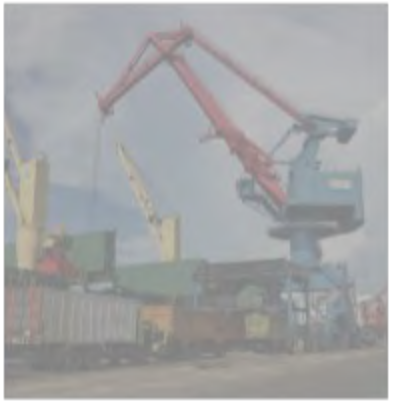
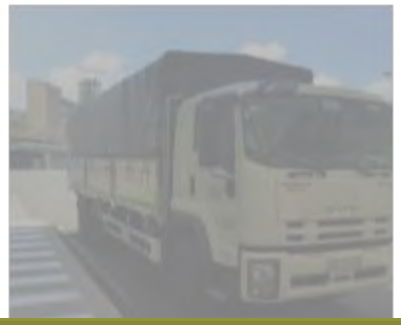



Commodity Management Toolkit

Version V2.1_January 2018

USAID
FROM THE AMERICAN PEOPLE

TOPS
Promoting excellence in food security programming

Go To:
START page

There are 10 sub-processes in the CM Lifecycle, as follows.

1. **Project Start-Up**: CM-related activities involving Program Management staff, e.g., contracting service providers for commodity import, finalizing eligibility criteria and CM budget, compiling master recipient list, establishing distribution monitoring system. **Note**: Ongoing CM-related activities that PM staff are responsible for are included in **A. Internal Control and Quality Oversight**.
2. **Sales Orders**: Preparation, submission, and approval of Sales Orders
3. **Procurement**: USDA tendering process and commodity swaps, loans, transfers, and diversions
4. **Ocean Shipment**: Tendering shipping contracts with ocean carriers and loading commodity at US port
5. **Port Operations**: Preparation for vessel arrival, commodity discharge, inspection, and dispatch from port
6. **Transport**: Tendering, awarding, and administering private transporter contracts
7. **Warehousing**: Establishing a warehouse; commodity receipt, storage, dispatch, and accounting
8. **Distribution**: Distribution planning, site set-up, distribution procedures, and reporting
9. **Food Distribution Monitoring**: Monitor training and scheduling; data collection, synthesis, feedback, and reporting
10. **Close-Out**: Close-Out Plan preparation and submission, CM-related close-out activities, final reporting

Two additional sub-process cut across many of the 10 lifecycle sub-processes.

A. **Internal Control and Quality Oversight**: Warehouse and distribution control systems, ongoing monitoring, and required reporting

B. **Internal Losses**: Commodity testing, reconstitution, and disposal; loss reporting; investigations and claims

This toolkit is specifically designed for USAID development food security activity commodities. It does not cover emergency programs like that of WFP commodities, or Local and Regional Procurement (LRP) commodities.

This toolkit was developed by The TOPS Program with active involvement of the community of commodity management practitioners from the partner agencies. The Technical and Operational Performance Support (TOPS) Program was made possible by the generous support and contribution of the American people through the U.S. Agency for International Development (USAID). The contents of this toolkit were created by The TOPS Program and do not necessarily reflect the views of USAID or the U.S. Government.

Start

HOW TO NAVIGATE

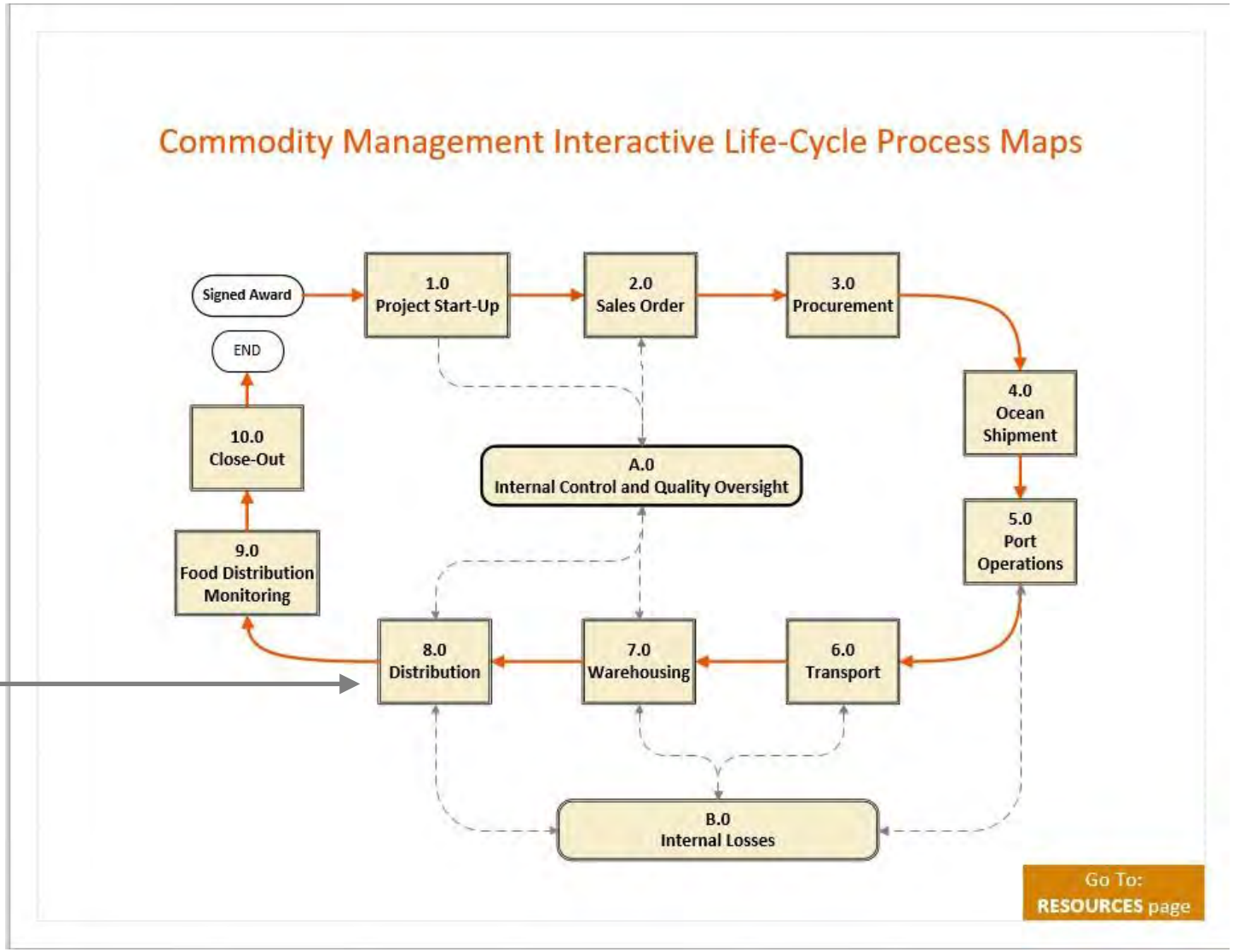
The **START** page is shown below. Hyperlinks help you navigate back to this page, so that you may select another sub-process.

The 12 sub-processes are illustrated here.

From the **START** page, **click a sub-process box** to view the map of its activities.

Click NEXT below, to continue navigation instructions.

NEXT



HOW TO NAVIGATE

A thick border means the activity contains lower-level tasks.

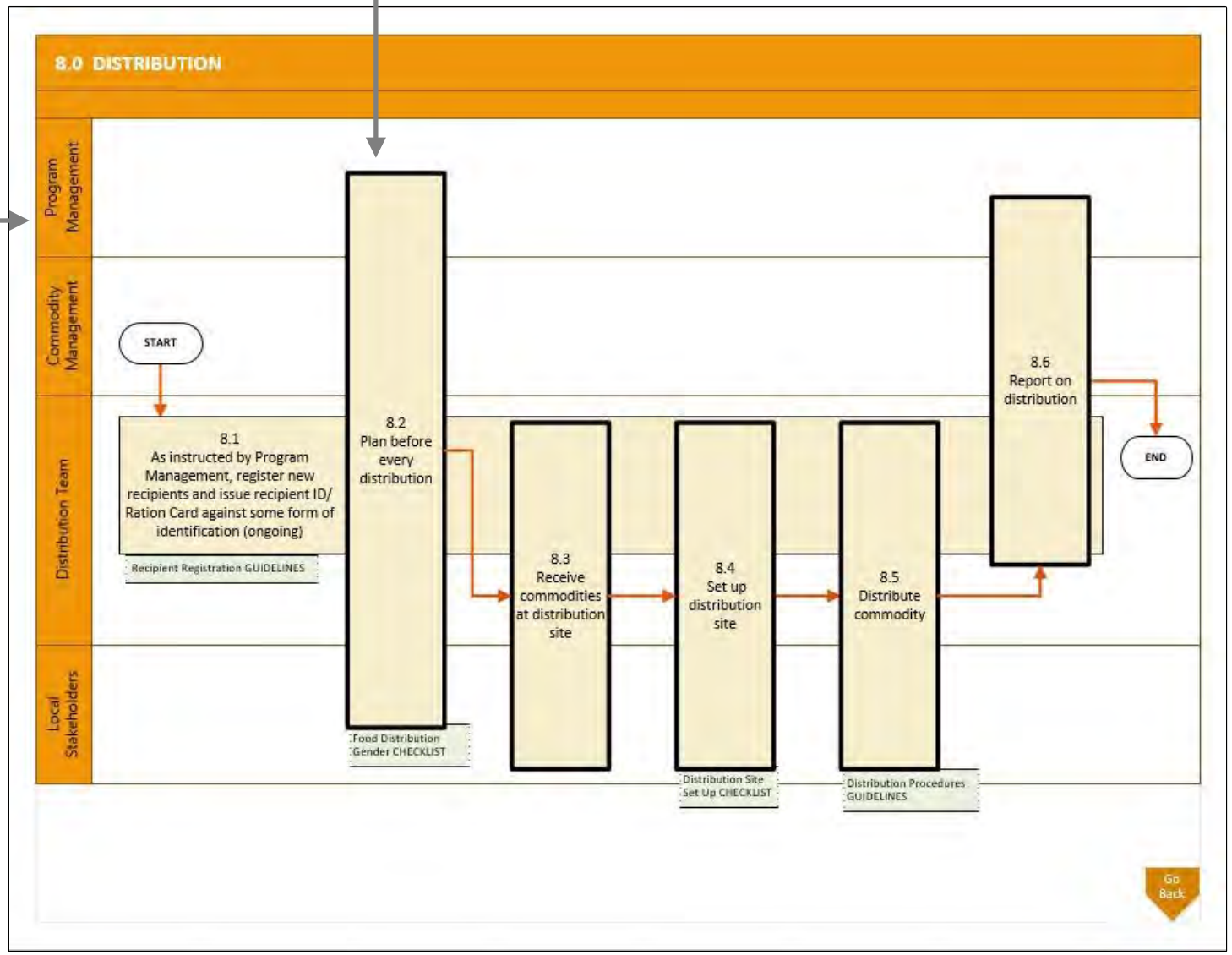
Click the box to access the corresponding map for these tasks.

Each sub-process map is broken down into "swimlanes."

Swimlanes indicate the function(s) responsible for the activities or tasks within them.

Click NEXT below, to continue navigation instructions.

NEXT



Click "Go Back" to return to one level higher in the sub-process.

Go Back

HOW TO NAVIGATE

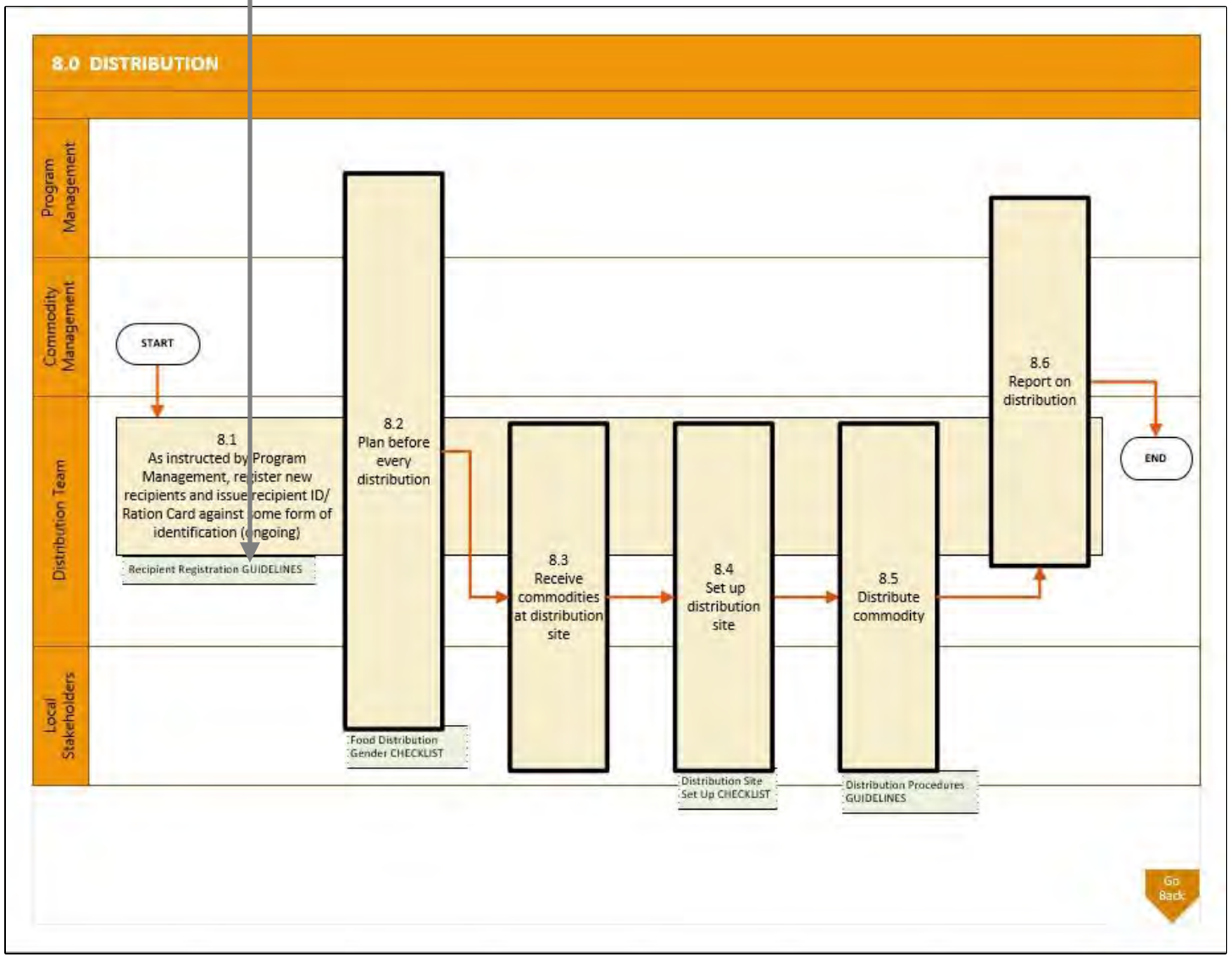
Corresponding **TOOLS** are listed in a **green box**.

All tools for a sub-process are located in a folder for that sub-process.

Save the **TOOLS** to your computer, and adapt them to your local context.

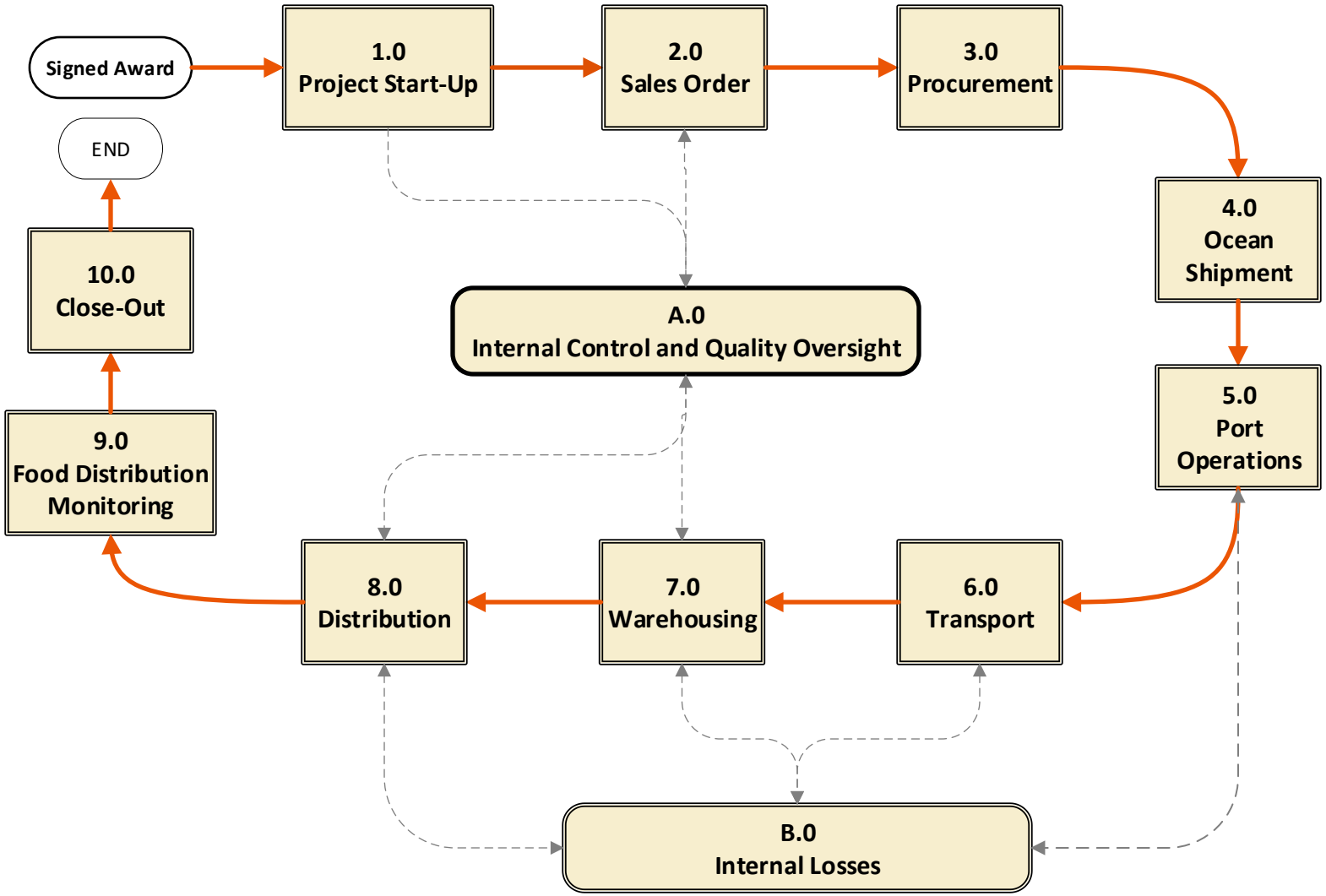
Click the NEXT box to begin exploring the Commodity Management Interactive Life-Cycle Process Maps.

NEXT



Go Back

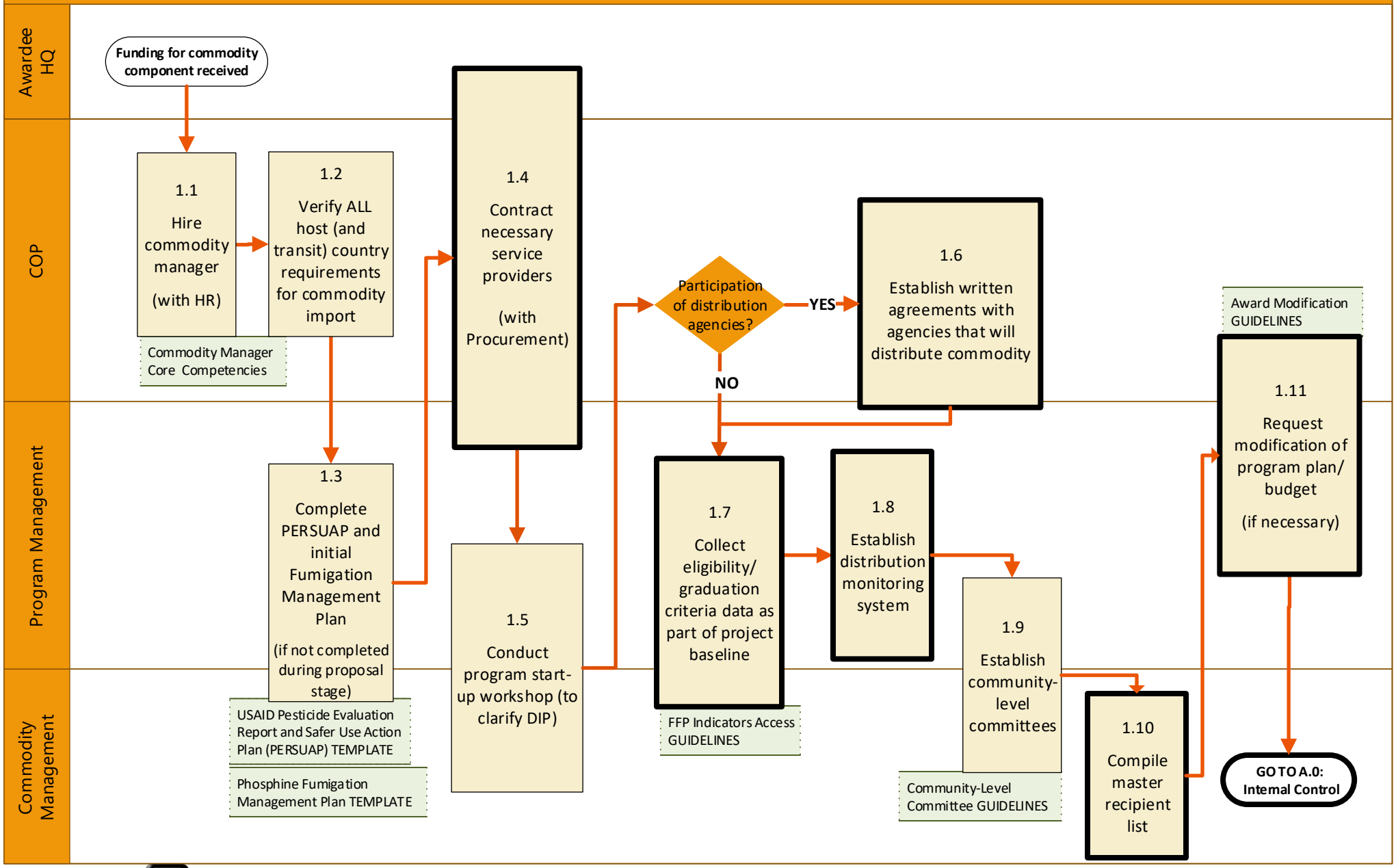
Commodity Management Interactive Life-Cycle Process Maps



Go To:
Overview page

Go To:
RESOURCES page

1.0 PROJECT START-UP

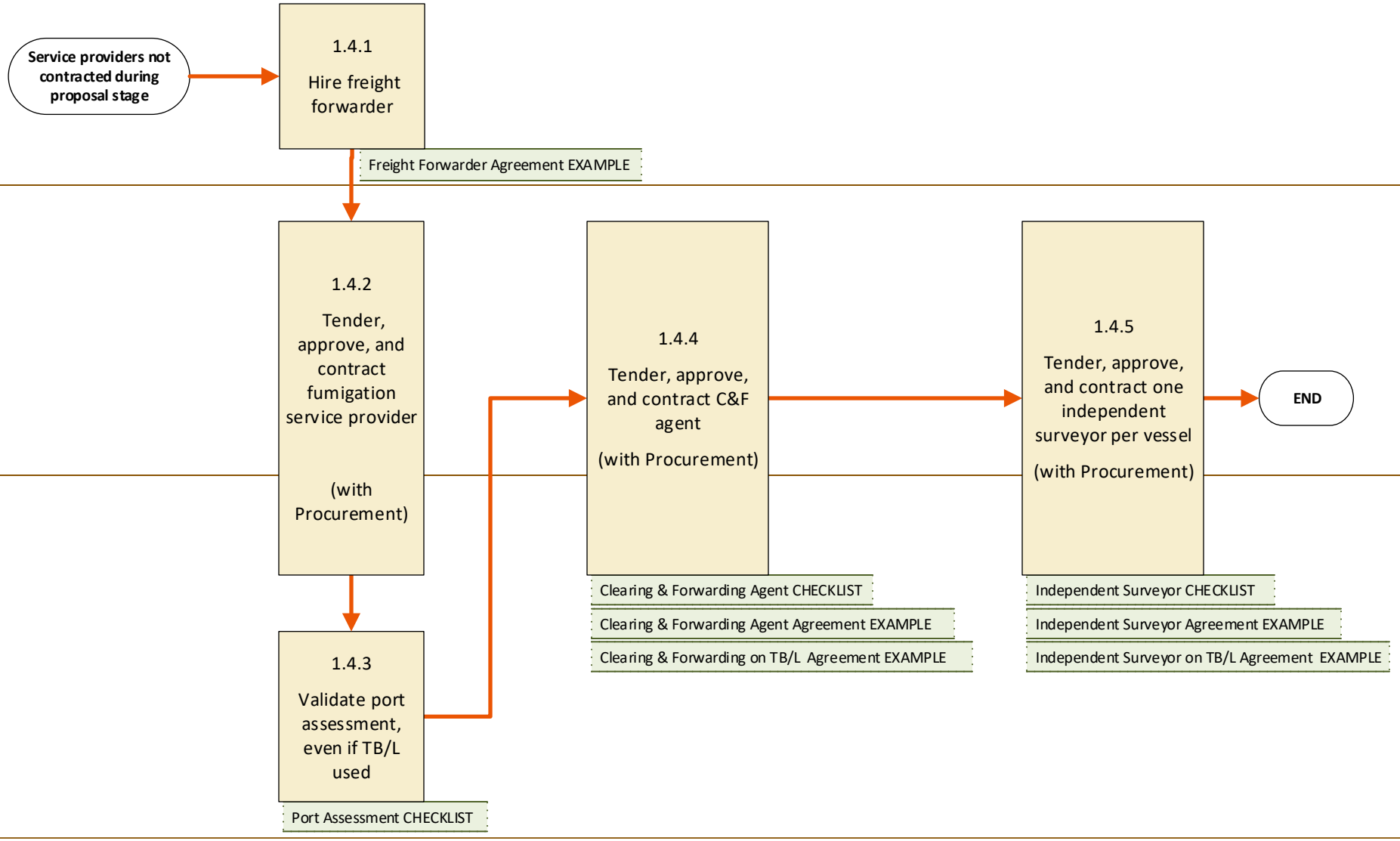


Click here for all sub-process tools

Go Back

1.0 PROJECT START-UP

1.4 Contract necessary service providers



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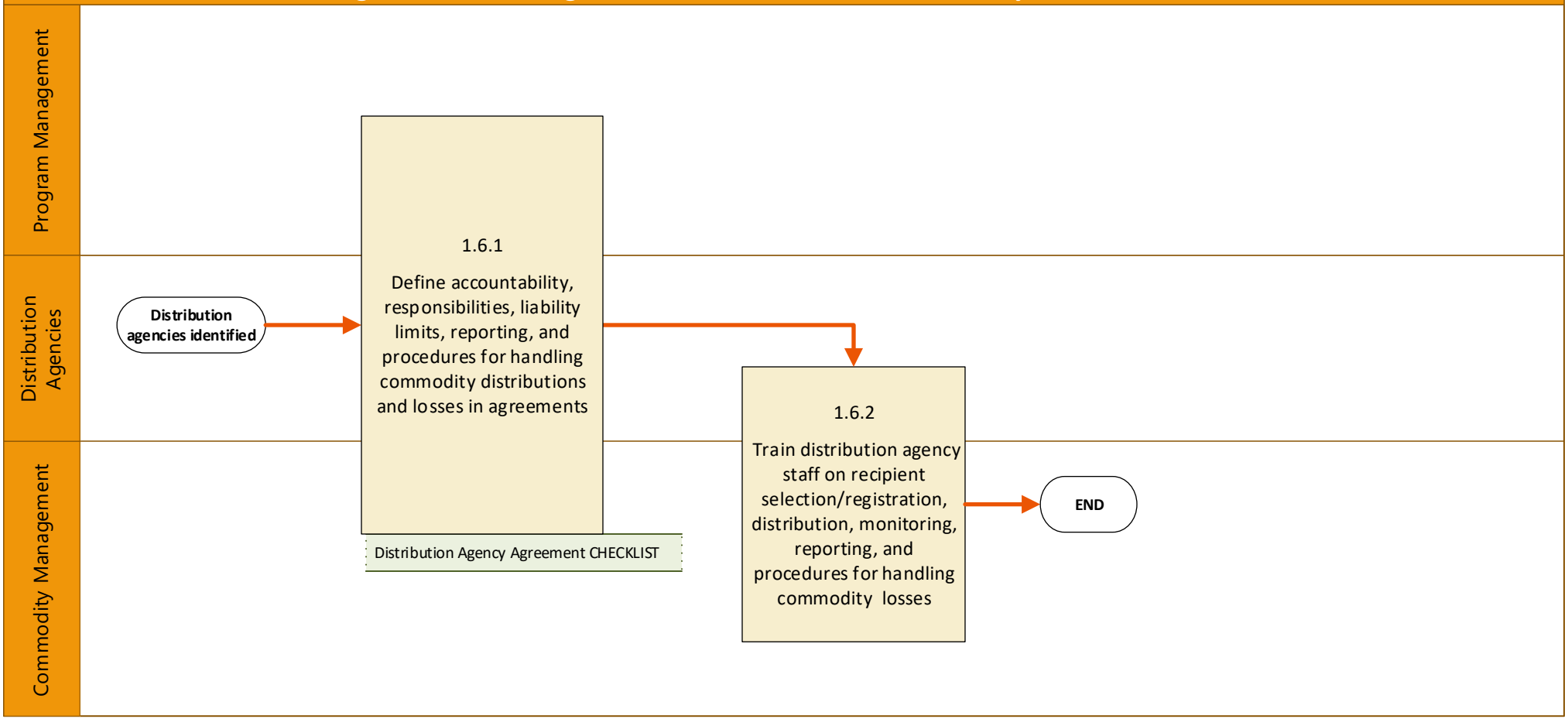
1.0 PROJECT START-UP

