of Directors
Single-source, any value	No competition, on written justification (Section 7.3).	One level above the normal authority
Emergency, any value	Fastest route protecting value (Section 7.3).	Executive Director; reported to the Board

Table 10. Procurement methods and thresholds. Indicative shilling values, set by the Board; stricter donor rules prevail.

Delegation of authority matrix

Role	May approve up to (UGX, indicative)	Subject to
Budget holder	100,000 (petty cash)	Budget available; receipt kept
Line manager / Procurement Focal Person	2,000,000	Three quotations; comparison recorded
Executive Director	50,000,000	Committee recommendation; evaluation on file
Finance and Audit Sub-Committee	100,000,000	Tender file; recorded decision
Board of Directors	Above 100,000,000; all strategic and major disposals	Minuted decision

Table 11. Delegation of authority. Figures are indicative and Board-set; no one approves a purchase in which they have an interest, or splits a purchase to stay within a limit.

Annex D: Purchase Requisition and Procurement Request Form

Raised by the budget holder or project before any commitment is made to a supplier, and approved per the value band. The requisition is the start of the procurement file.

Field	What to record
Requisition number and date	A unique reference and the date raised.
Requested by / department	Name, role and the programme or function.
Item, works or service	A plain, honest description and specification of what is genuinely needed; quantity.
Estimated value (UGX)	A realistic estimate, used to set the method and approval band.
Budget line and funding source	The budget line to be charged and the funding source; confirmation that funds are available.
Justification and need-by date	Why it is needed, for what activity, and by when.
Budget confirmation	Name and date of the person confirming funds and correct charging.
Approval	Name, role, signature and date of the approver for the value band (Section 6.2).

Annex E: Request for Quotation and Bid Evaluation Template

The RFQ section is sent to suppliers; the evaluation section is completed by the evaluator or Evaluation Committee, independent of the suppliers, against criteria set before the offers are opened.

Request for quotation

Field	What to include
Reference and date	RFQ reference; date issued; closing date and time.
Specification	What is required, in what quantity, to what standard; the same for every supplier.

Terms	Delivery location and time; payment terms; any KTN conditions and conduct requirements.
Evaluation criteria	The criteria and their relative weight, stated before offers are sought.
How to submit	Where and how, and by when, offers must be returned.

Bid evaluation

Criterion	Weight	Supplier 1	Supplier 2	Supplier 3
Price (whole-life)				
Quality / specification met				
Delivery / timeliness				
Capability and record				
Total score				

Field	
Recommended supplier and reason	
Evaluated by (names, roles)	
Conflict of interest declared?	
Approved by / date	

Annex F: Supplier Registration and Due Diligence Form

Completed by a supplier on registration and used by the Procurement Focal Person to record the due-diligence checks for the value and risk of the engagement (Section 8.1).

Supplier registration

Field	What to record
Legal name and trading name	The supplier's registered and trading names.
Registration and ownership	Company or business registration number; owners or directors.
Tax registration (TIN)	Taxpayer Identification Number; VAT status where applicable.
Contact details	Address, phone, email, contact person.
Bank details	Account name, bank, account number (to be verified independently of any invoice).
Categories supplied	The goods, works or services the supplier can provide.
References	Two or more contactable references for similar supply.

Due diligence checklist

Check	Done	Evidence / note
Supplier genuinely exists and is reachable		
Legal and tax registration confirmed		
Bank details confirmed independently of invoice		
Capability to deliver assessed		
References taken		
Conflict-of-interest screen (no undeclared KTN interest)		
Sanctions / prohibited-party screen (where required)		
Safeguarding / data checks (where work requires)		
Agreed to KTN supplier conduct standard (where required)		

Annex G: Conflict of Interest, Gifts and Anti-Corruption Declaration

Made annually by board members, managers and procurement staff, and specifically whenever a relevant interest arises in a purchase, asset decision or supplier relationship (Section 9.2).

I confirm that I understand KTN's rules on conflict of interest, gifts and anti-corruption, and I declare below any interest I or a related party have that bears, or could appear to bear, on a KTN procurement or asset decision.

