

## Frequently Asked Questions on Procurement of Service/Products

Q1: What documentation can we submit as 'other relevant supporting documents' in each circumstance to support the application when three quotations are not available despite our best efforts? Are there any specific examples?

Answer: Justification is required with supporting documents depending on the types of limited quotations or tender applicable.

You will need to submit the [<Justification Form for Limited Quotation and Tender>](#) template together with your grant application.

Q2: My cooperative is planning to purchase hardware such as laptops and monitors. Can I obtain three online quotes for the purchase, for example, from retailers like Challenger, Harvey Norman, etc.?

Answer: Yes. Online quotes obtained from retailers can be accepted.

Q3: My Co-operative plans to continue engaging the same audit firm to conduct audits even after the service agreement expires in April 2026. Can we refrain from calling for quotations, citing that it would cause significant inconvenience to the Co-operative?

Answer: No. The CCF Framework does not recognize the procurement of additional goods and services from the same supplier, specifically engaging the same audit firm for subsequent years or utilizing the services of the same IT vendor for off-the-shelf products, for **administrative convenience**. Therefore, if a purchase of this nature exceeds \$6,000, a minimum of three quotations or proof of tender exercise would still be required.

Q4: My Co-operative plans to continue engaging the IT vendor to subscribe MSOffice package even after the service agreement expires in May 2026. Can we refrain from calling for quotations, citing that it would cause significant inconvenience to the Co-operative?

Answer: No. You are required to obtain 3 quotations as off-the-shelf products such as MS Office are offered by multiple vendors/resellers. In accordance with the new conditions, the CCF Framework does not recognize the procurement of additional goods and services from the same supplier, specifically engaging the same audit firm for subsequent years or utilizing the services of the same IT vendor for off-the-shelf products, for administrative convenience.

Q5: What documents should I provide to show proof of tender exercise?

Answer: Apart from other grant-specific supporting documents, a co-operative will be required to submit 3 quotations obtained from vendors of comparable scope **AND** documentary proof of outcome and approval of tender award.

Q6: We believe it would be more advantageous to entrust the added service, such as system maintenance, to our current vendor. Given the seamless integration with our existing IT project, we are leaning towards skipping the quotation or tender process, anticipating potential disruptions and additional expenses that might arise if we engage another vendor. Could we proceed with the grant application without providing quotations or proof of tender?

Answer: Yes. However, the co-op must provide supporting documents to demonstrate that opting for another vendor is not economically or technically viable. These documents serve as evidence affirming that the proposed change, such as adding system maintenance, is not feasible for economic reasons or due to technical constraints.

This includes considerations of compatibility and interoperability with existing equipment and software procured under the initial procurement. The supporting documents are crucial in ensuring transparency and compliance with grant guidelines when considering an alternative vendor.

Q7: We are engaging an audit firm for five years starting from October 2024. In addition to providing three quotations if the fee exceeds \$6,000, what other documents does SNCF require for applying to the CCF Development Grant (Professional Service - Statutory Audit Fee)?

Answer: If a cooperative engages the same auditor for five consecutive years, the contract/agreement from the service provider should explicitly outline:

1. the agreed-upon scope (including member's savings and loans for credit co-operative) and;
2. costs for each specific year within the five-year period.

It is crucial that the document clearly specifies which five years are covered. Moreover, there must be an extracted record of minutes from the meeting to substantiate the approval and support from the COM.

This approval should explicitly indicate the appointment of the service provider and specify the agreed-upon services for each of the five years within the entire five-year period.

Co-operatives are reminded to ensure that service providers engaged comply with the prevailing CCF Grant conditions.

Q8: If I am entering a 2-year agreement with my service provider, and the cost of service is \$4,000/year (with a yearly expenditure below \$6,000), do I still need 3 quotations of comparable scope for goods or services?

Answer: Yes, a cooperative still needs to obtain three quotations at the initial evaluation stage (before engagement) since the total contract value / expenditure will exceed \$6,000. Goods or services with value > \$3,000 are not to be broken down into multiple values of < \$3,000.

Q9: Noting that for any goods or services above \$6,000 in value, it is necessary to provide support/approval from COM on the appointed vendor and the type of service/products to be procured. In the scenario where the COM has delegated the approving authority to a key appointment holder in the co-op, will the approval/support from this individual suffice?

Answer: Yes. While the key appointment holder has the authorization to approve/support the appointment of vendor and procurement of service/product, the delegation approved by the COM has to be officially documented before the procurement/engagement and submitted as part of the supporting documents for verification during the grant application.

Q10: Will we be required to obtain 3 quotations for the renewal of software licenses (e.g. MSOffice) if the initial purchase is below \$6,000 but the renewal fees exceed \$6,000 due to an increase in license subscribed?

Yes. Procurement is based on aggregated purchase and not split purchase.