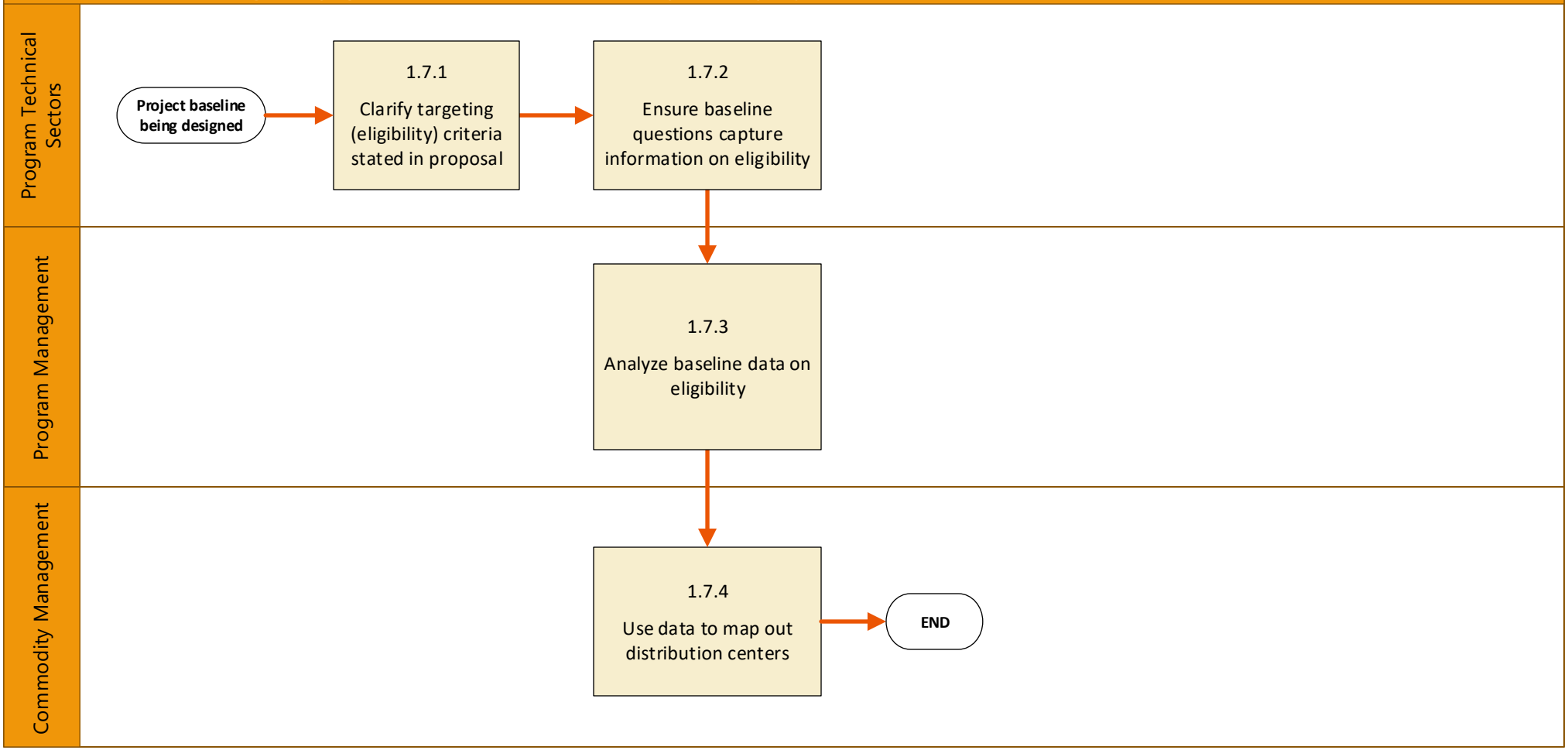
1.6 Establish written agreements with agencies that will distribute commodity



Go Back

1.0 PROJECT START-UP

1.7 Collect eligibility/graduation criteria data as part of project baseline



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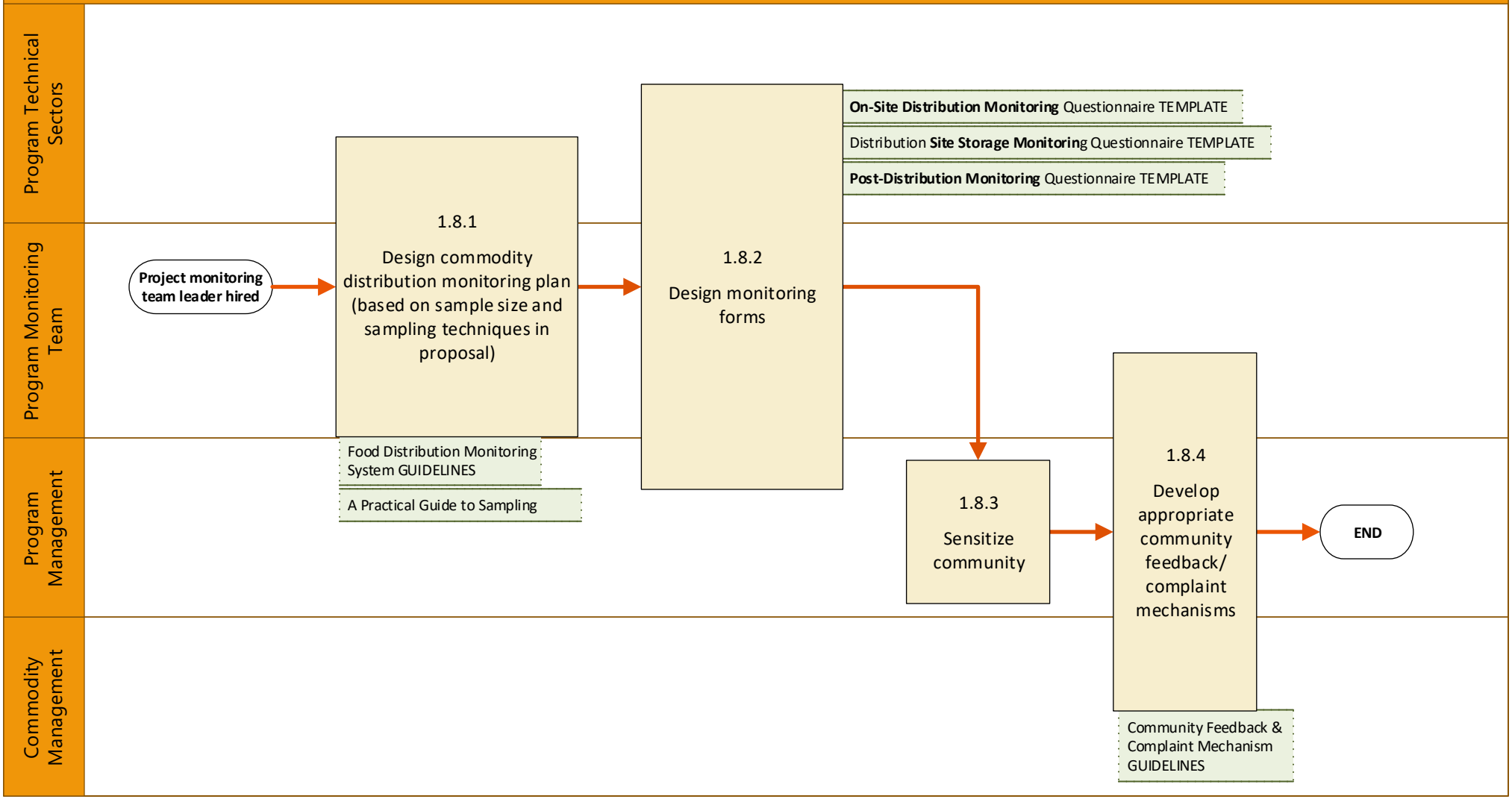
1.0 PROJECT START-UP

1.8 Establish distribution monitoring system



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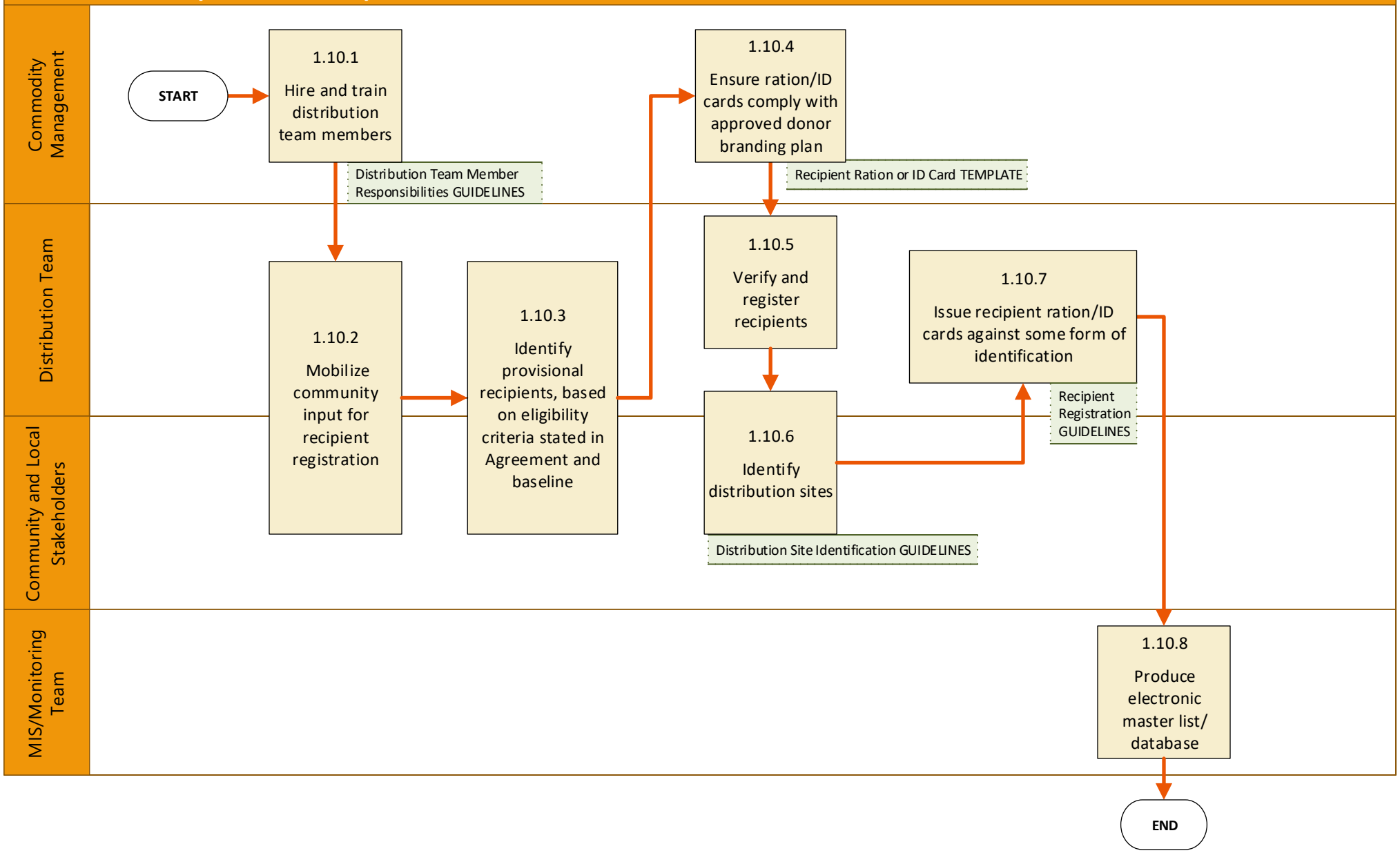
1.0 PROJECT START-UP

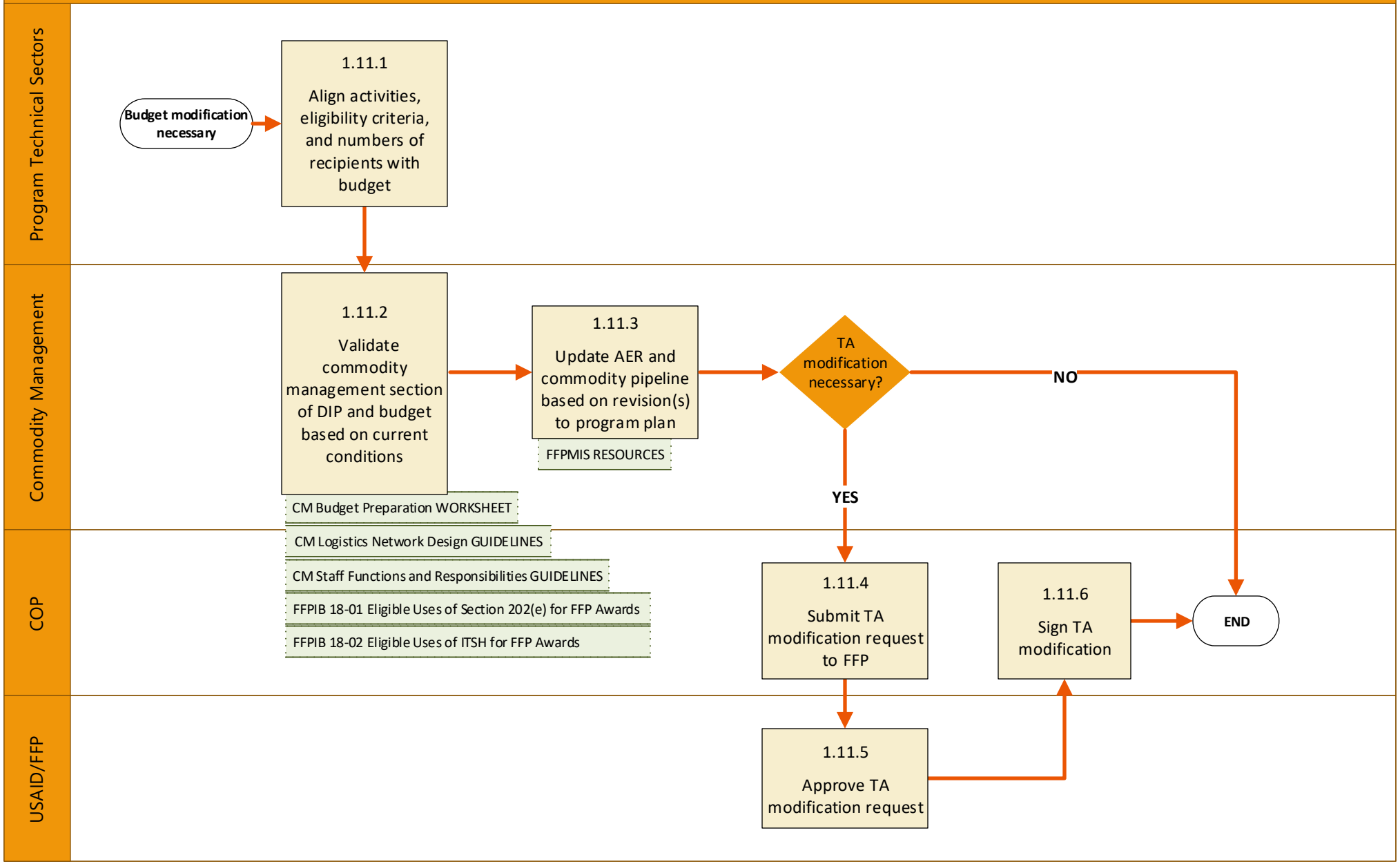
1.10 Compile master recipient list



Go Back

1.0 PROJECT START-UP

1.11 Request modification of program plan/budget (if necessary)



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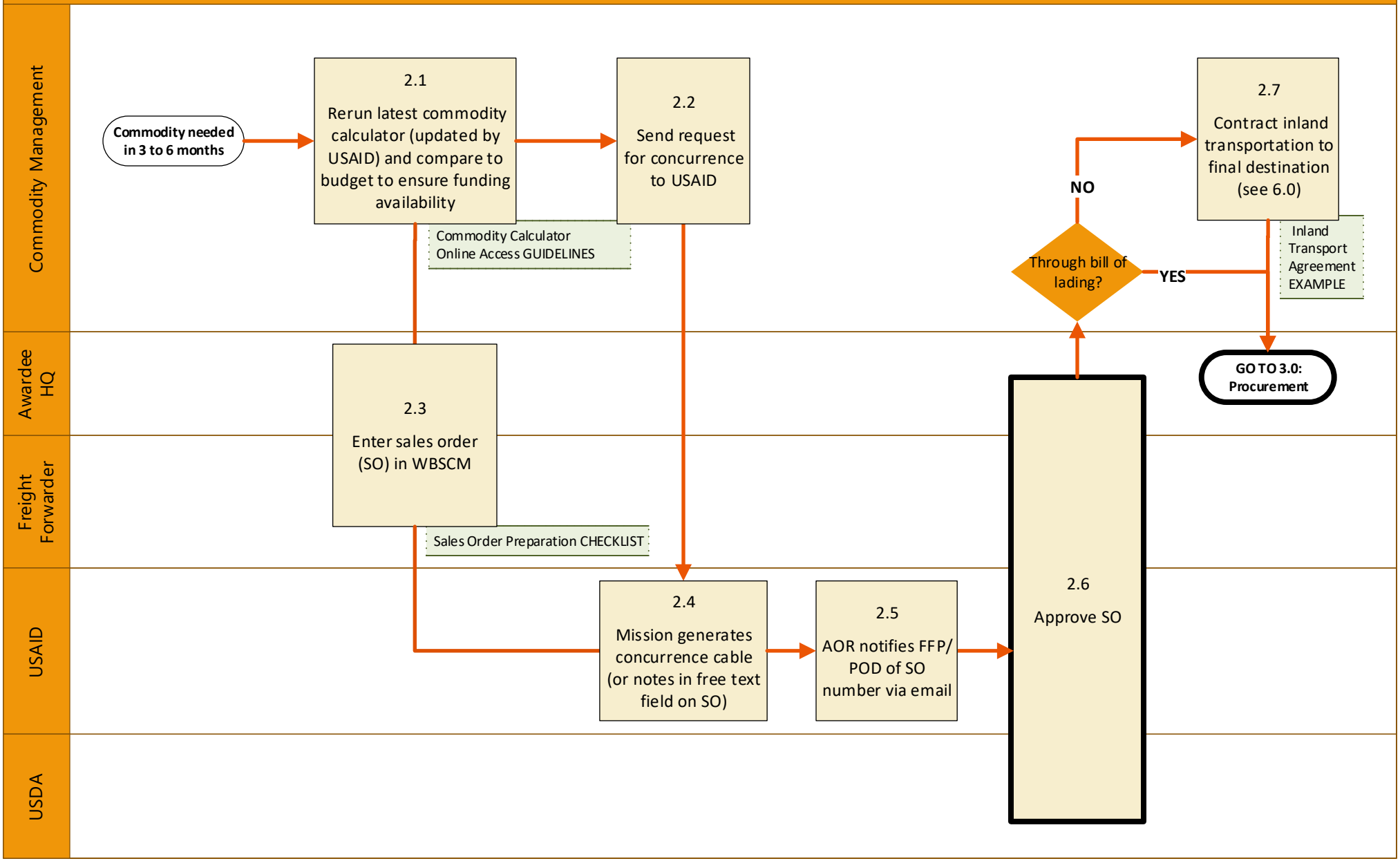
2.0 SALES ORDER