Field	What to record
Name and role	Your name and role at KTN.
Nature of declaration	Annual declaration, or a specific decision (state which purchase, asset or supplier).
Interest declared	The interest you or a related party have: the supplier or party, the relationship, and its nature.
Related party	Who the related party is and how they are connected to you.
How it will be managed	How you will stand aside; who will take the decision instead.
Gifts or hospitality	Any gift, hospitality or favour offered or received from a supplier, with value and your response.
Signature and date	Your signature and the date.
Noted and managed by	Name, role and date of the person recording how the conflict was managed.

Annex H: Vendor Performance Scorecard

Completed for significant or repeat suppliers after delivery or periodically, and used in future evaluations and in suspension or blacklisting decisions (Section 8.2).

Criterion	Weight	Score	Comment
Quality of goods / works / services			
Delivery and timeliness			
Price and value as agreed			
Communication and cooperation			
Integrity and conduct			
Overall rating			
Field			
Supplier and contract			
Assessed by / date			
Action (continue, develop, warn, suspend, blacklist)			

Annex I: Contract Management and Monitoring Tool

Held by the named contract manager for each significant contract, and used to track delivery against the contract through to close-out (Section 8.3).

Field	What to record
Contract reference and supplier	Reference, supplier, and what is contracted.
Value and payment terms	Contract value; how and when payment is due; any advance and its security.
Start, end and key dates	Duration and the dates that matter, including renewal or notice dates.
Contract manager	The named person responsible for monitoring the contract.
Deliverables and milestones	What is to be delivered, when, and how acceptance is confirmed (tracked below).
Milestone / deliverable	
Field	
Variations (agreed in writing, within authority)	
Disputes and how handled	

Close-out: complete, final payment, assets registered, filed	

Annex J: Goods, Works and Services Received Note

Completed by the user or store custodian, not by the person who placed the order, when goods, works or services are received, and matched against the order and invoice before payment (Section 14.1).

Field	What to record
GRN number and date	A unique reference and the date received.
Supplier and order reference	Who supplied, and the order or contract reference.
Received by	Name and role of the person receiving and checking (not the buyer).
Item / description	
Field	
Discrepancies or shortfalls	
Entered on asset register? (if asset)	
Signature and date	

Annex K: Asset Register Template

The single source of truth for what KTN owns and where it is. Maintained by the asset function, kept current, and reconciled to the accounts and to the annual physical verification (Section 12.1). One row per asset; the columns below are recorded for each.

Column	What it records
Asset ID / tag number	The unique KTN identification number fixed to the asset.
Description	What the asset is: make, model, type.
Serial / identifying number	The manufacturer's serial or other identifying number.
Cost or value, and date	What it cost or its value, and the date acquired.
Funding source	The donor or fund that paid, where applicable, and any title condition.
Location	Where the asset is.
Custodian	The named person responsible for it.
Condition and status	Its condition, and whether in use, in store, transferred, impaired or disposed of.
Disposal reference	On disposal, the disposal or write-off reference (Annex N) and date removed.

Annex L: Asset Custody, Movement and Transfer Form

Signed when an asset is first assigned to a custodian, and whenever it moves between locations, projects or custodians, so the register always shows where an asset is and who holds it (Section 12.2).

Field	What to record
Asset ID and description	The tag number and what the asset is.
Movement type	First assignment, transfer between custodians, transfer between locations, or return.
From / to	The releasing and receiving custodian and location.
Reason and date	Why the asset is being moved, and the date.
Condition at transfer	The condition of the asset when handed over.
Released by	Name, signature and date of the releasing custodian.
Received by	Name, signature and date of the receiving custodian, accepting responsibility.
Register updated	Confirmation that the asset register has been updated, by whom and when.

Annex M: Inventory and Stores Count Sheet

Used as the stock or bin card for each item and for the periodic and annual counts, with the physical count reconciled to the record and differences investigated (Chapter 11).

Date	Reference	Received	Issued	Balance	Signature
Field					
Item and unit of measure					
Physical count (date)					
Balance per record					
Variance and explanation					
Counted by / verified by					

Annex N: Asset Disposal and Write-Off Form

Completed for every disposal or write-off, approved at the level set by the asset's value, with interested insiders barred from buying, and the proceeds banked and recorded (Section 13.1).

Field	What to record
Asset ID and description	The tag number and what is being disposed of.