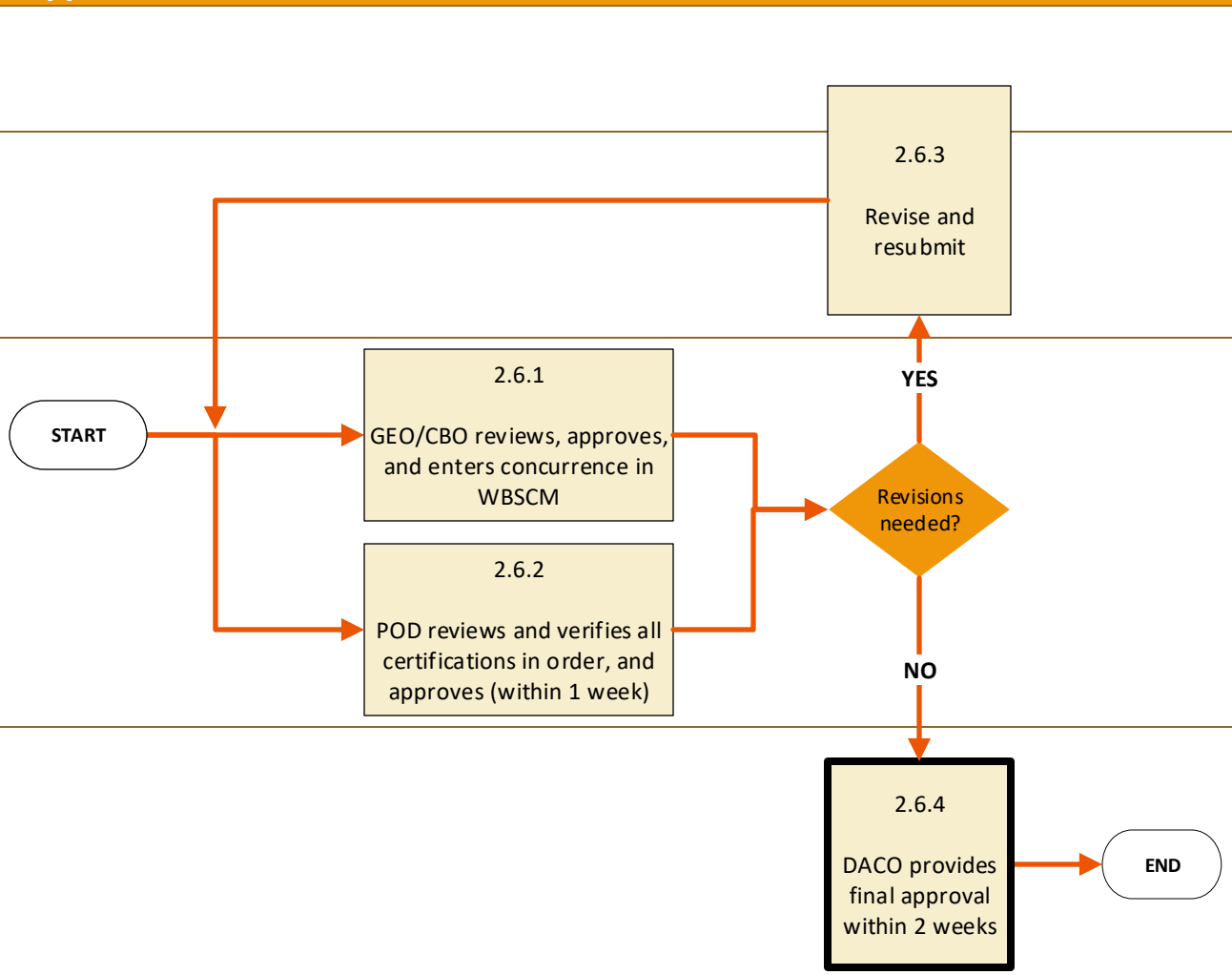


Click here for all sub-process tools

Go Back

2.0 SALES ORDER

2.6 Approve sales order

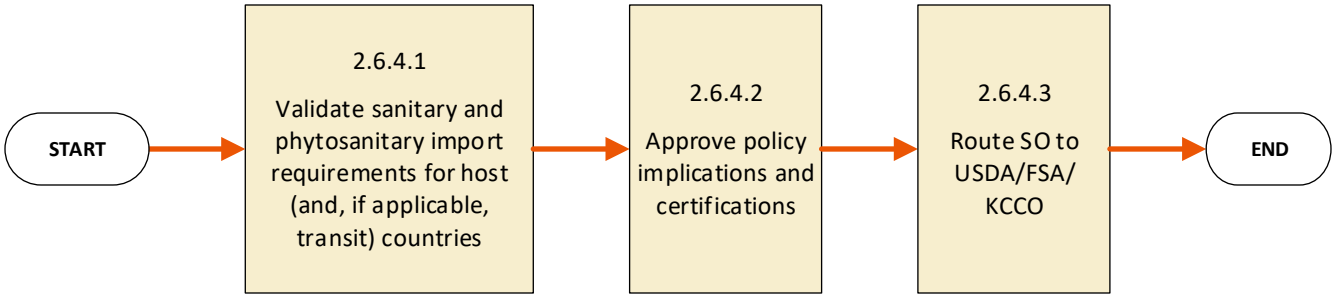


Go Back

2.0 SALES ORDER

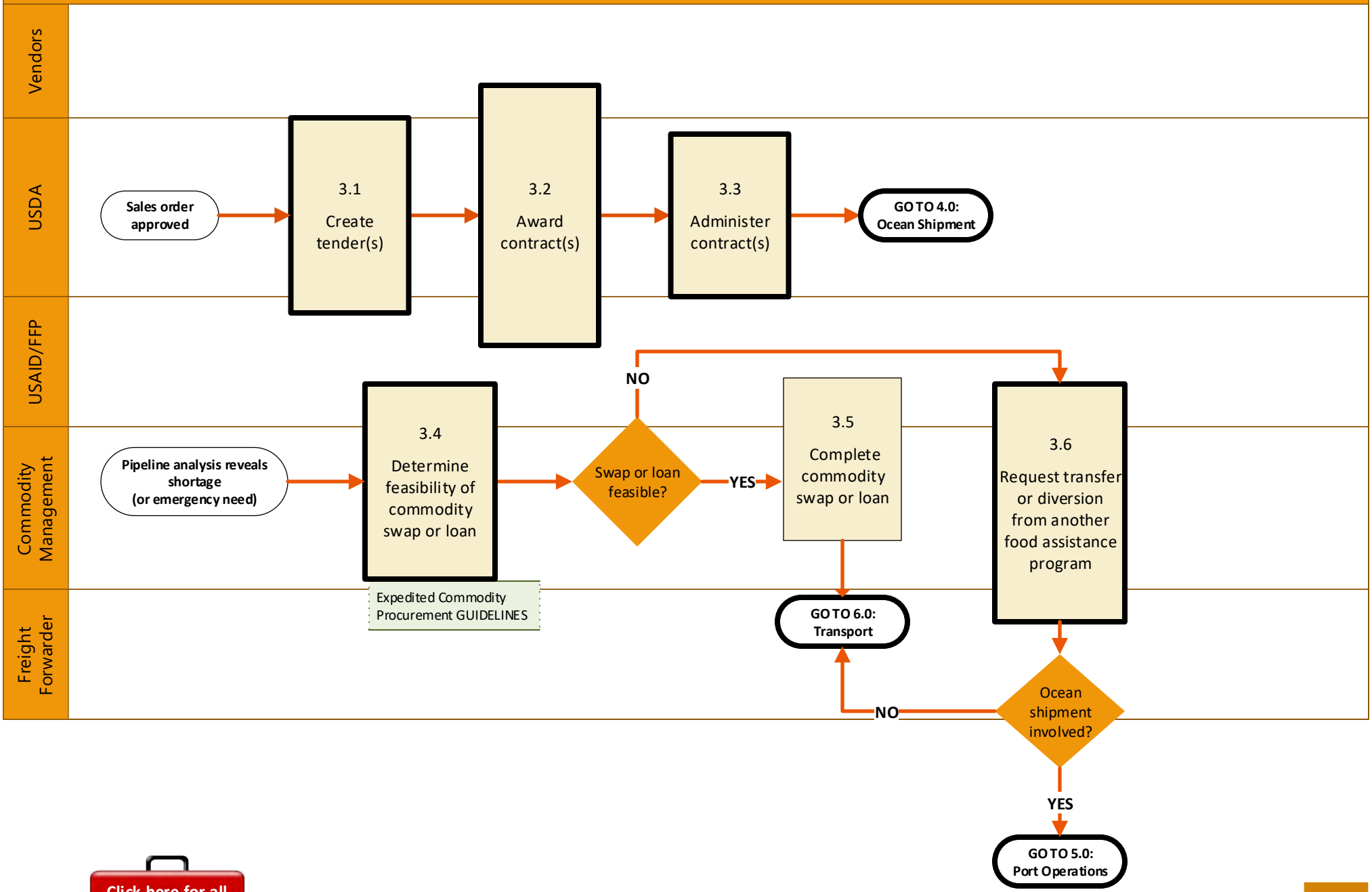
2.6.4 DACO provides final approval

USDA



Go Back

3.0 PROCUREMENT

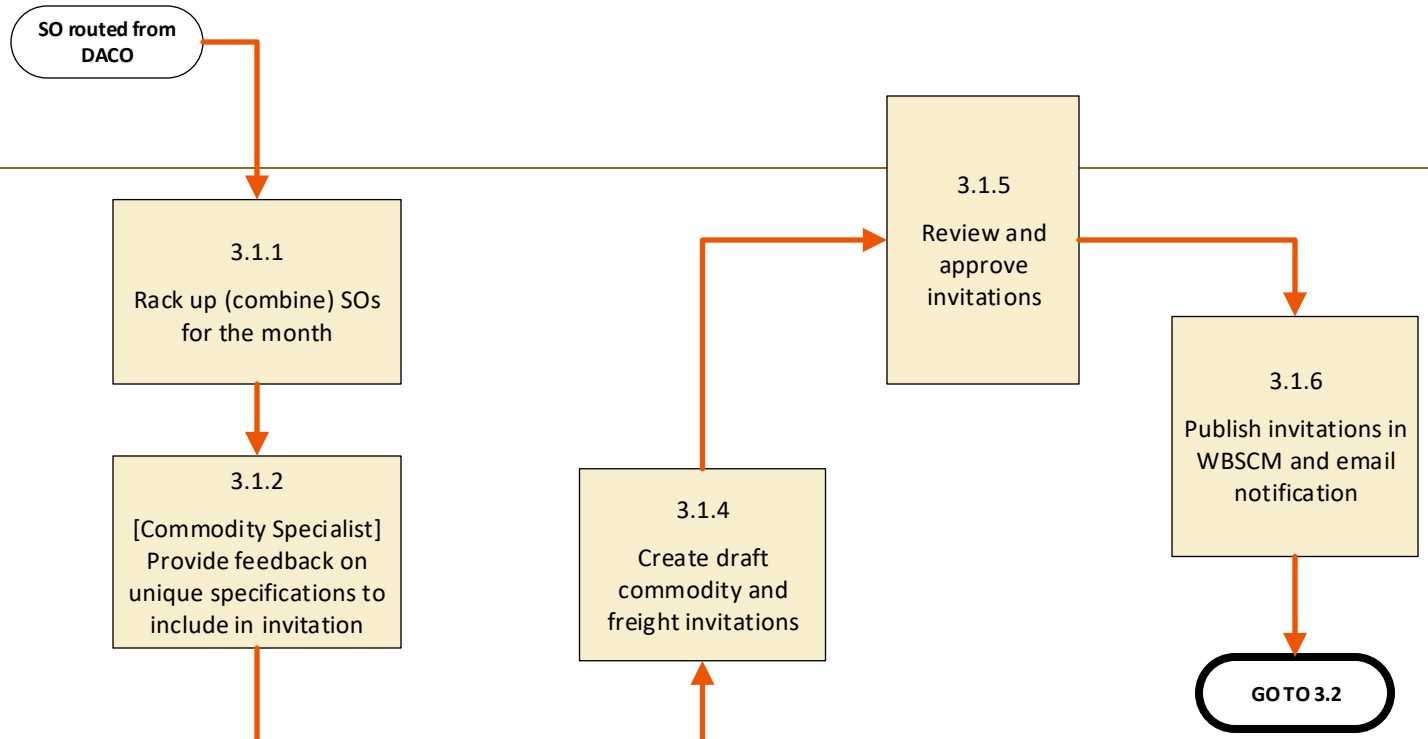


Click here for all sub-process tools

Go Back

3.0 PROCUREMENT

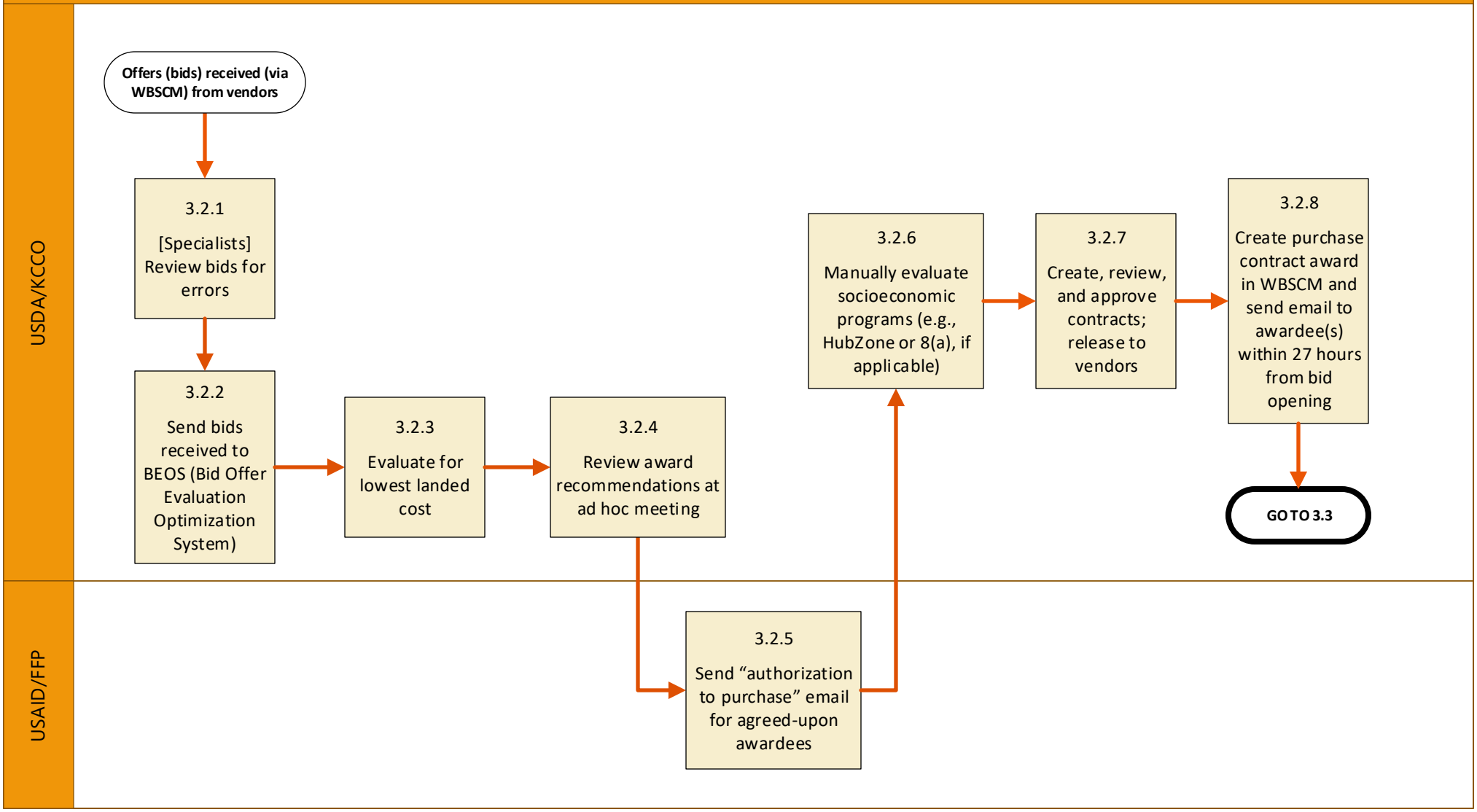
3.1 Create tender



Go Back

3.0 PROCUREMENT

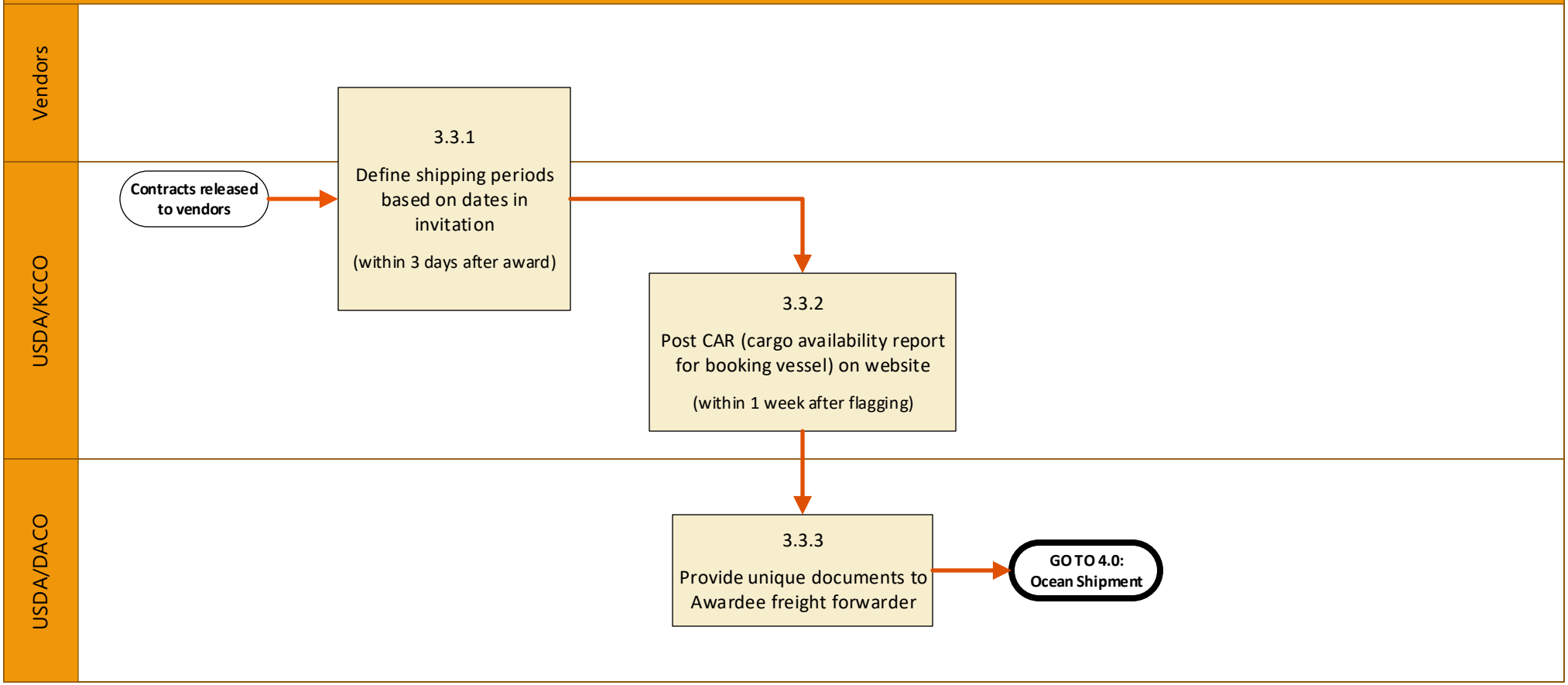
3.2 Award contract(s)



Go Back

3.0 PROCUREMENT

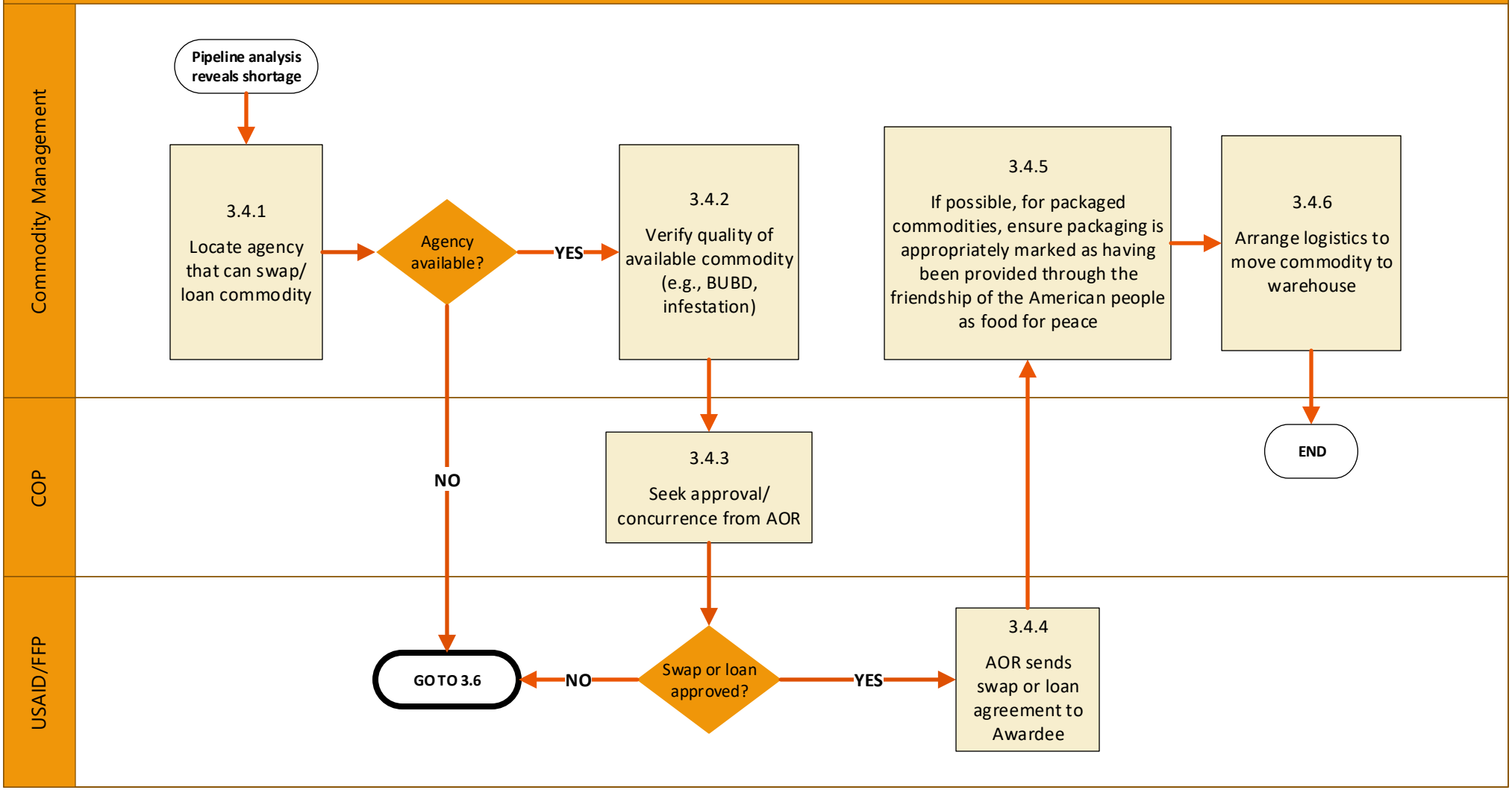
3.3 Administer contract(s)



Go Back

3.0 PROCUREMENT

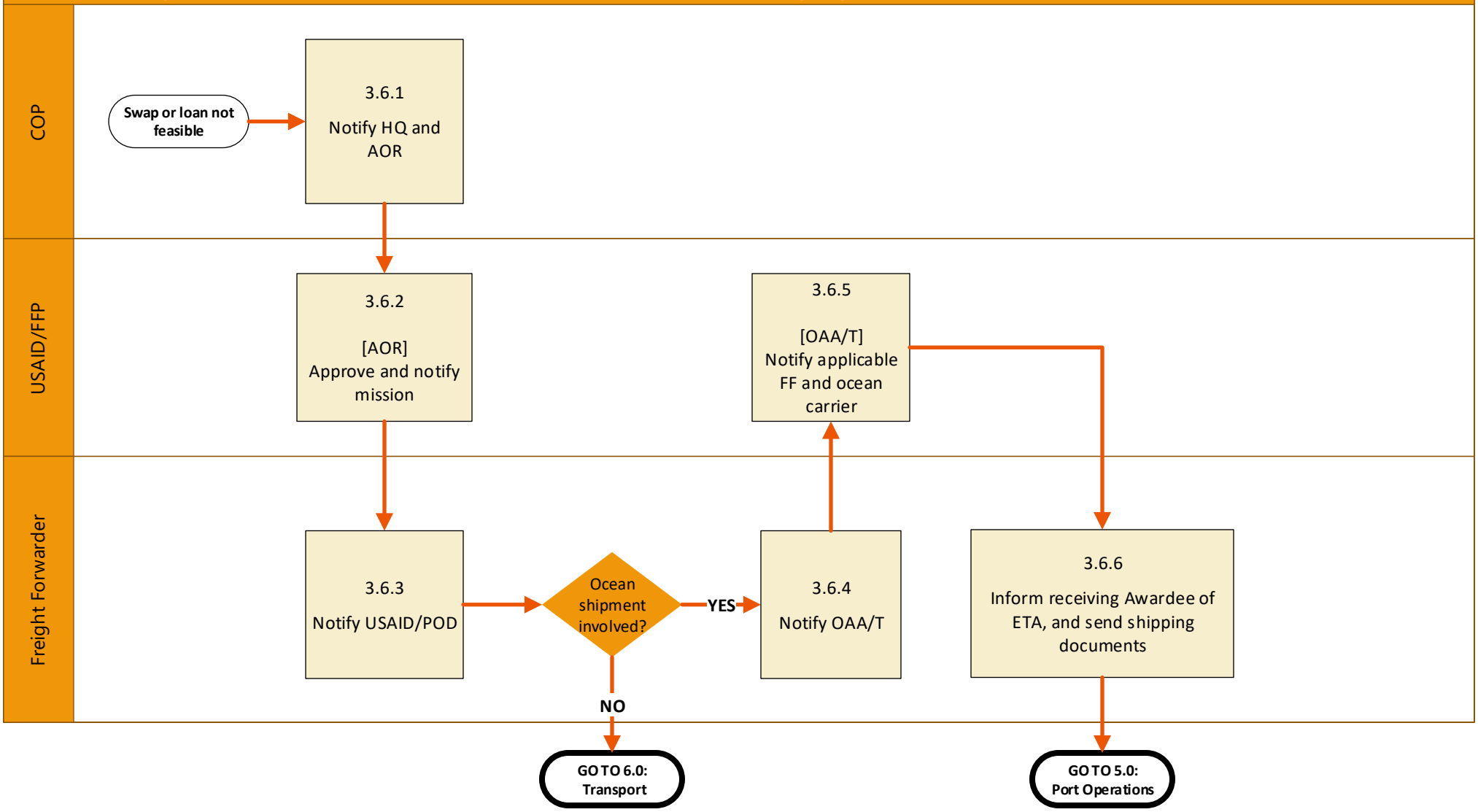
3.4 Determine feasibility of commodity swap or loan



Go Back

3.0 PROCUREMENT

3.6 Request transfer or diversion from another food assistance program



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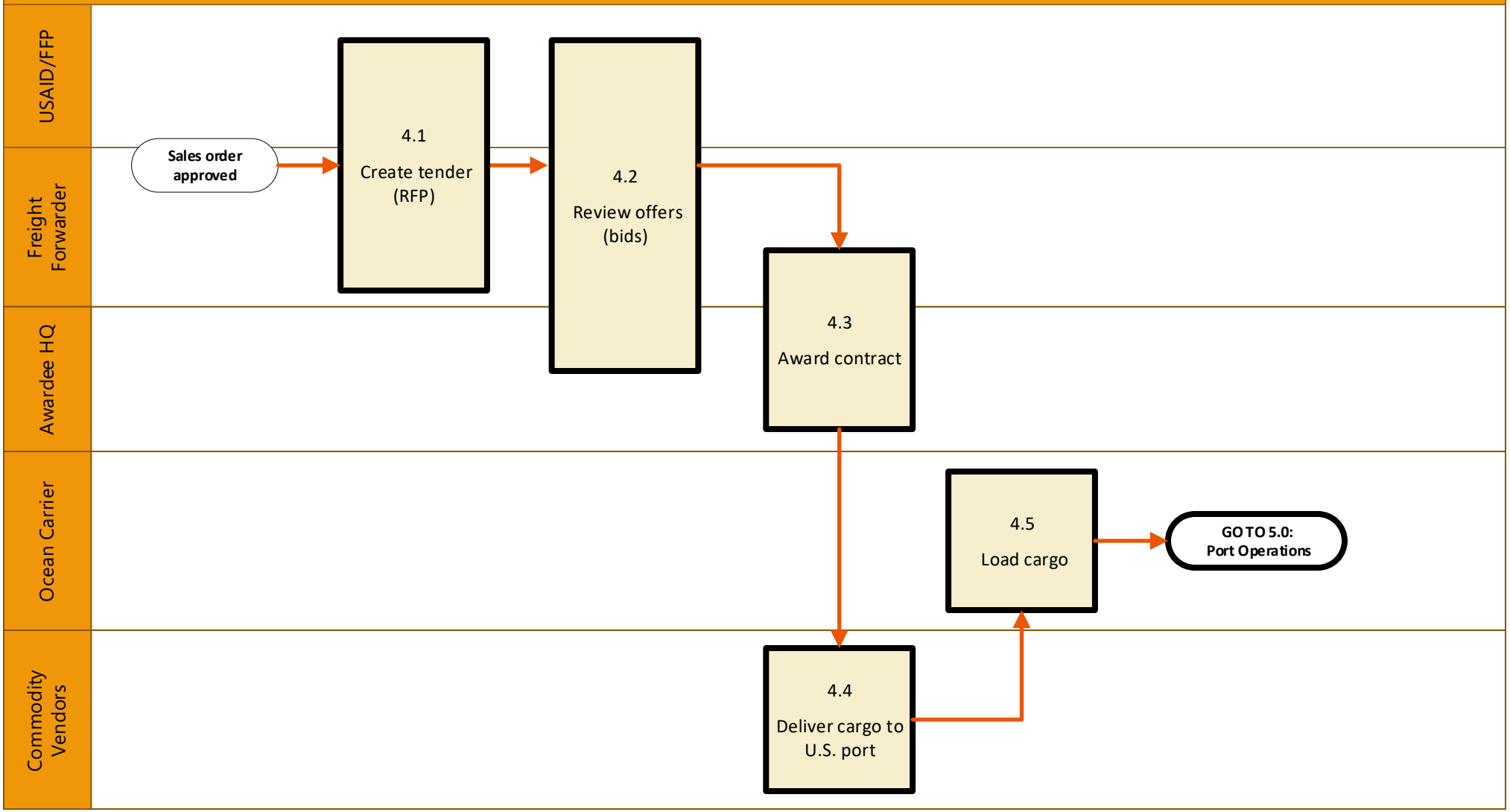
4.0 OCEAN SHIPMENT

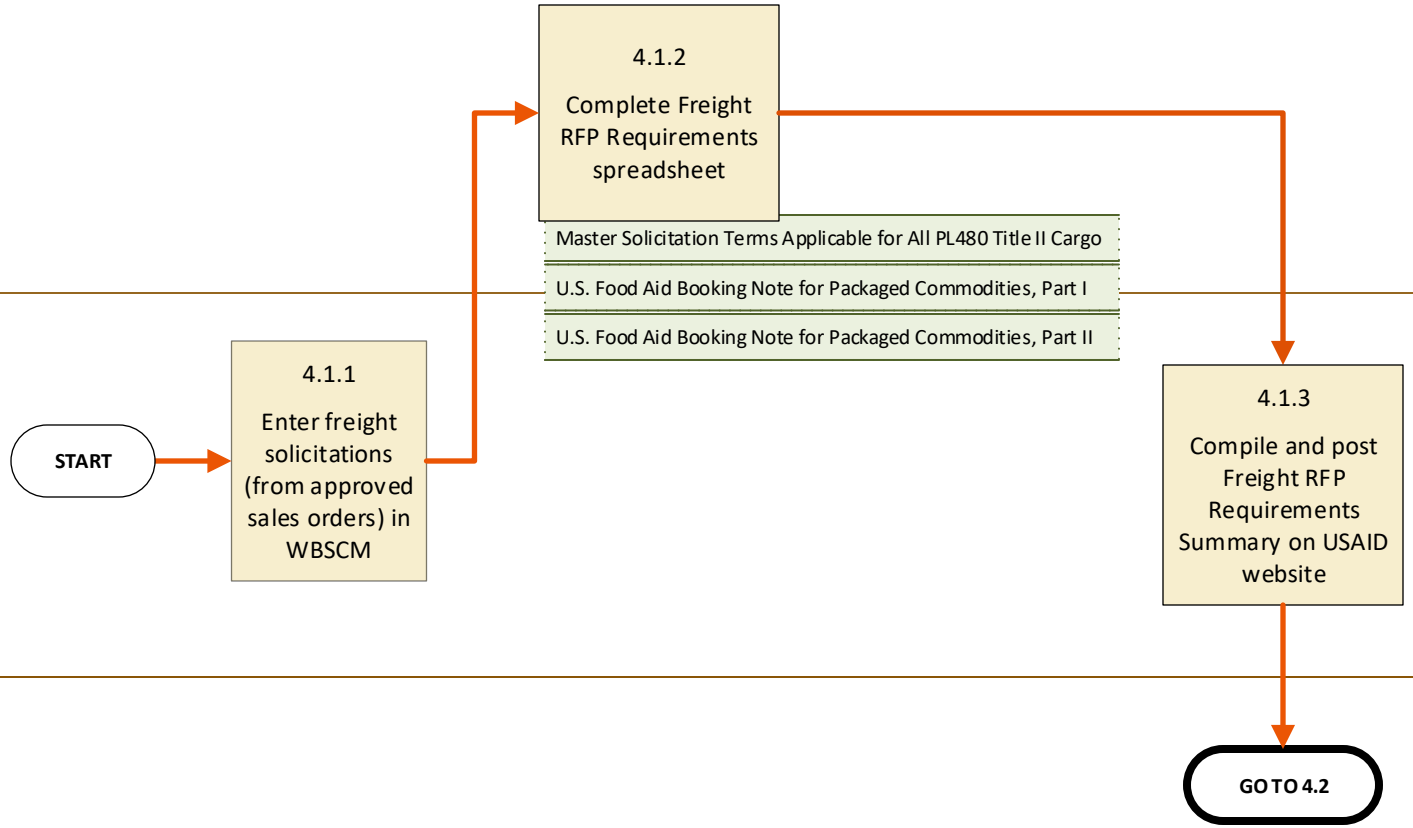


Click here for all sub-process tools

Go Back

4.0 OCEAN SHIPMENT

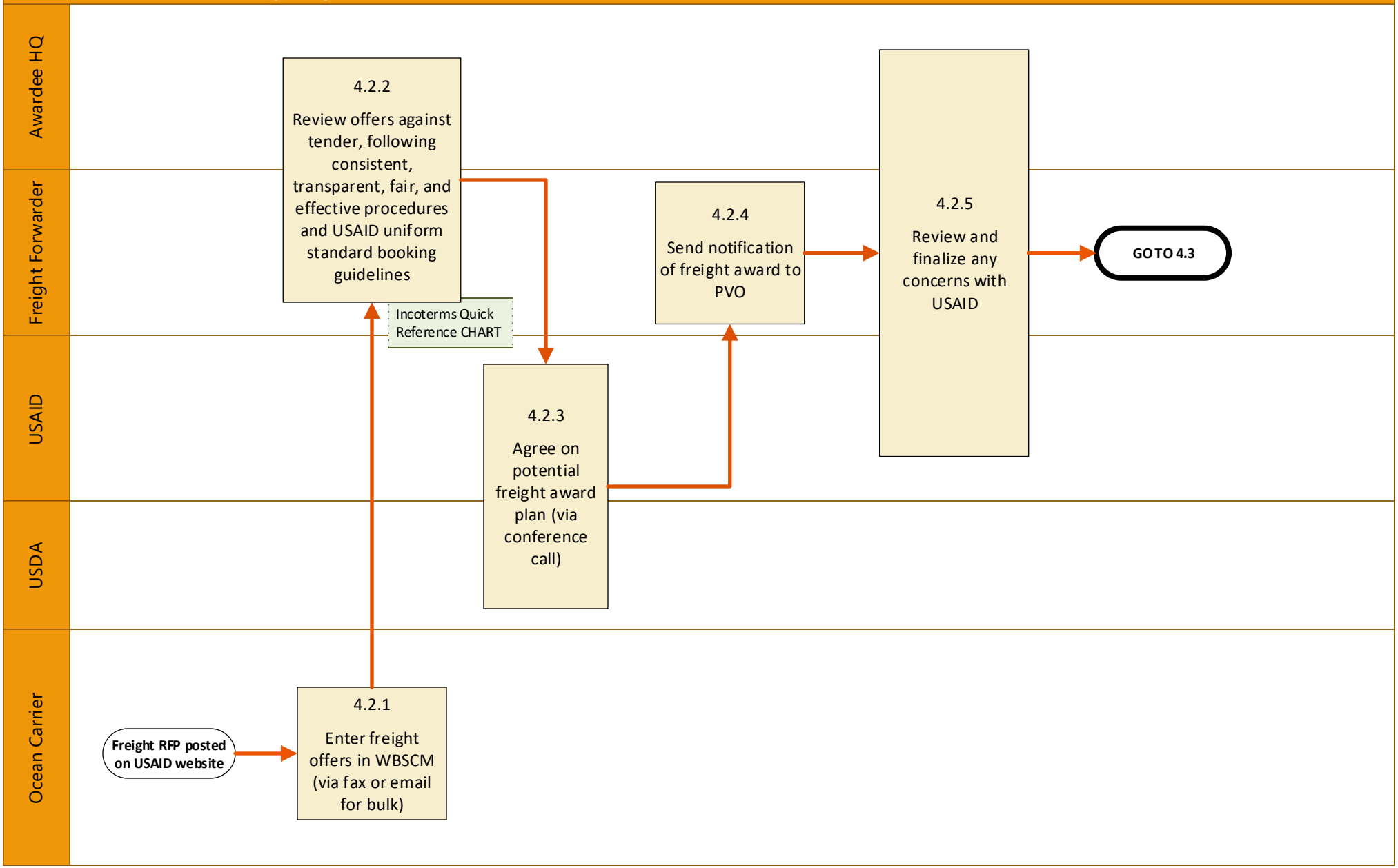
4.1 Create tender (RFP)



Go Back

4.0 OCEAN SHIPMENT

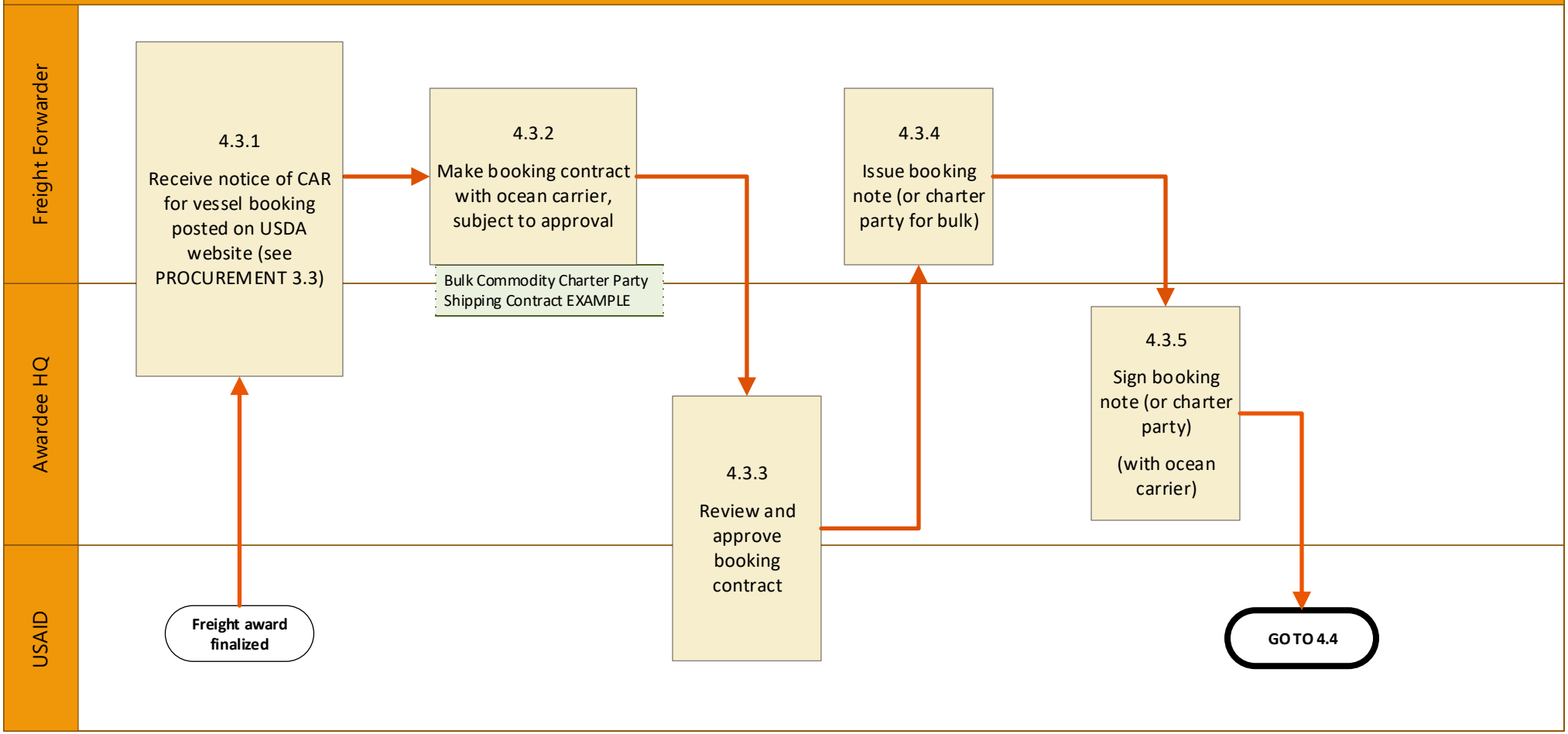
4.2 Review offers (bids)



Go Back

4.0 OCEAN SHIPMENT

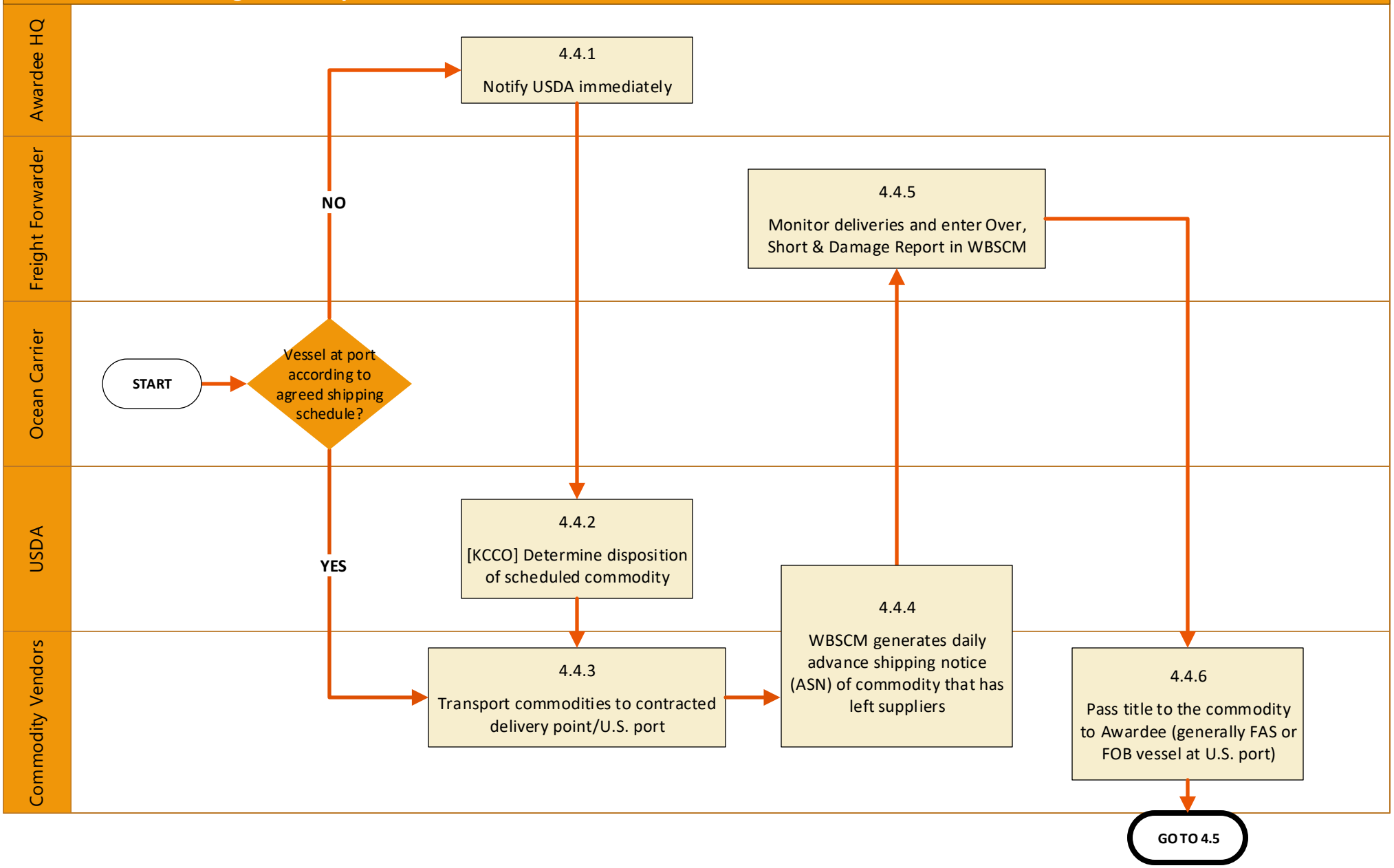
4.3 Award contract



Go Back

4.0 OCEAN SHIPMENT

4.4 Deliver cargo to U.S. port



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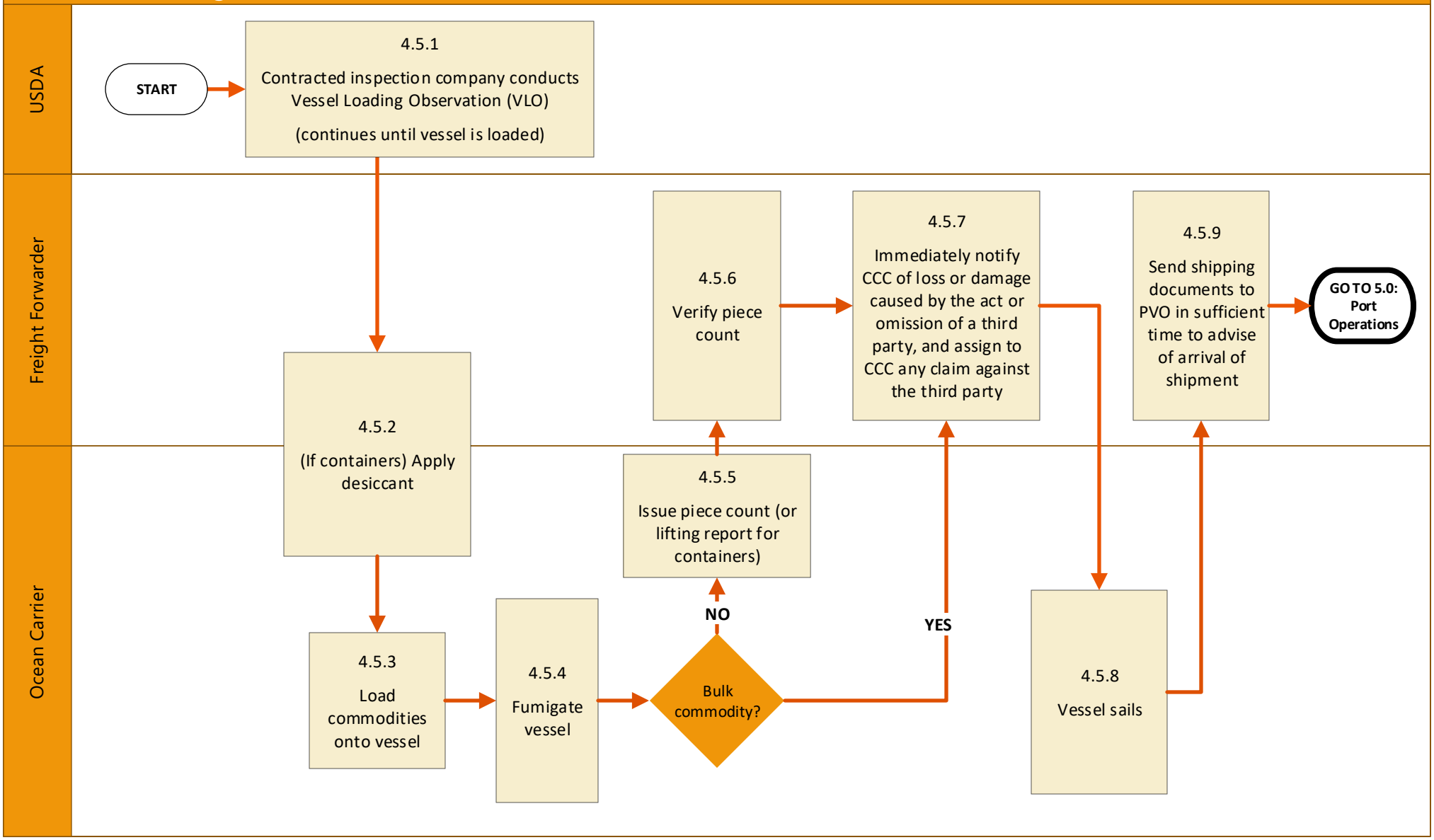
4.0 OCEAN SHIPMENT

4.5 Load cargo



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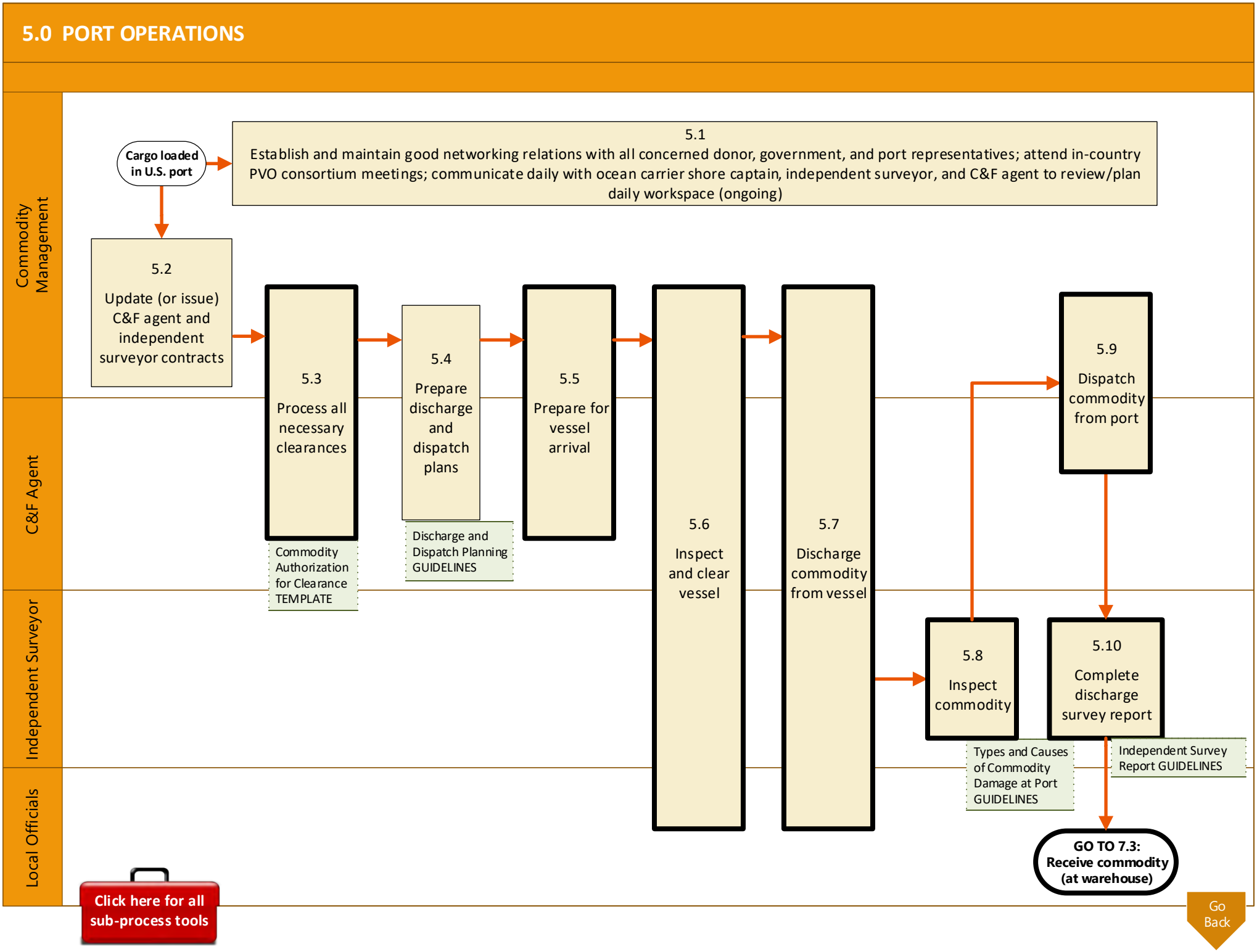
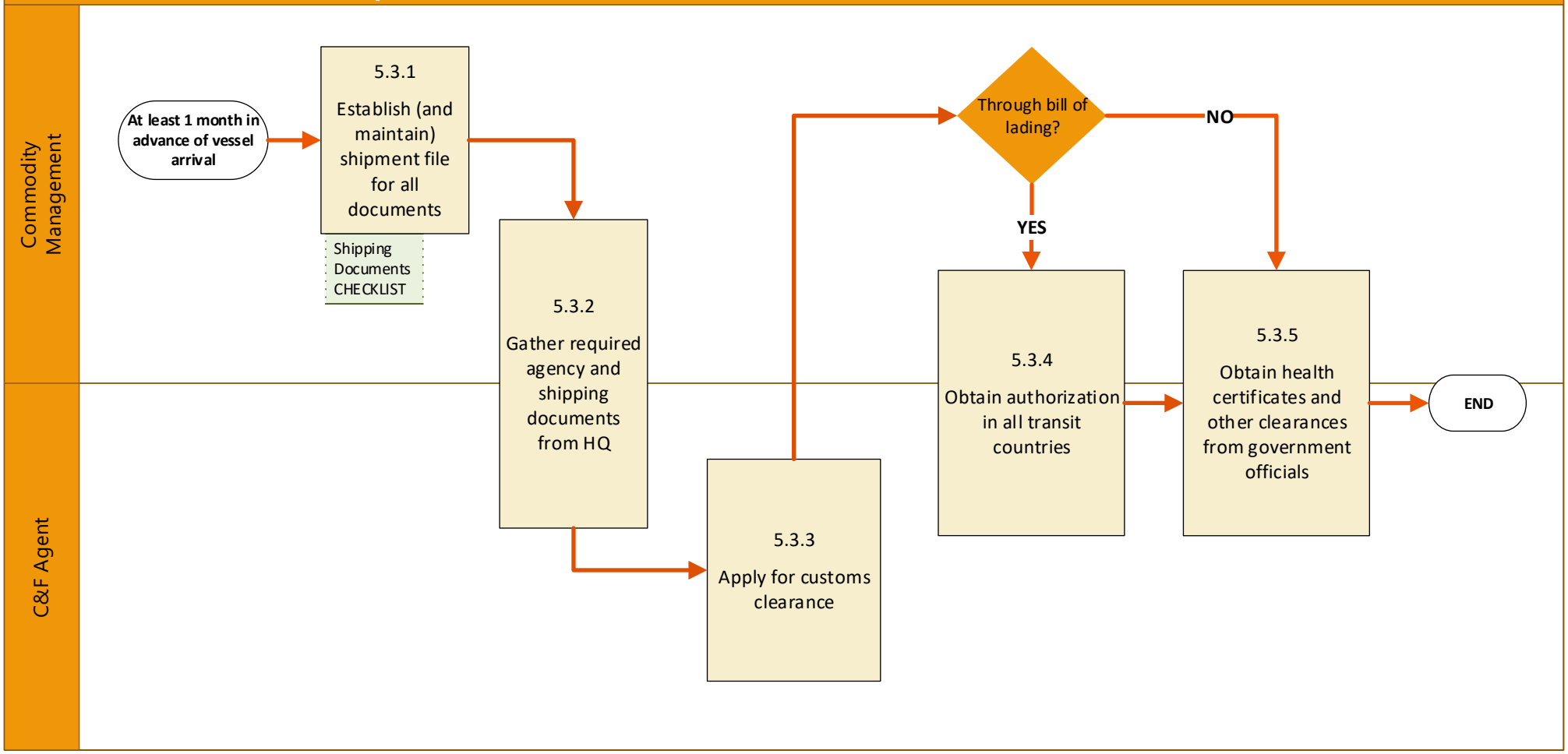
5.0 PORT OPERATIONS