Reason for disposal	Why it is no longer needed or usable; for a write-off, what happened (and whether theft is suspected).
Funding source and donor rule	The fund that paid, and any donor condition or approval needed on disposal.
Method	Sale, auction, trade-in, transfer, donation, recycling, destruction or write-off (Section 13.1).
Valuation	The fair value, and how it was assessed.
Recipient / buyer	Who received or bought it; confirmation that no interested insider benefited improperly.
Proceeds	Amount received, and confirmation it was banked and recorded (to KTN or the donor).
Approval	Name, role, signature and date of the approver for the value; Board for major disposals.

Annex O: Procurement and Asset Risk Register

Held by the Procurement Focal Person within KTN's organisational risk system and reviewed quarterly by the Finance and Audit Sub-Committee (Section 5.2). The rows below are starting risks from Table 4; add and rate others as they arise.

Risk	L	I	Rating	Owner	Treatment and status
Bribery, kickbacks or collusion divert funds					
Favouritism / undeclared conflict of interest					
Poor value for money					
Supplier failure to deliver					
Procurement splitting / threshold avoidance					
Asset loss, theft or misuse					

Table 12. Procurement and asset risk register. L is likelihood and I is impact, rated and combined as in Section 5.2.

Annex P: Procurement Compliance and Audit Checklist

Worked through once a year by someone independent of day-to-day procurement and custody, with findings, owners and target dates going to the Executive Director and the Finance and Audit Sub-Committee (Section 15.4). This annex also holds the indicator set and the one-year implementation plan.

Compliance and audit checklist

Check	Yes / No / Partial	Evidence / action
Purchases above low value followed the required competition and approval		
Procurement files are complete (requisition to payment)		
Single-source and emergency purchases were justified and approved		
Conflicts of interest were declared and managed		
Suppliers were registered and due diligence was done		
No evidence of splitting, ghost suppliers or duplicate payments		
Contracts were in place and monitored to close-out		
Asset register matches the physical verification		
Stores reconcile to physical counts		
Disposals were proper, valued and recorded		
Tax was withheld and remitted correctly		
Donor procurement rules were met		

Core indicators

Indicator	Frequency	Owner
% of purchases above low value with required competition and approval	Quarterly	Procurement Focal Person
% of purchases with a complete procurement file	Quarterly	Procurement Focal Person
% of single-source and emergency purchases properly justified	Quarterly	Procurement Focal Person
Procurement cycle time (requisition to award)	Quarterly	Procurement Focal Person
% of significant suppliers with due diligence completed	Quarterly	Procurement Focal Person
Asset register accuracy against physical verification; asset loss rate	Annual	Asset function

Inventory accuracy against physical counts	Quarterly	Store custodian
Audit findings and status of corrective actions	Quarterly	Finance and Audit Sub-Committee
Procurement concerns and fraud reports, and their handling	Quarterly	Executive Director

Table 13. Core procurement and asset indicators. Definitions are held with the register; KTN develops dashboards on these as its tools allow.

One-year implementation plan

Action	Lead	By	Indicator of completion
Confirm Procurement Focal Person and roles; adopt thresholds and delegation (Annex C); set up segregation of duties	ED	Q1	Roles and matrix in place
Open procurement files, supplier register and conflict-of-interest register; establish and begin tagging the asset register	PFP	Q1	Registers opened; tagging begun
Prepare the first annual procurement plan; embed the requisition-to-payment cycle	PFP / budget holders	Q2	Plan approved; cycle in use
Complete due diligence for significant suppliers; add conduct clauses	PFP	Q2	Due diligence on file
Bring significant purchases onto contracts; begin contract monitoring; establish stores controls; first asset verification	PFP / custodians	Q3	Contracts and counts in place; verification done
Train staff, budget holders and custodians on the policy	ED / PFP	Q3	Training delivered
First annual procurement and asset statement to the Board; first internal audit; agree Year Two plan	ED / PFP	Q4	Statement and audit complete

SHIELDING PASTORALIST CHILDREN · BUILDING FUTURES · LEADING CHANGE

Behind every number is a child with a name.

This policy is not a statement of intent. It is the standard every person who commits, spends or holds what KTN is given is held to, from the first quotation raised to the final disposal of the asset.

Karamoja Tumaini Network

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PROCUREMENT AND ASSET MANAGEMENT POLICY · VERSION 1.0 · EFFECTIVE MAY 2026