5.0 PORT OPERATIONS

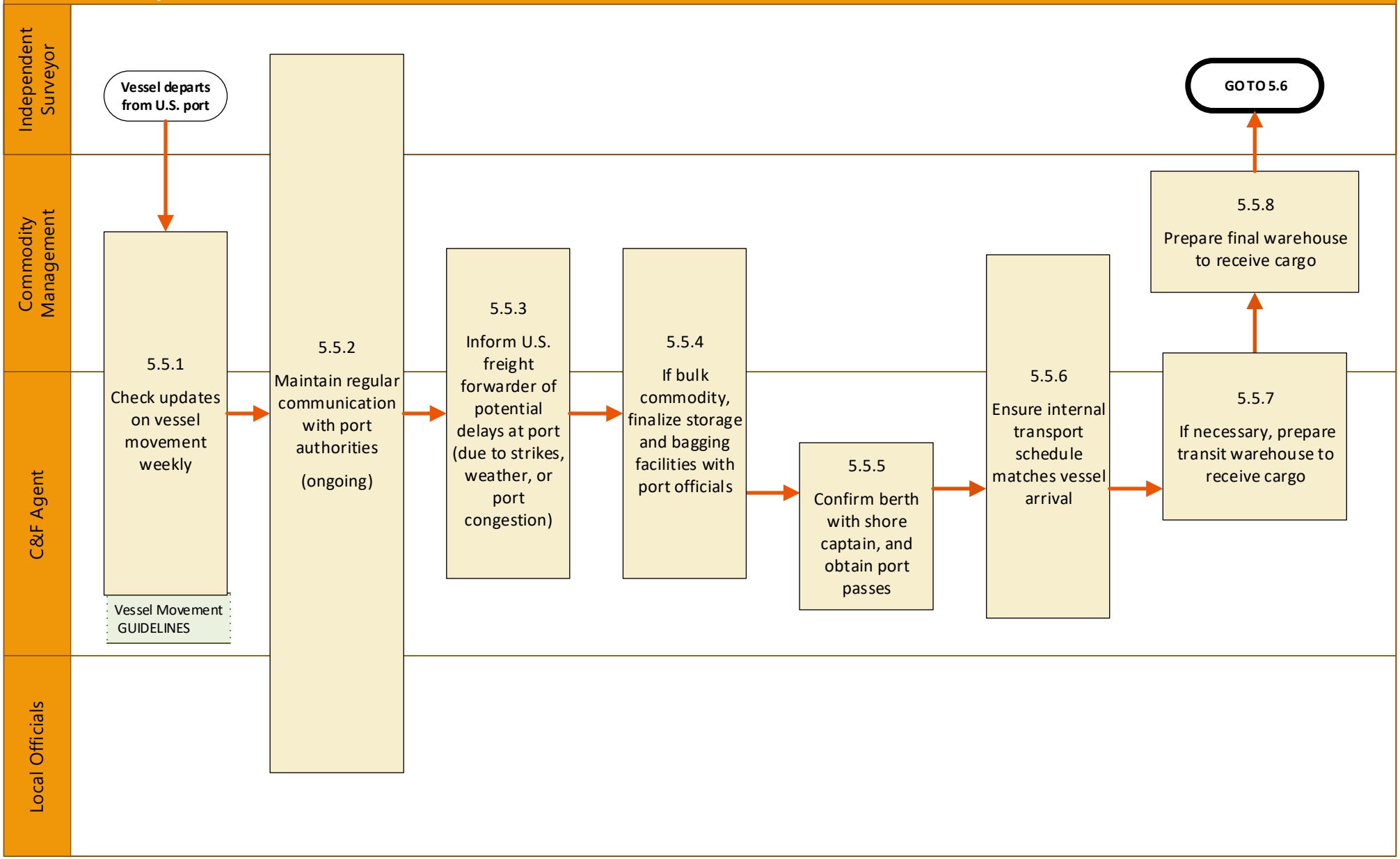
5.3 Process all necessary clearances



Go Back

5.0 PORT OPERATIONS

5.5 Prepare for vessel arrival



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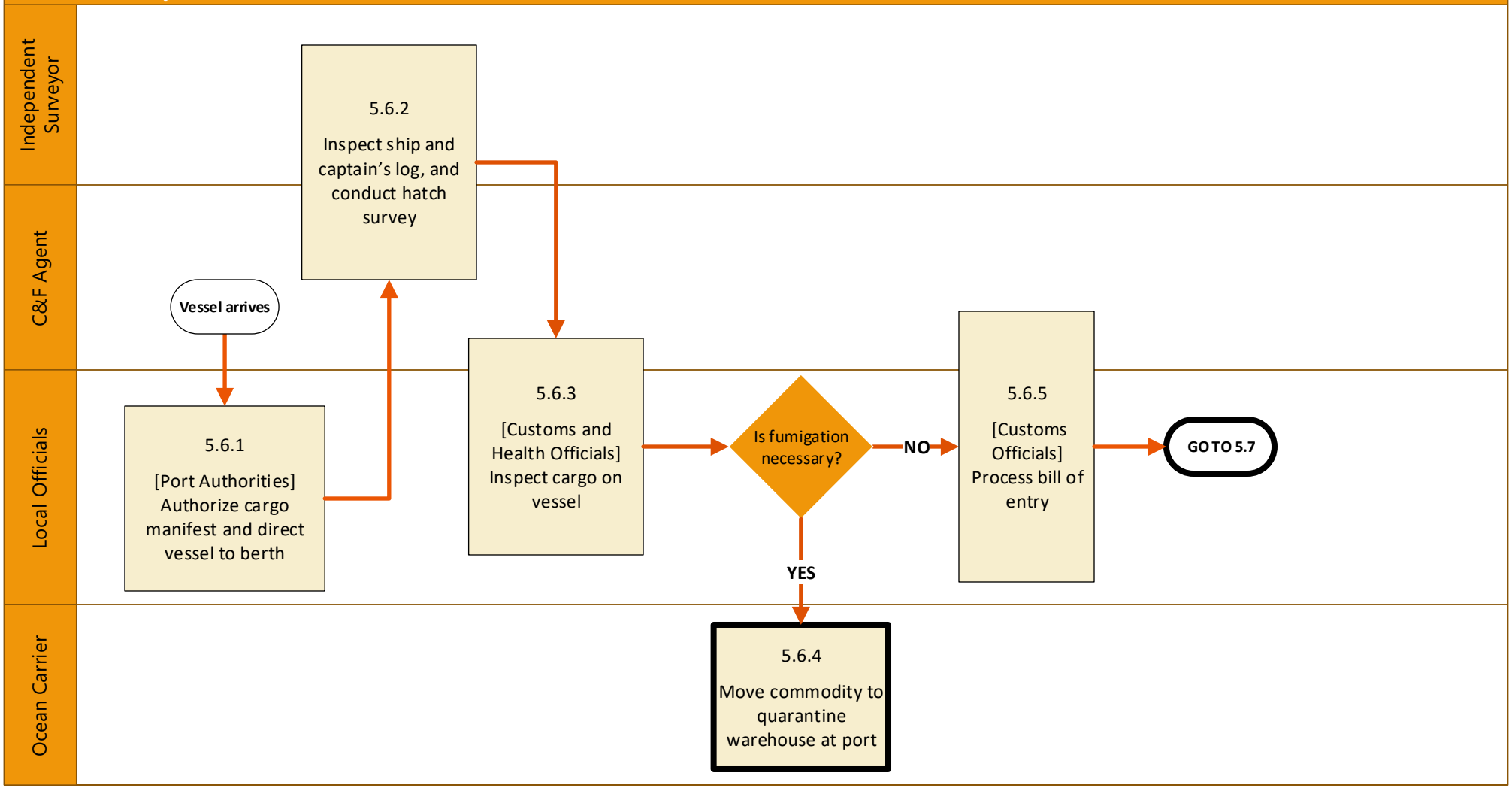
5.0 PORT OPERATIONS

5.6 Inspect and clear vessel



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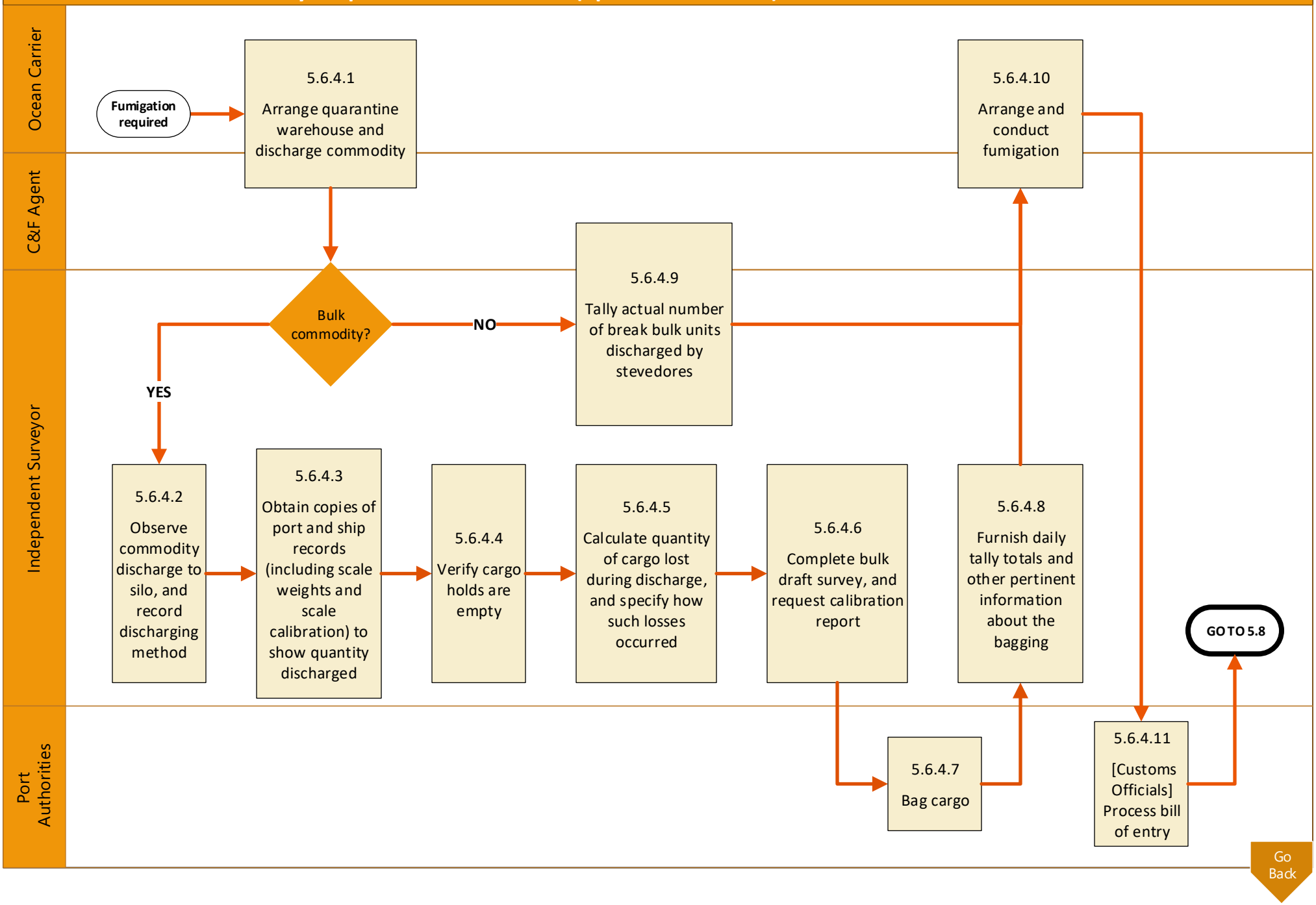
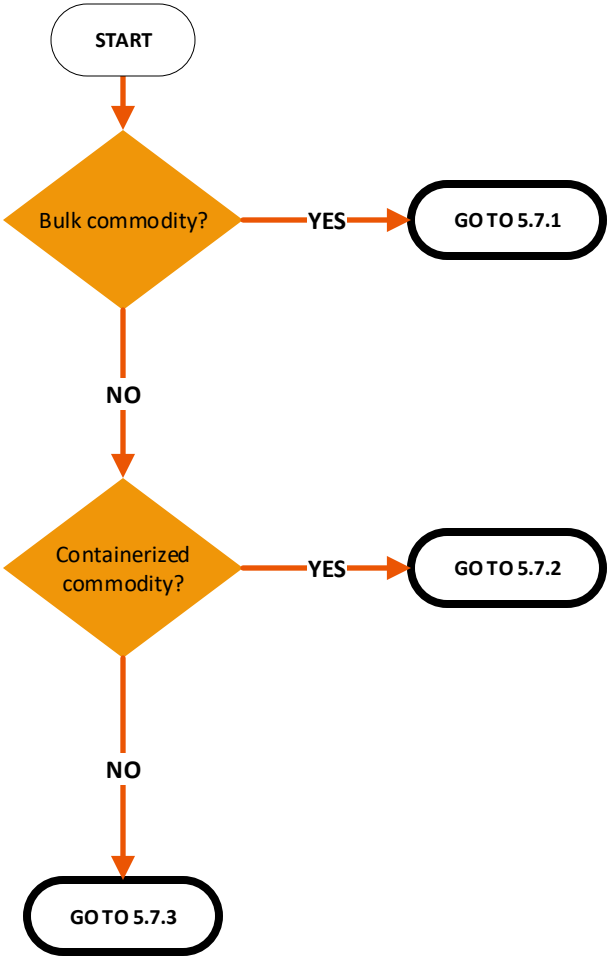
5.0 PORT OPERATIONS

5.6.4 Move commodity to quarantine warehouse (upon vessel arrival)



5.7 Discharge commodity from vessel



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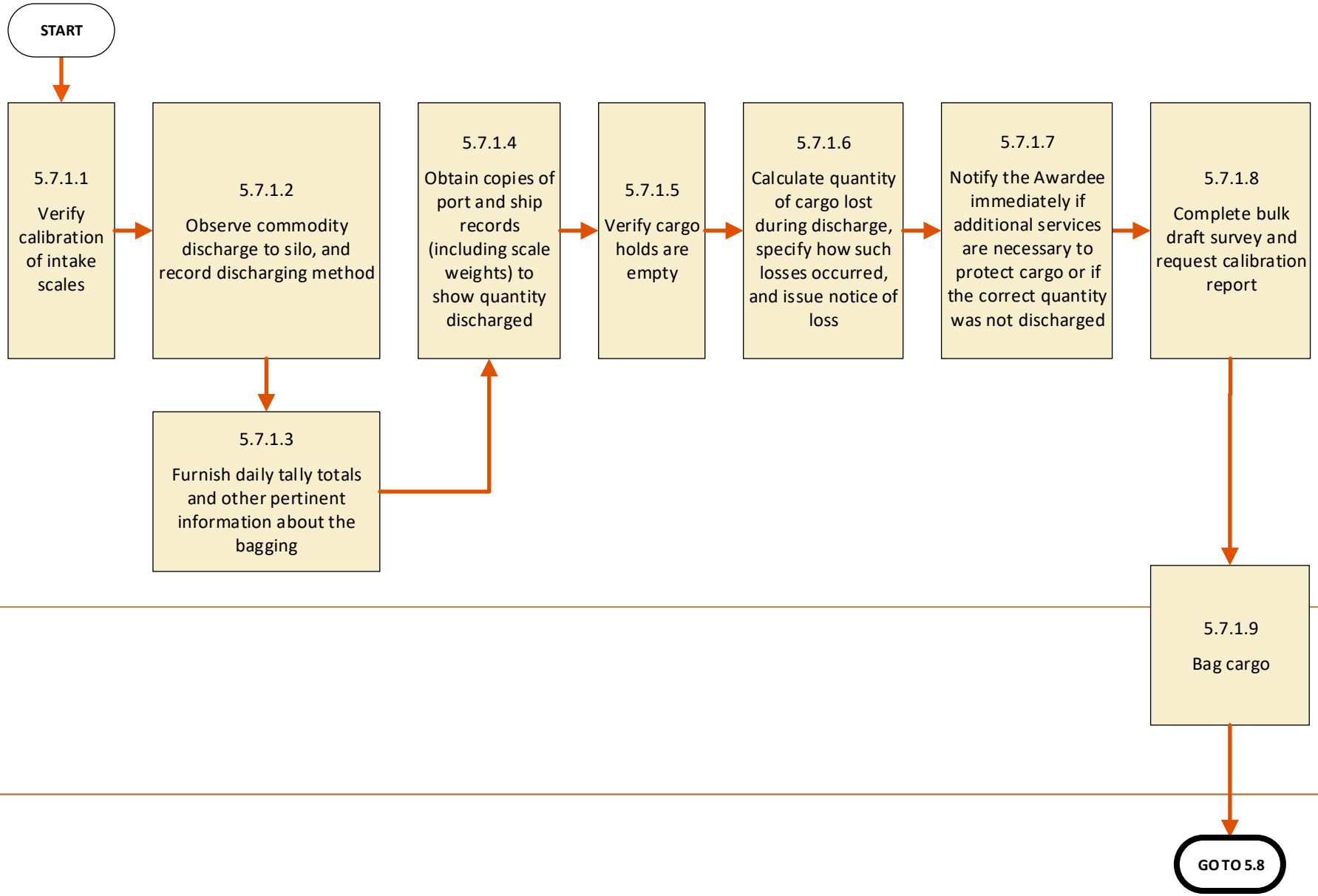
5.0 PORT OPERATIONS

5.7.1 Discharge BULK commodity from vessel



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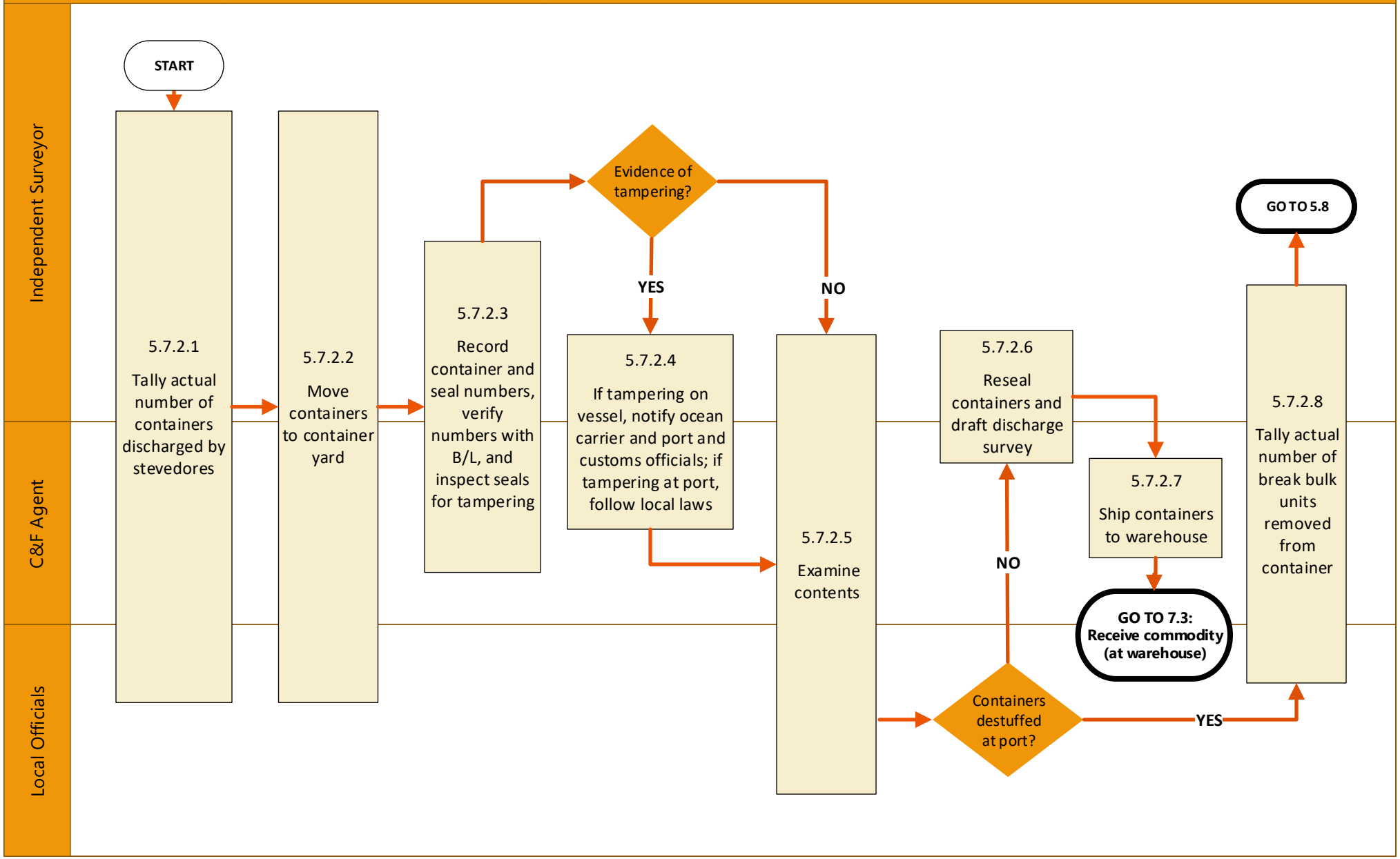
5.7.2 Discharge CONTAINERIZED commodity from vessel



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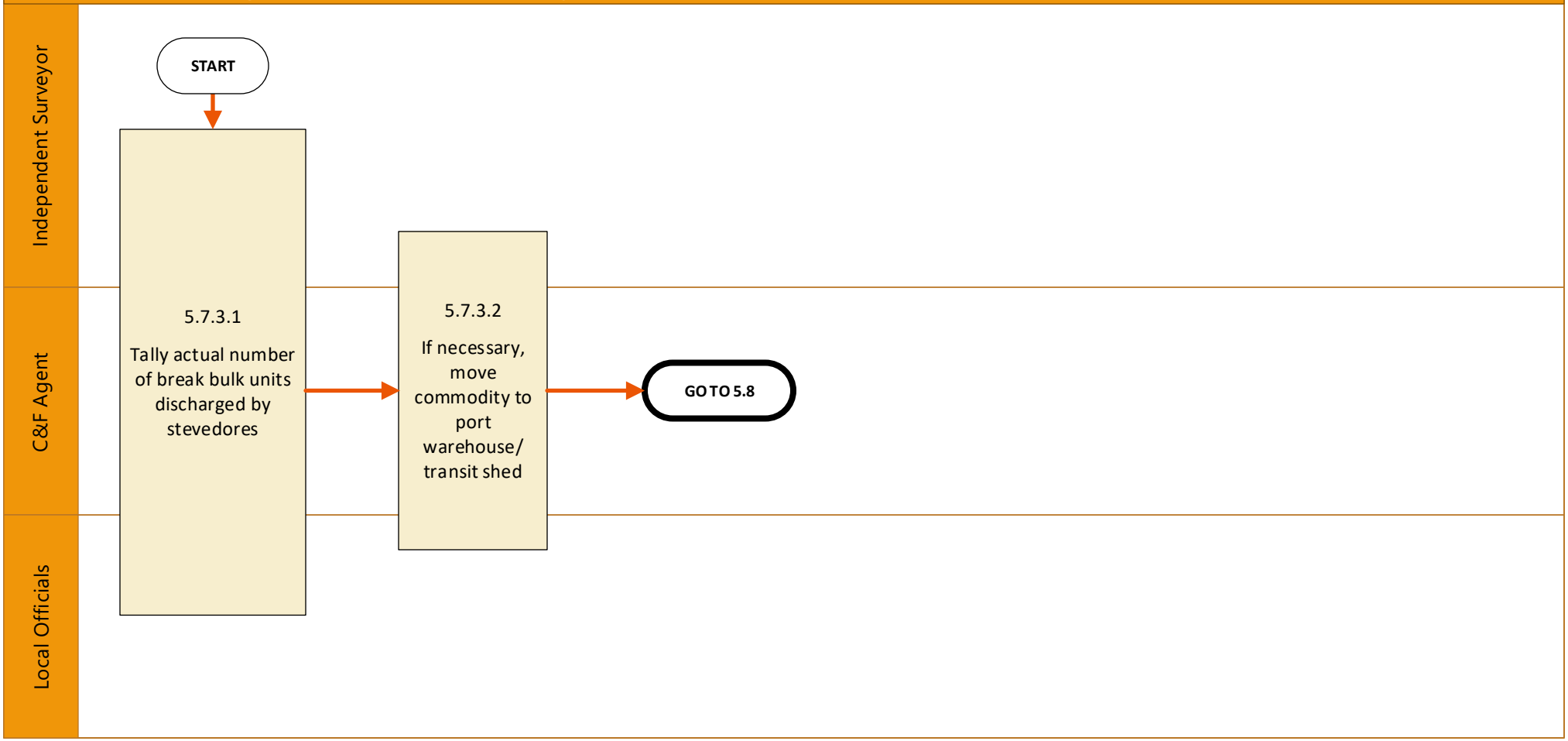
5.7.3 Discharge BREAK BULK commodity from vessel



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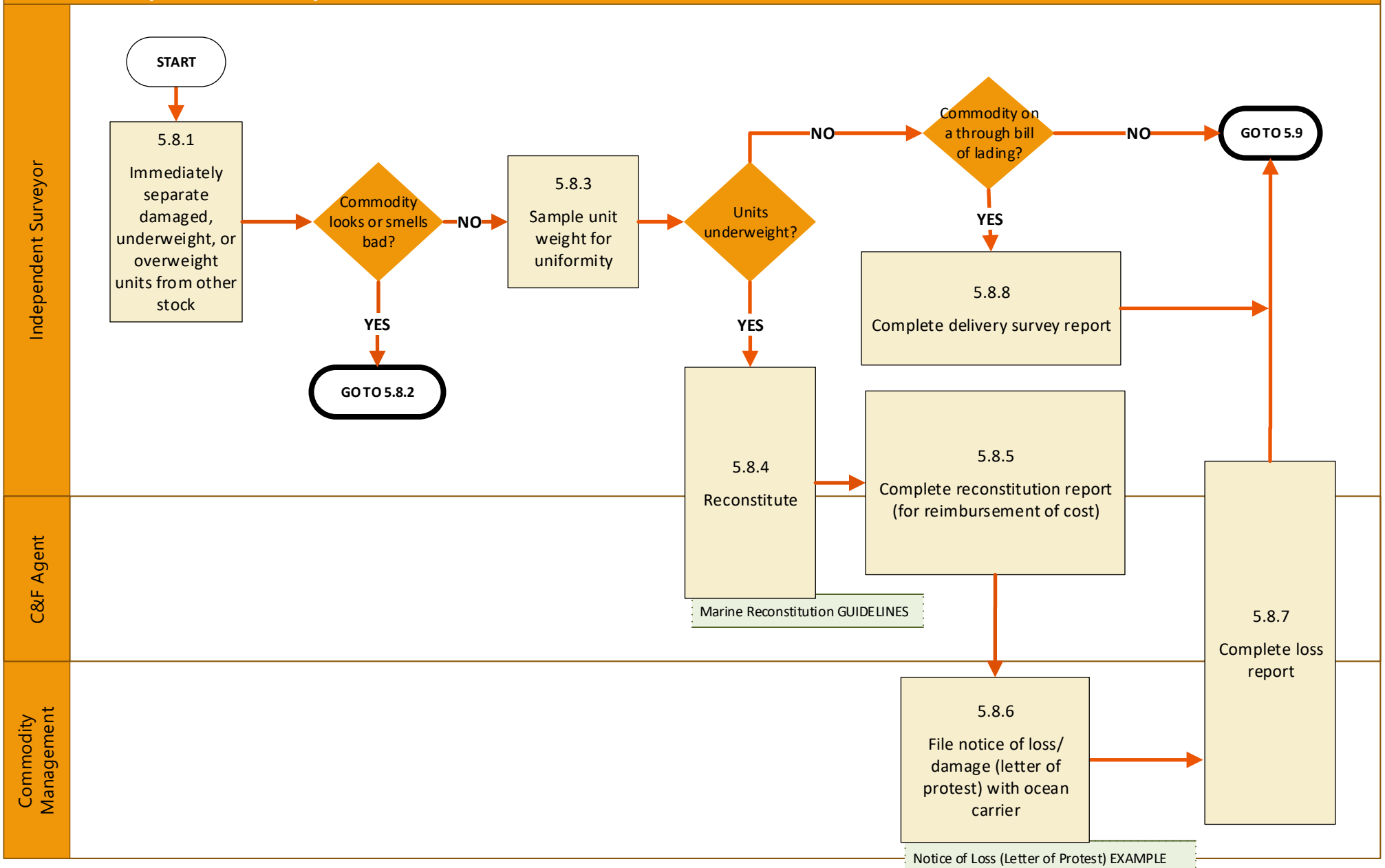
5.0 PORT OPERATIONS

5.8 Inspect commodity



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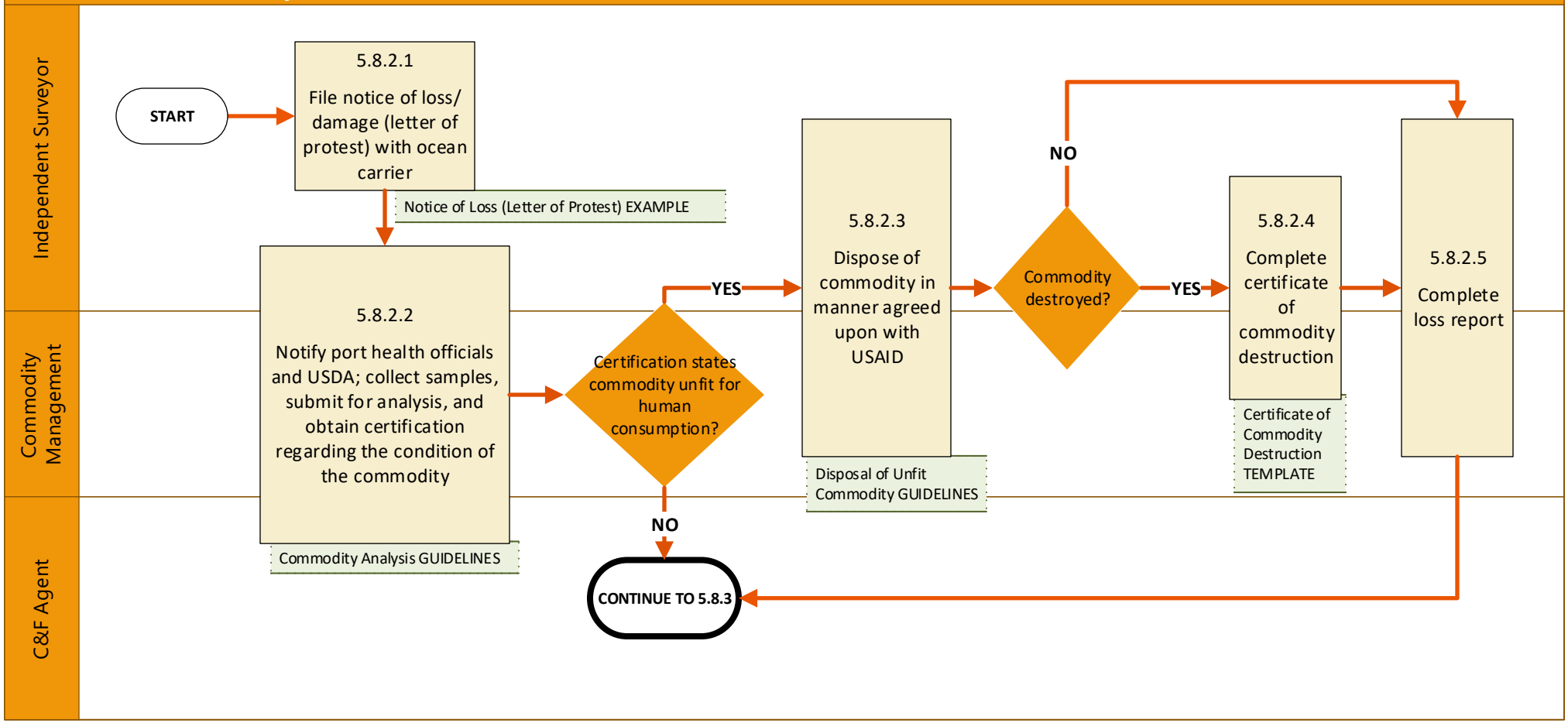
5.8.2 Commodity looks or smells bad



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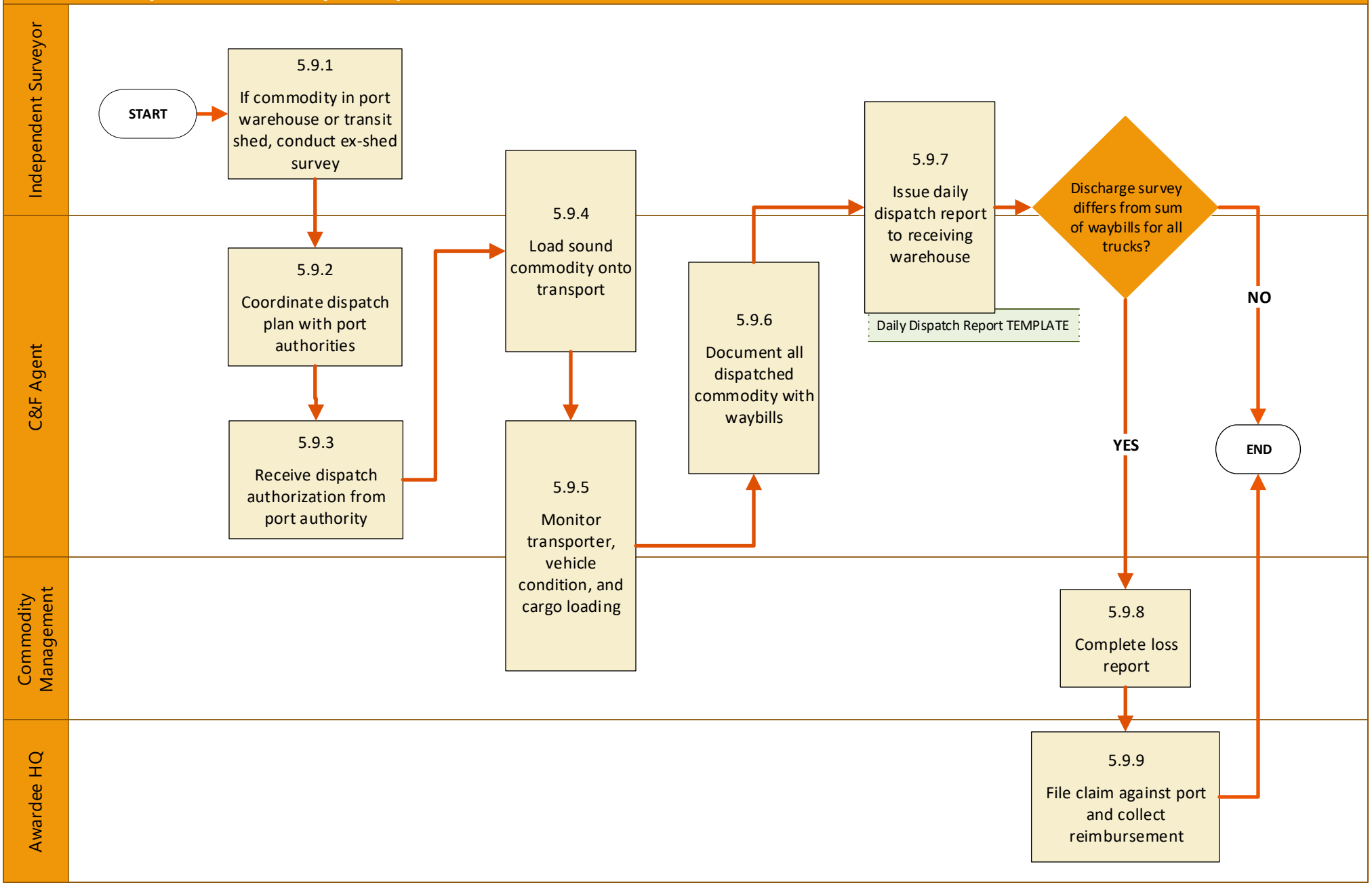
5.0 PORT OPERATIONS

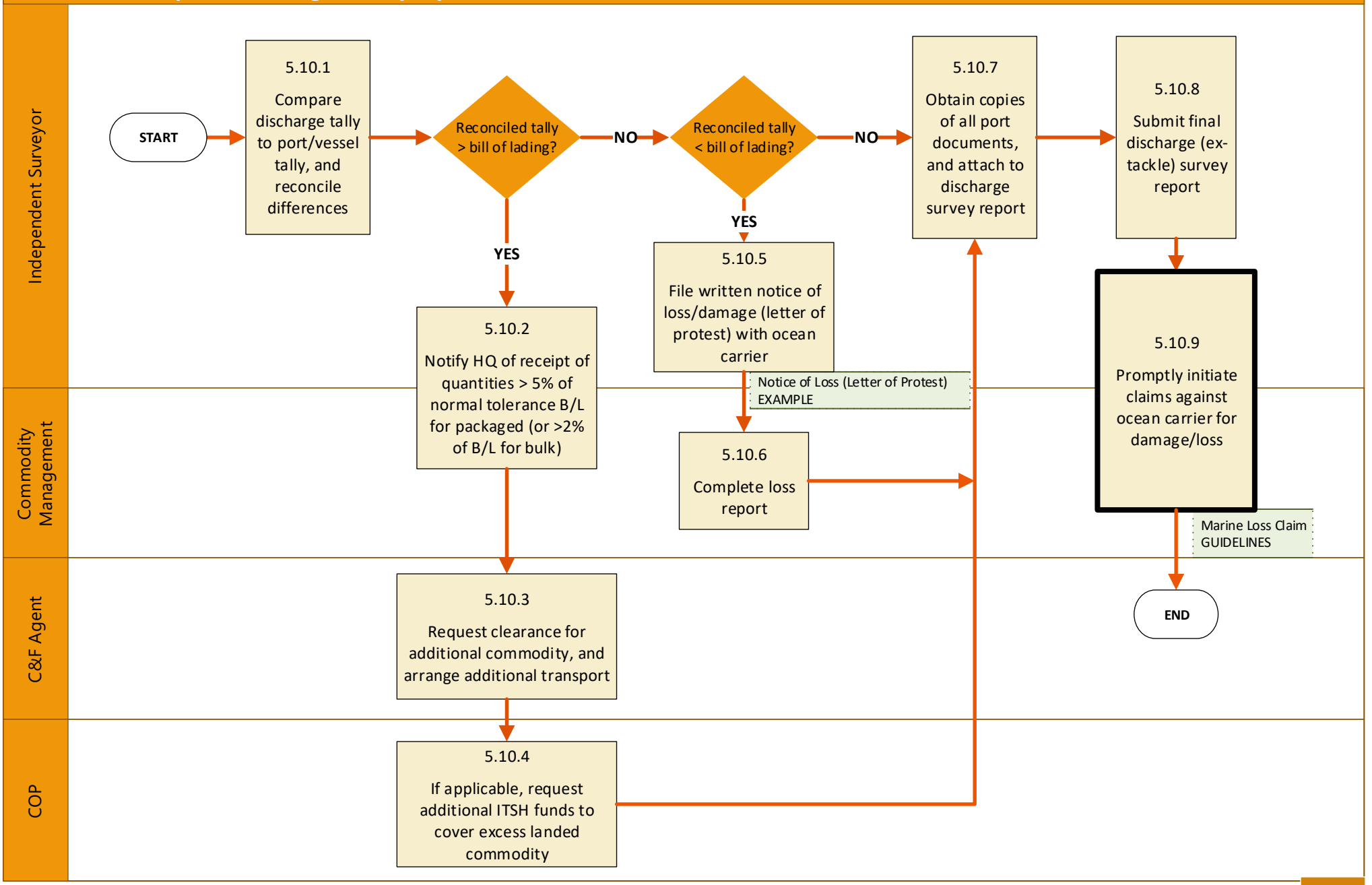
5.9 Dispatch commodity from port



Go Back

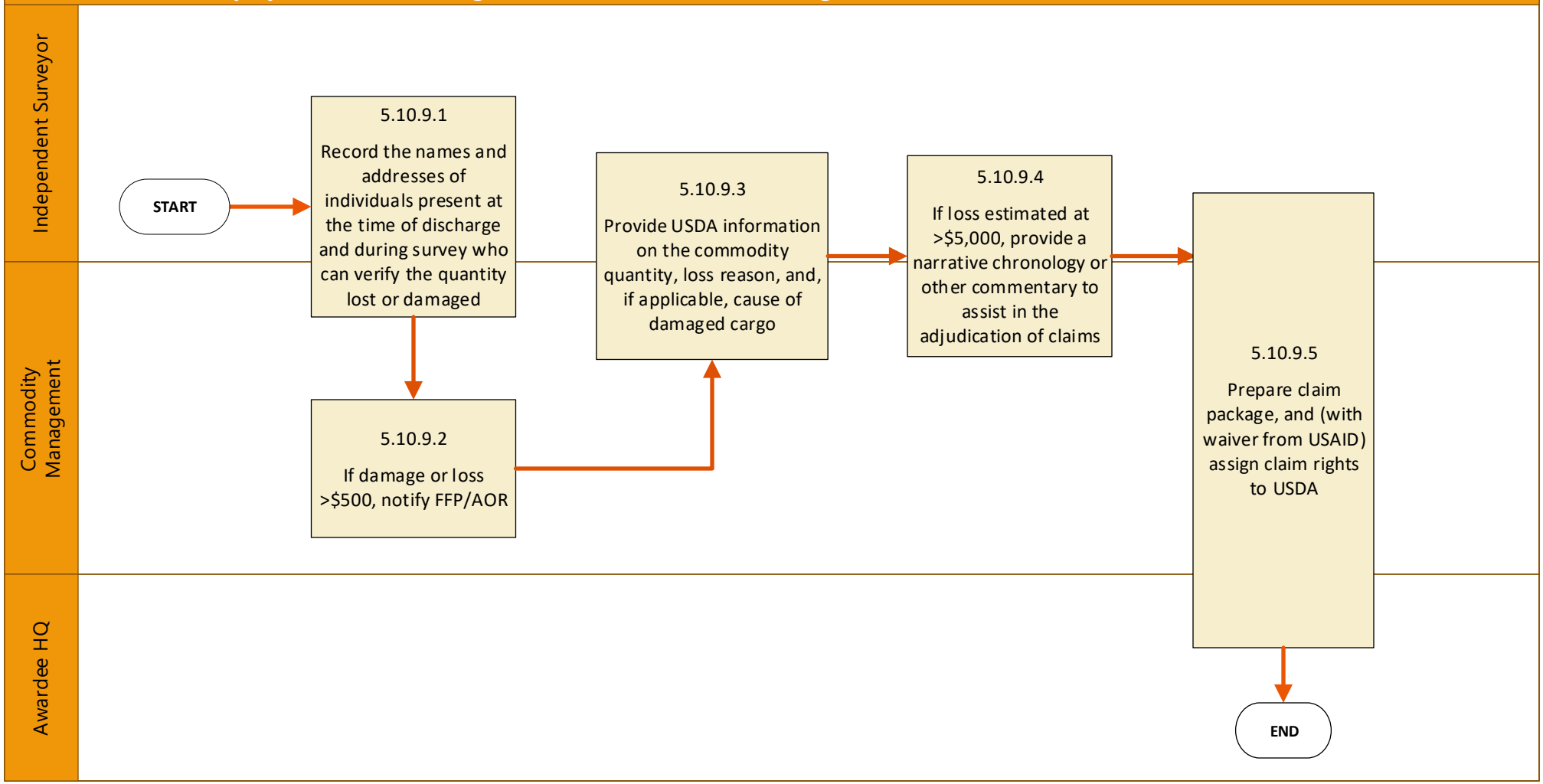
5.0 PORT OPERATIONS

5.10 Complete discharge survey report



Go Back

5.10.9 Promptly initiate claims against ocean carrier for damage or loss



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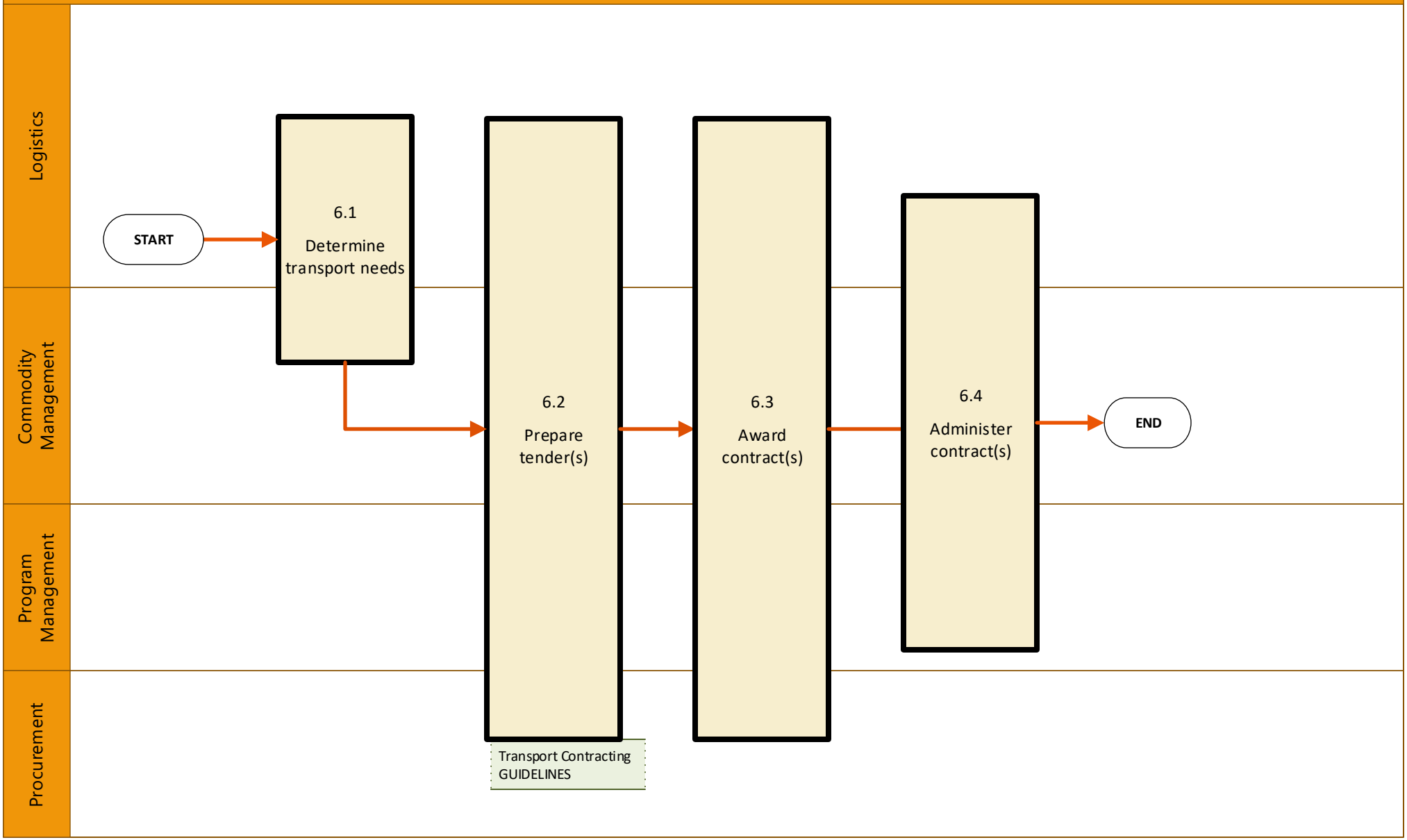
6.0 TRANSPORT



Click here for all sub-process tools

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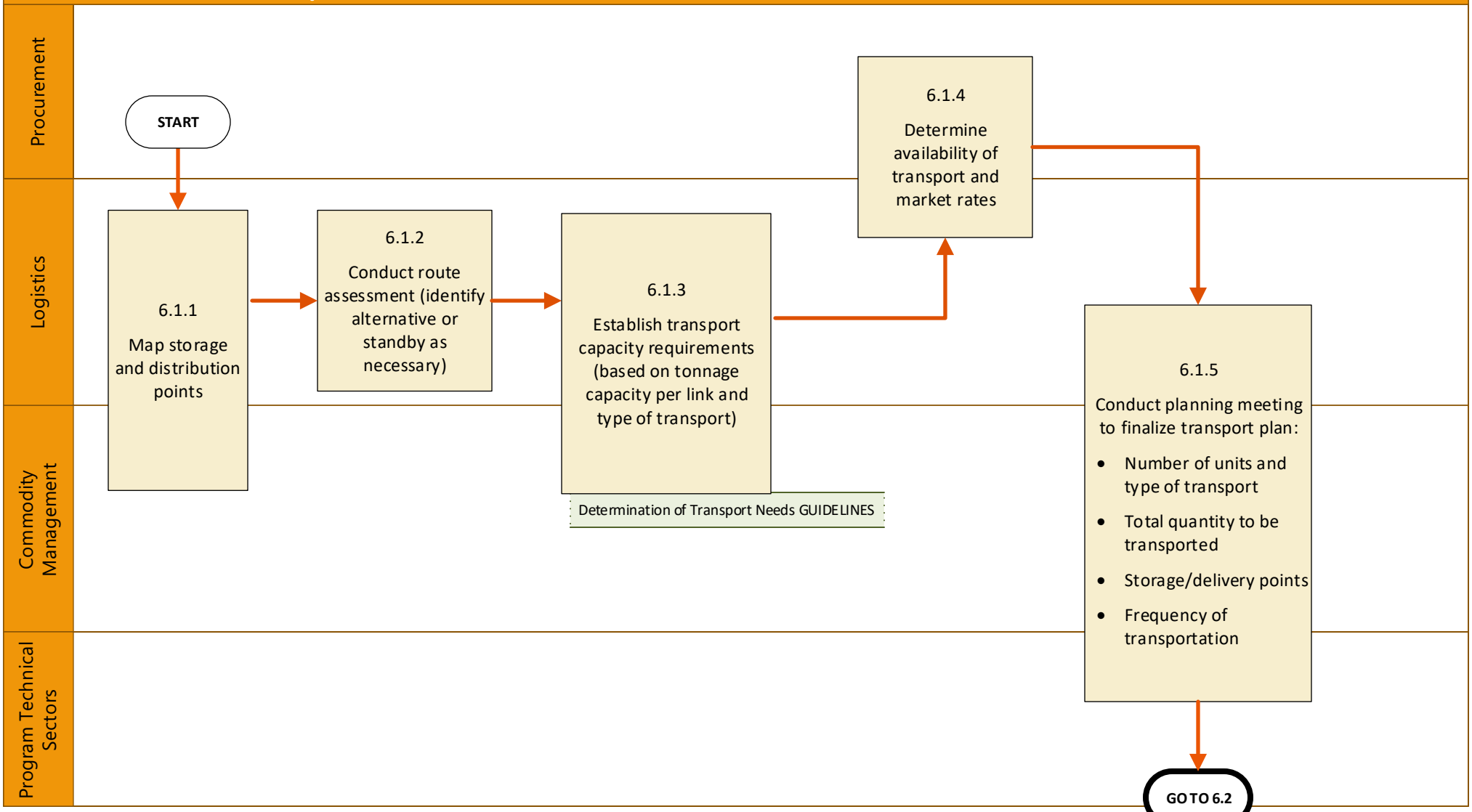
6.0 TRANSPORT

6.1 Determine transport needs



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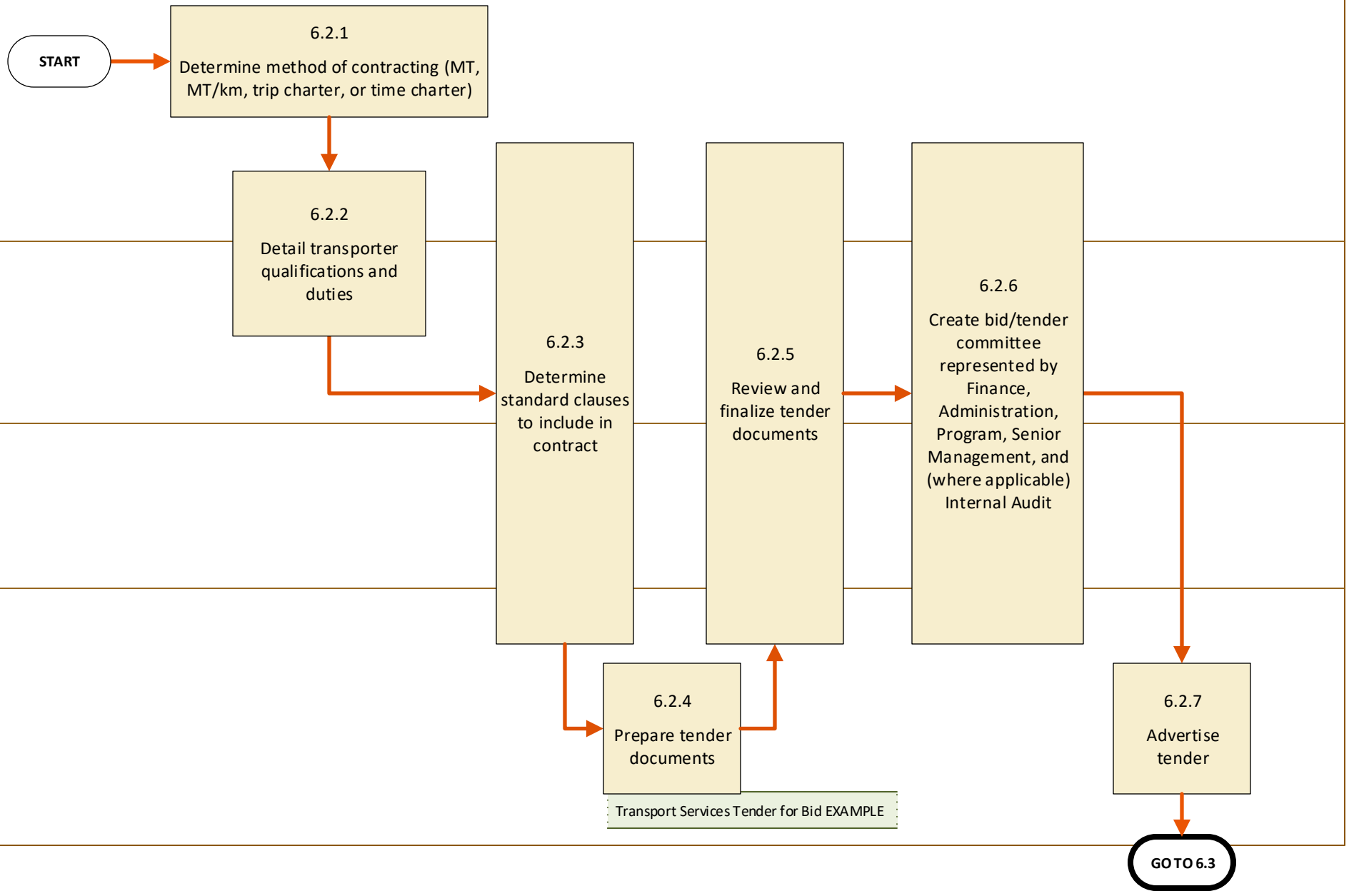
6.0 TRANSPORT

6.2 Prepare tender(s)



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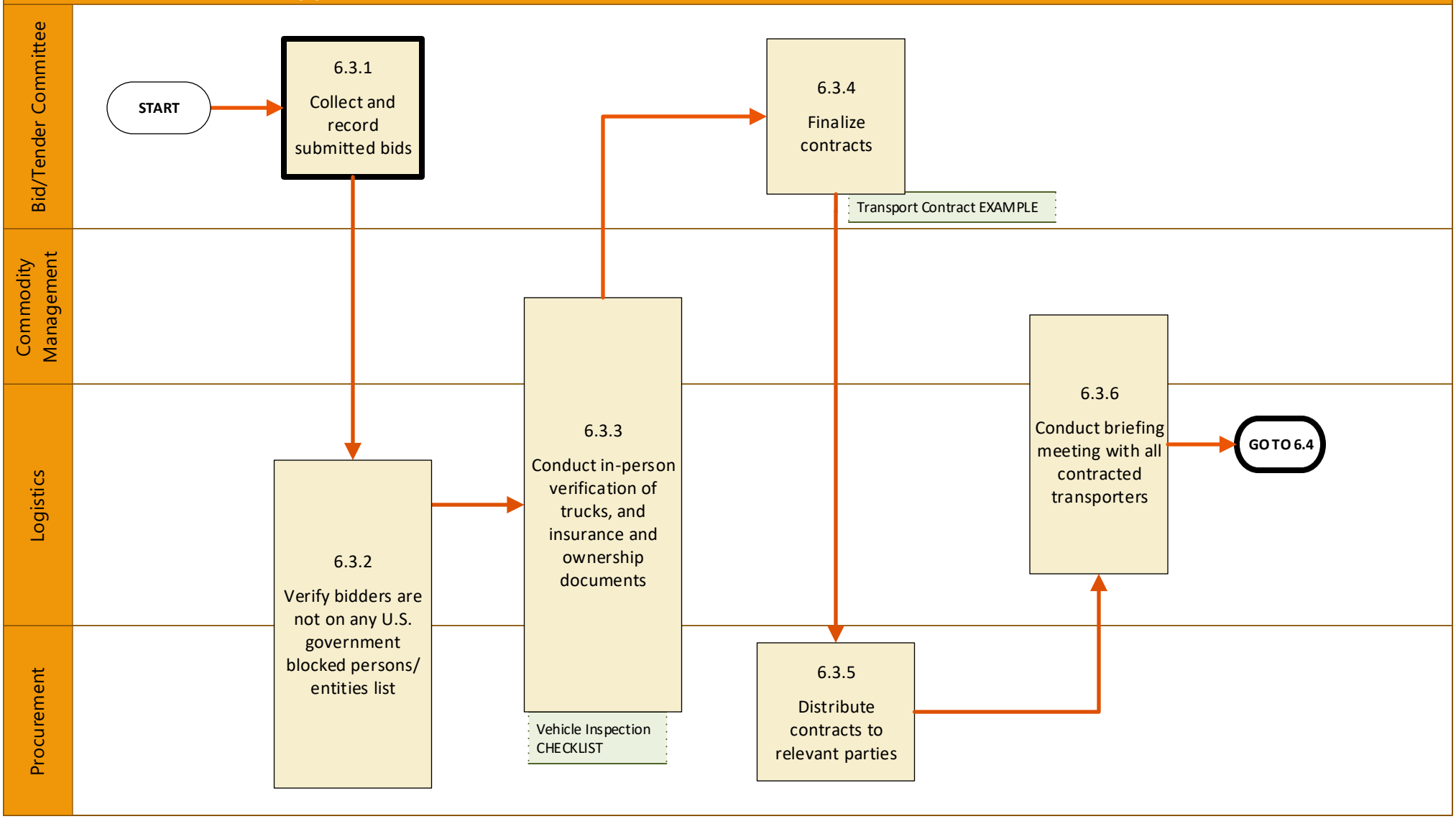
6.0 TRANSPORT

6.3 Award contract(s)



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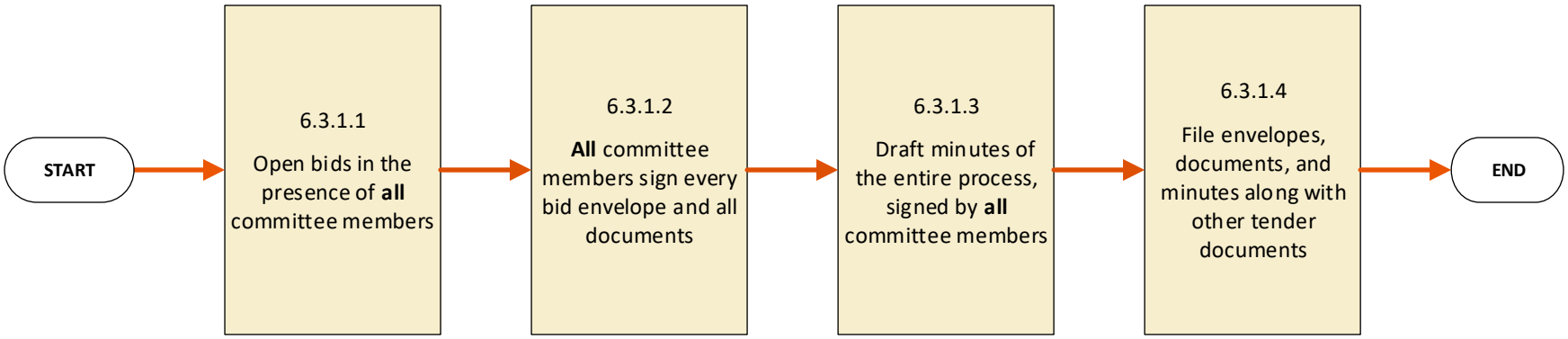
6.0 TRANSPORT

6.3.1 Collect and record submitted bids

Bid/Tender Committee



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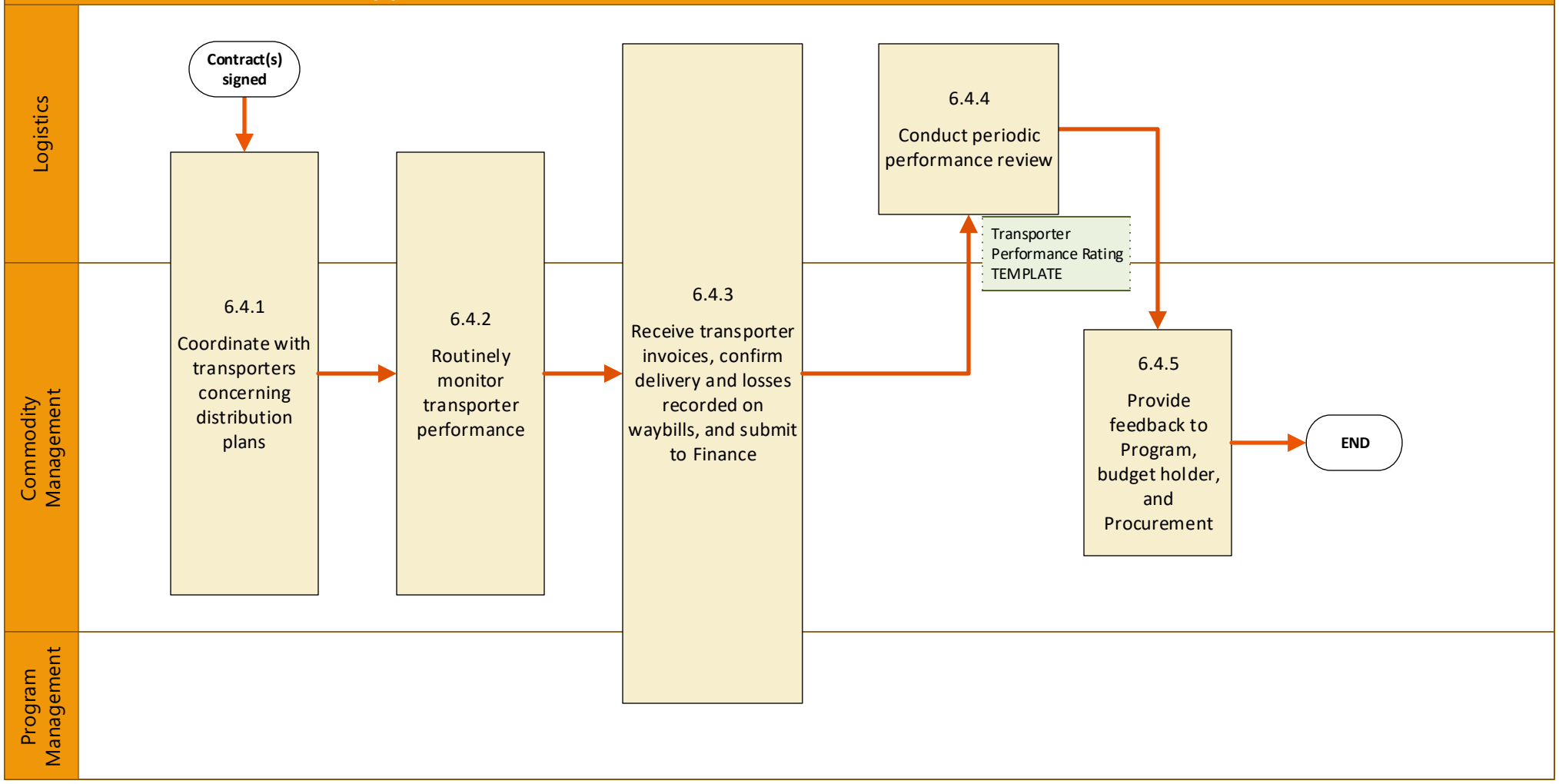
6.0 TRANSPORT

6.4 Administer contract(s)



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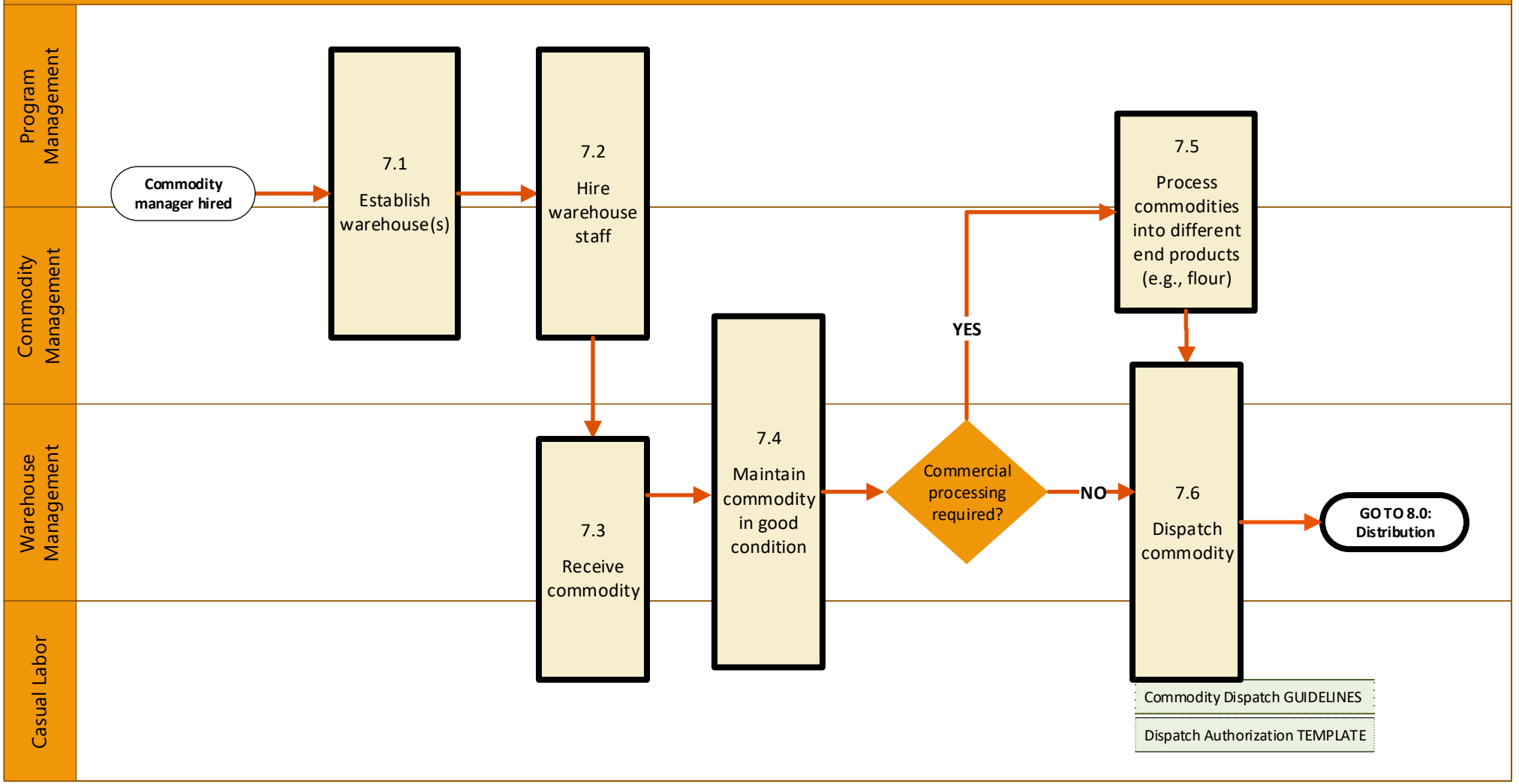
7.0 WAREHOUSING



Click here for all sub-process tools

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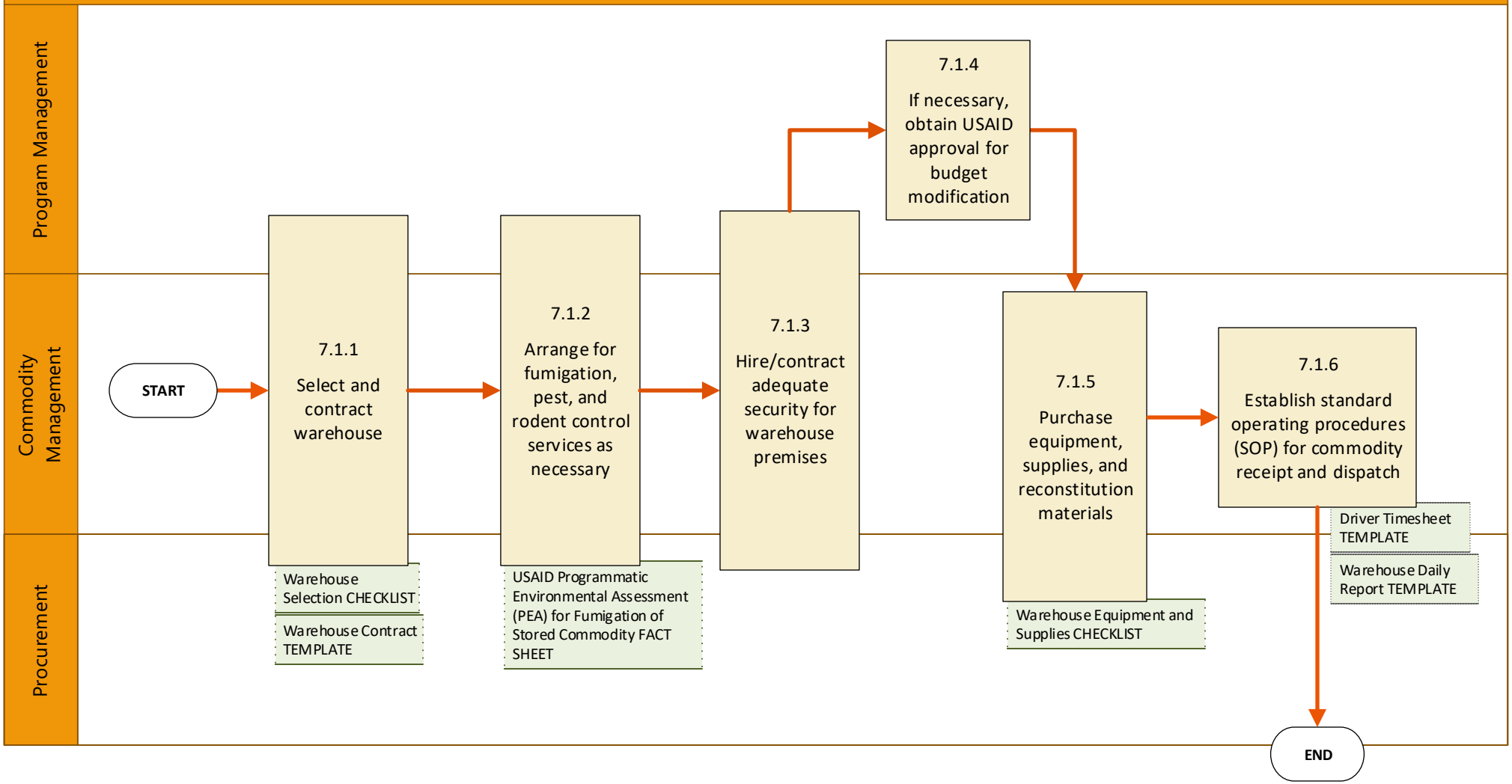
7.0 WAREHOUSING

7.1 Establish warehouse(s)



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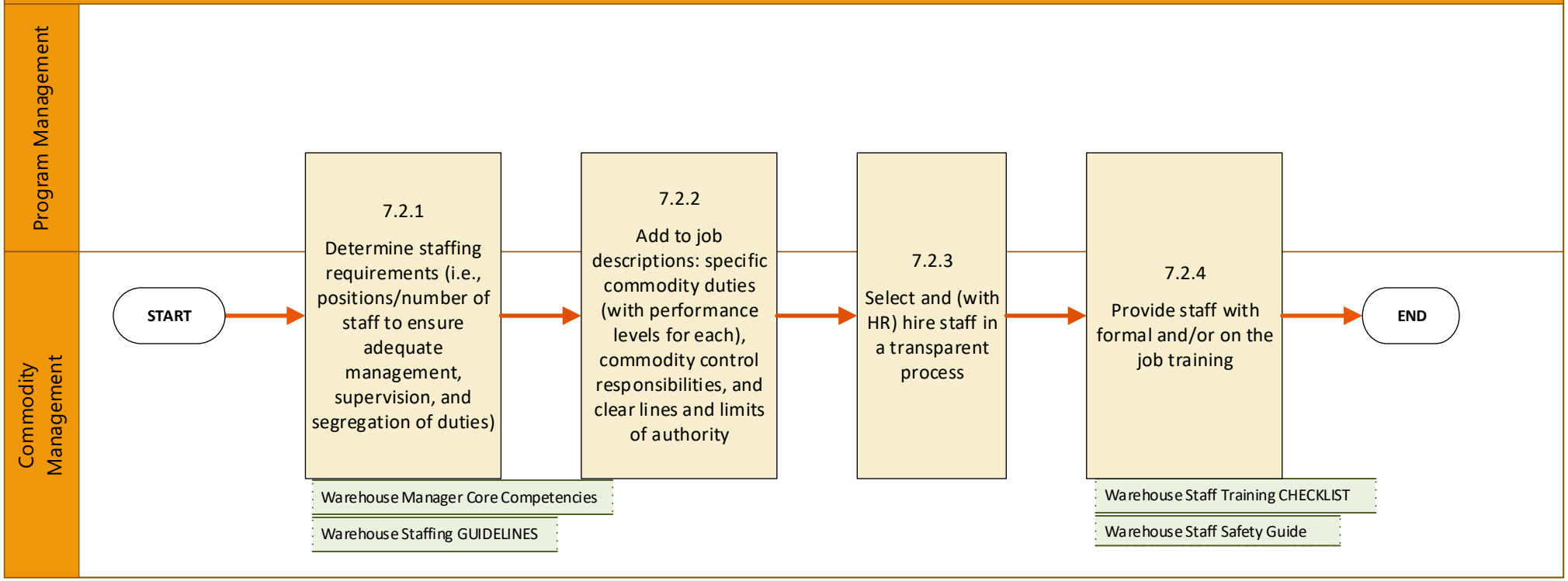
7.0 WAREHOUSING

7.2 Hire warehouse staff



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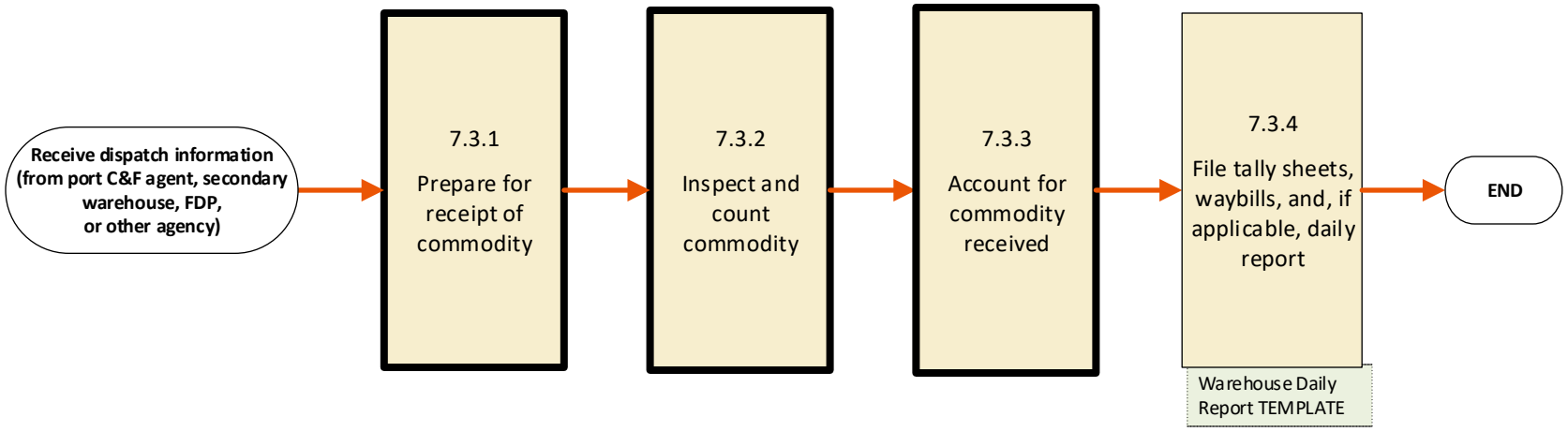
7.0 WAREHOUSING

7.3 Receive commodity

Warehouse Management



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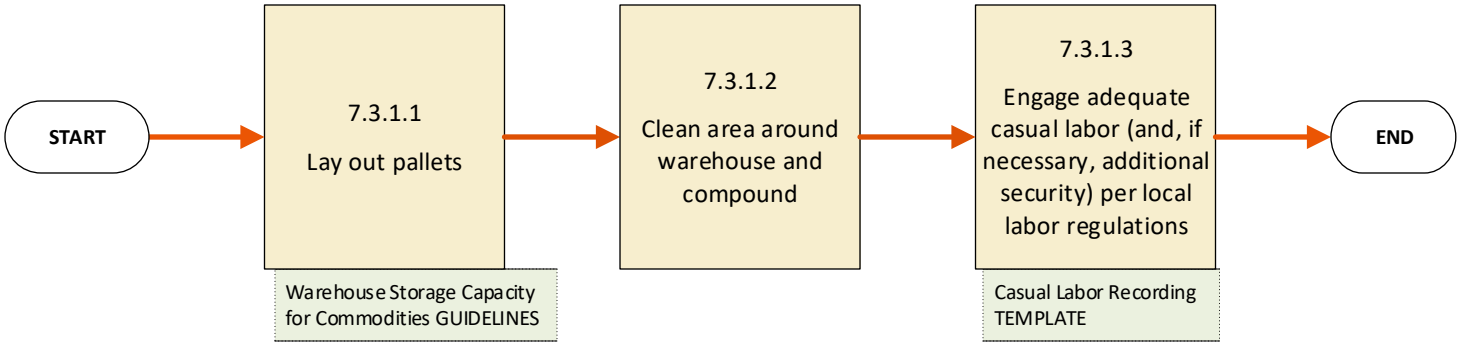
7.0 WAREHOUSING

7.3.1 Prepare for receipt of commodity

Warehouse Management



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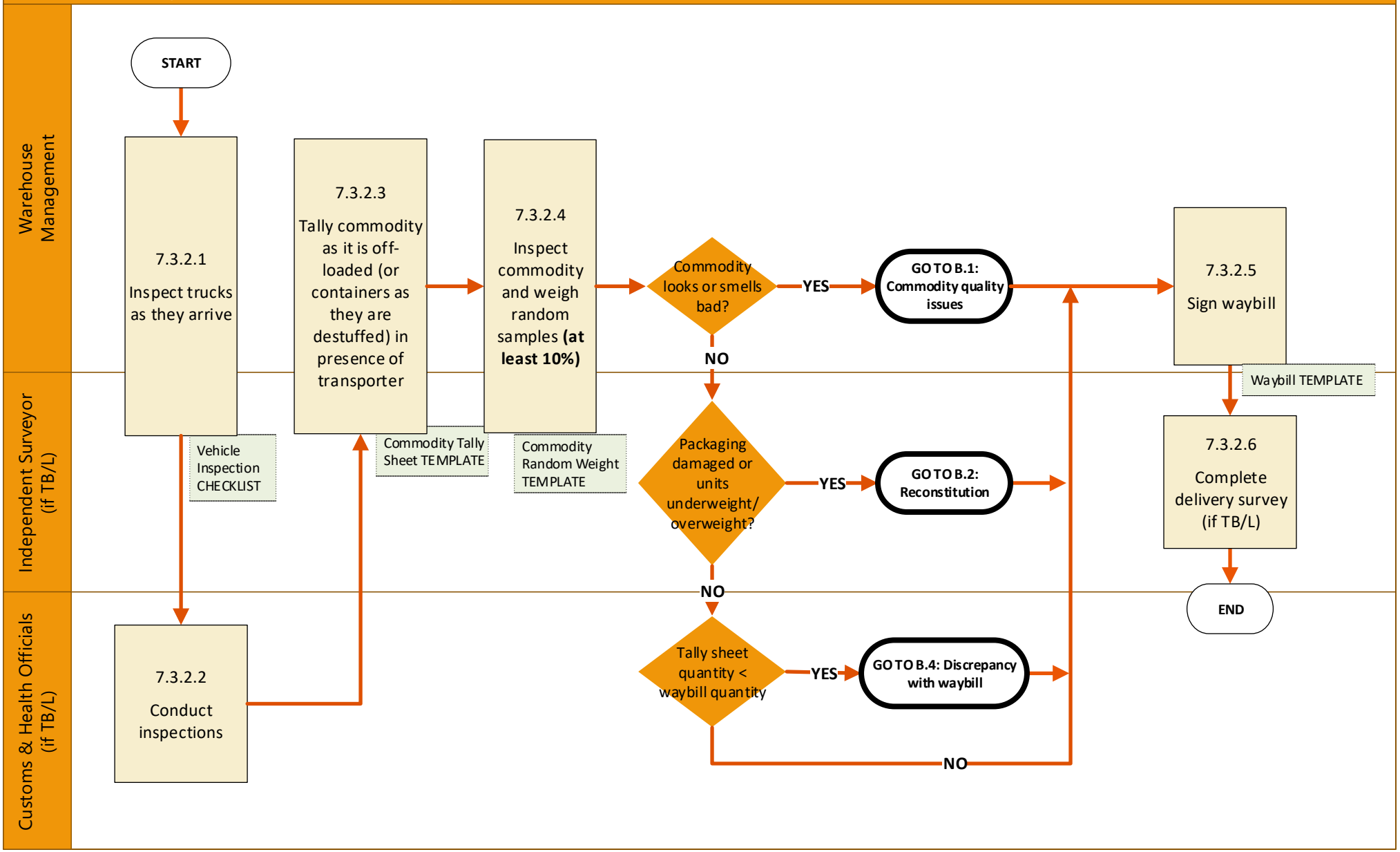
7.0 WAREHOUSING

7.3.2 Inspect and count commodity



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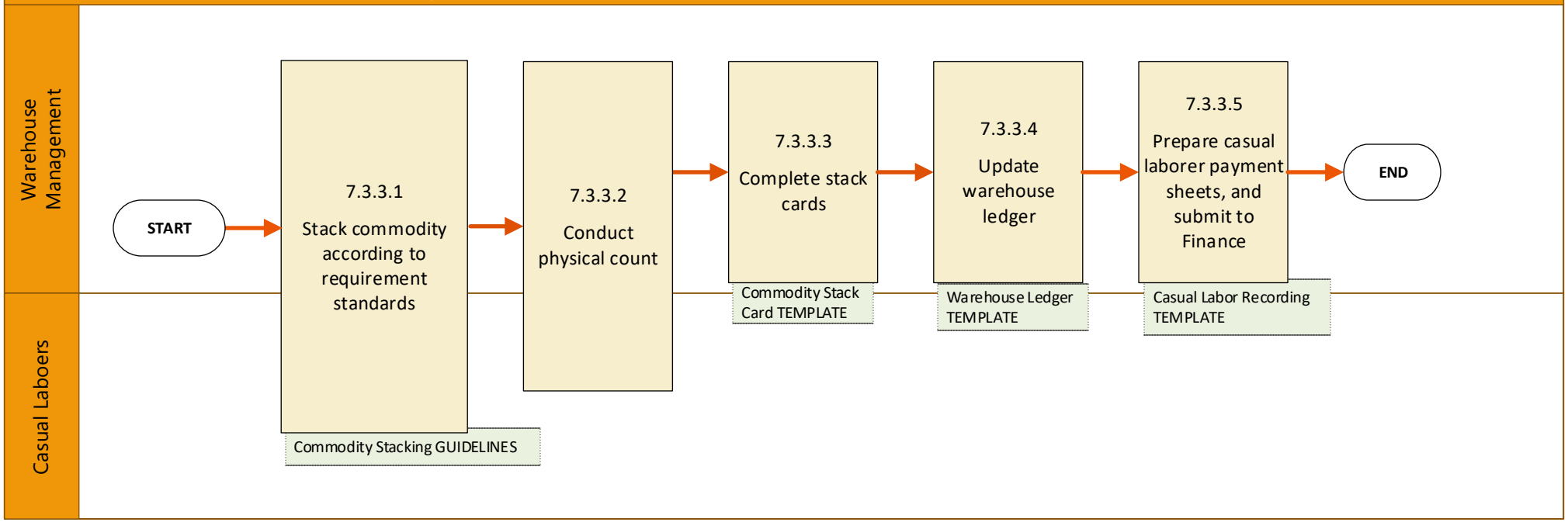
7.0 WAREHOUSING

7.3.3 Account for commodity received



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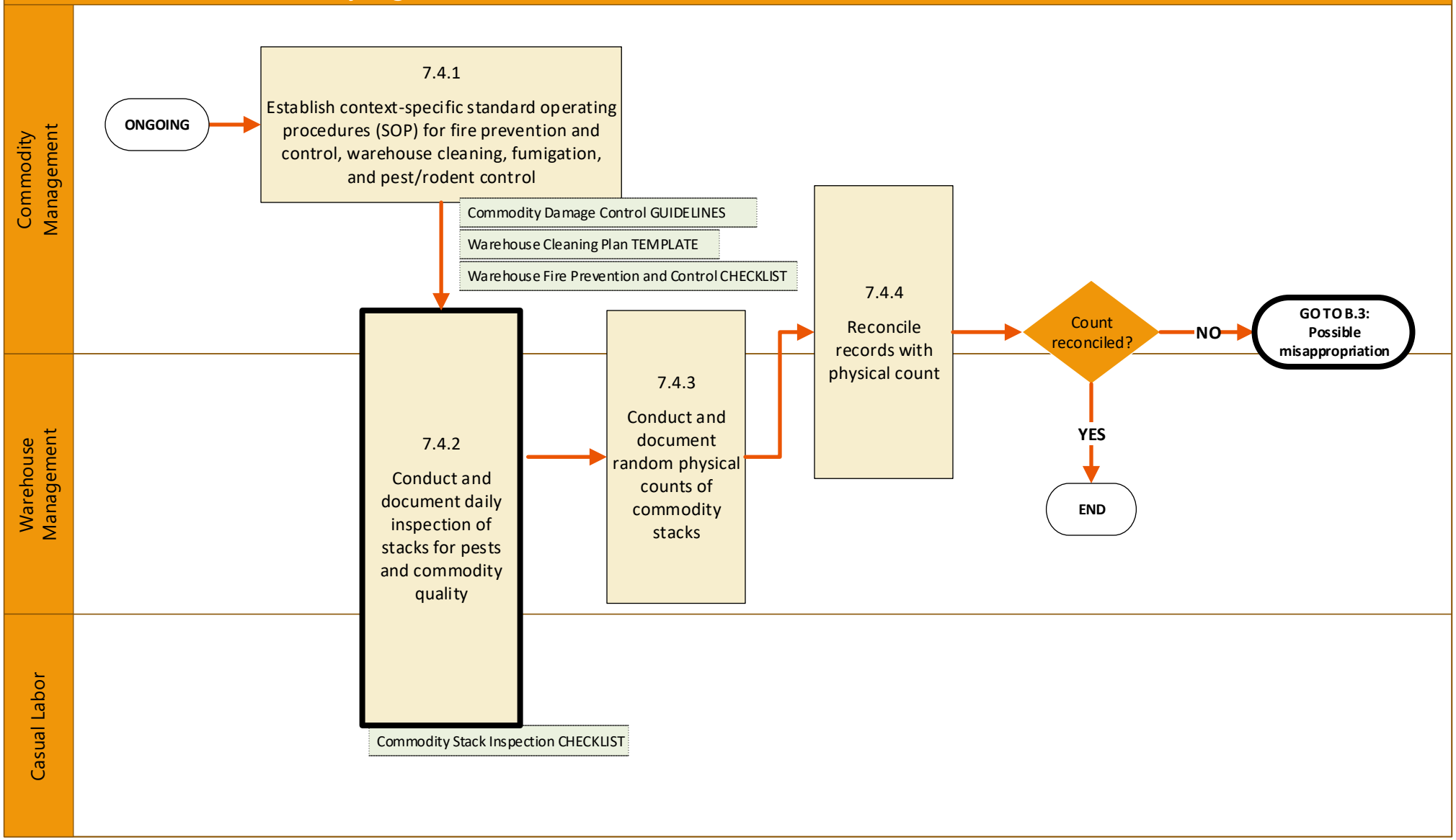
7.0 WAREHOUSING

7.4 Maintain commodity in good condition



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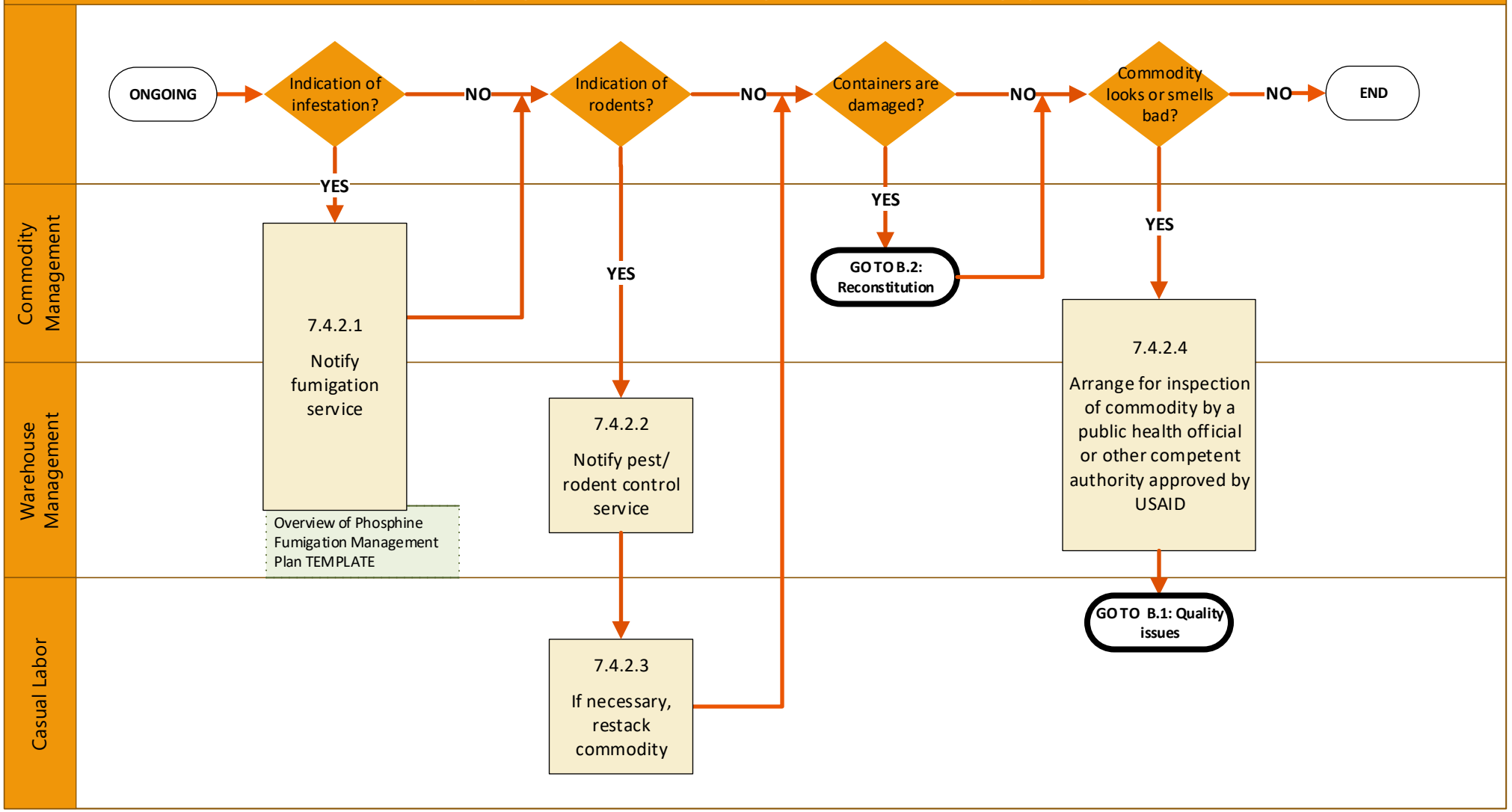
7.0 WAREHOUSING

7.4.2 Conduct and document daily inspection of stacks for pests and commodity quality



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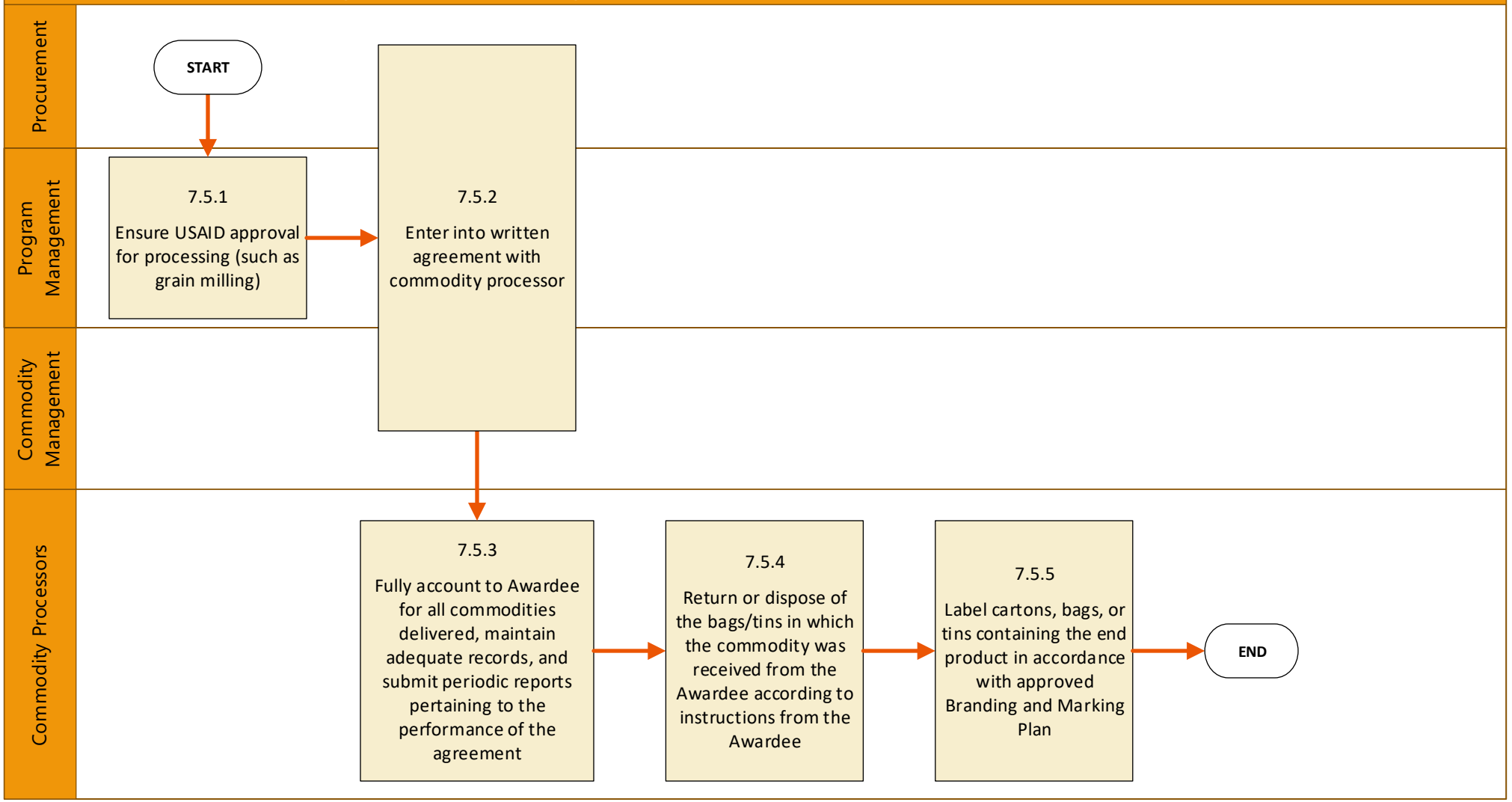
7.0 WAREHOUSING

7.5 Process commodity into different end product



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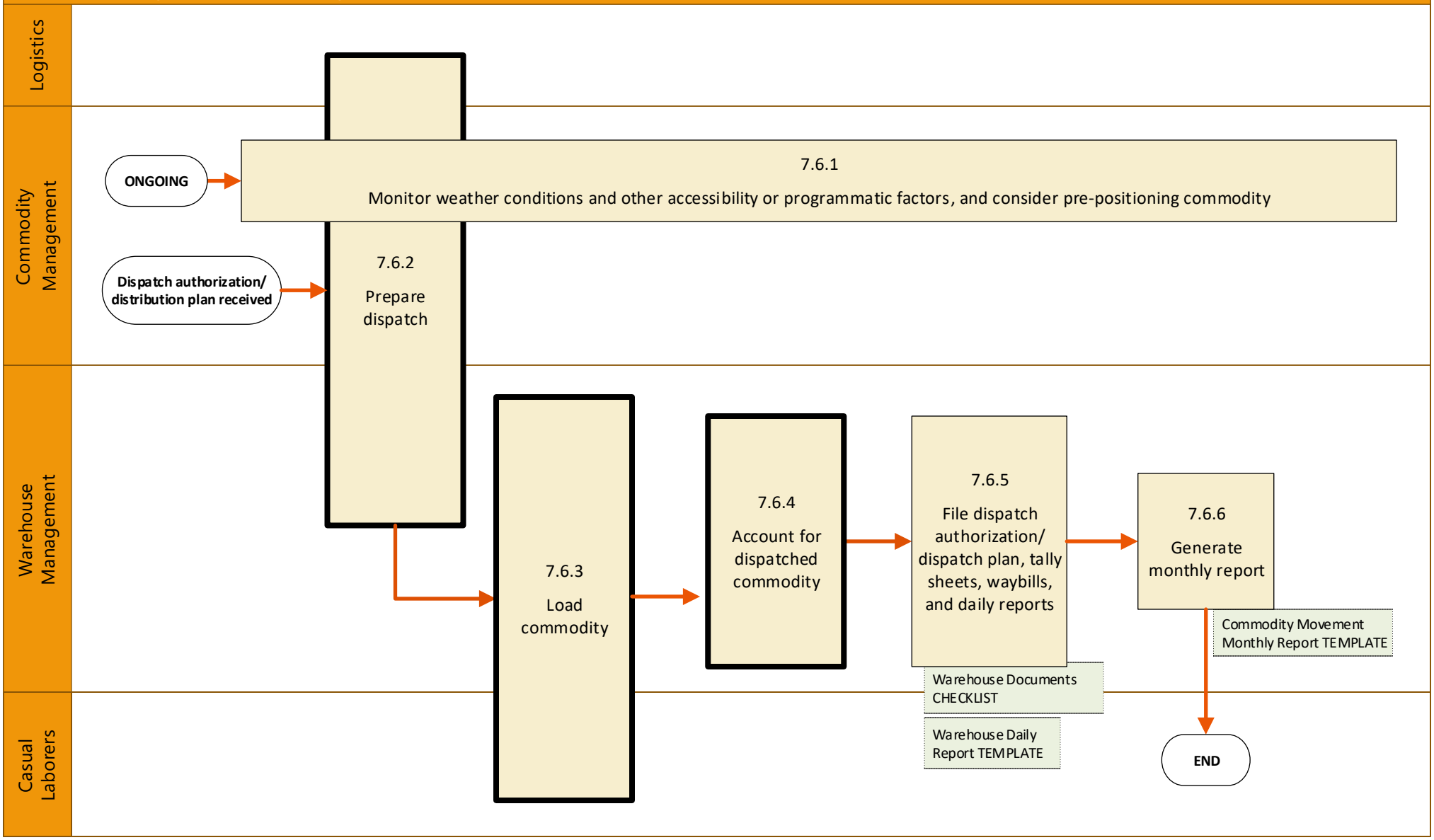
7.0 WAREHOUSING

7.6 Dispatch commodity



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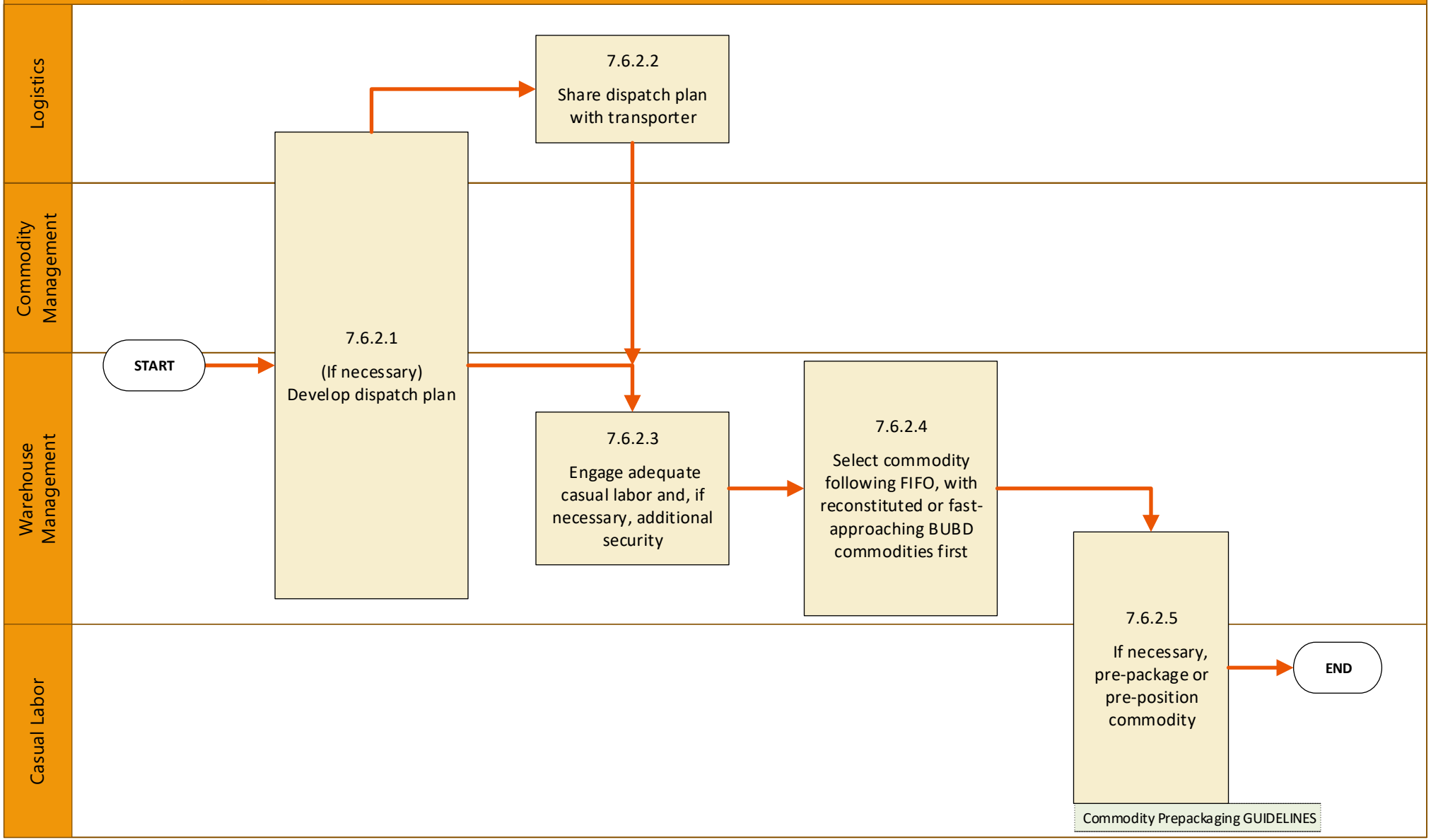
7.0 WAREHOUSING

7.6.2 Prepare dispatch



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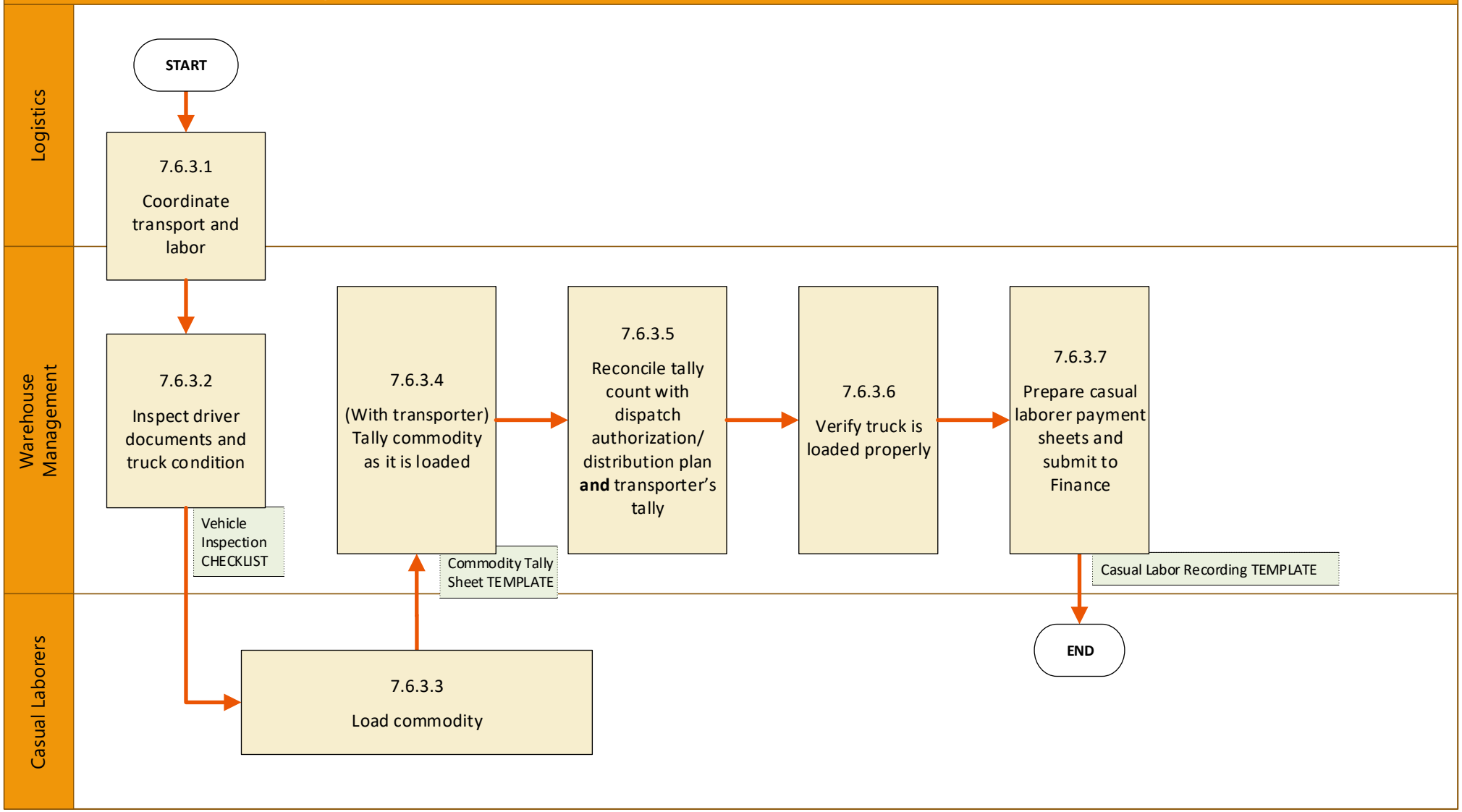
7.0 WAREHOUSING

7.6.3 Load commodity



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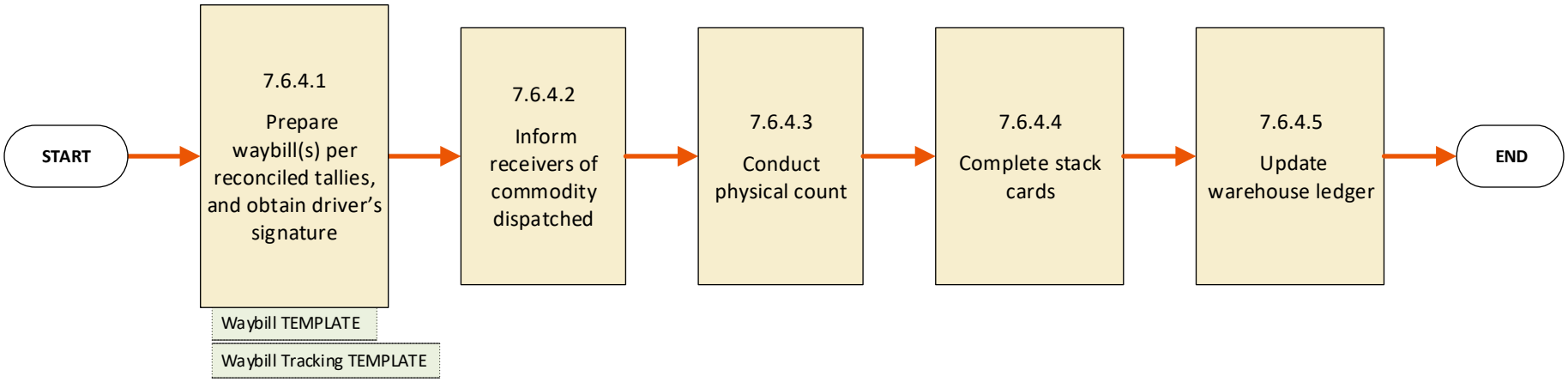
7.0 WAREHOUSING

7.6.4 Account for dispatched commodity

Warehouse Management



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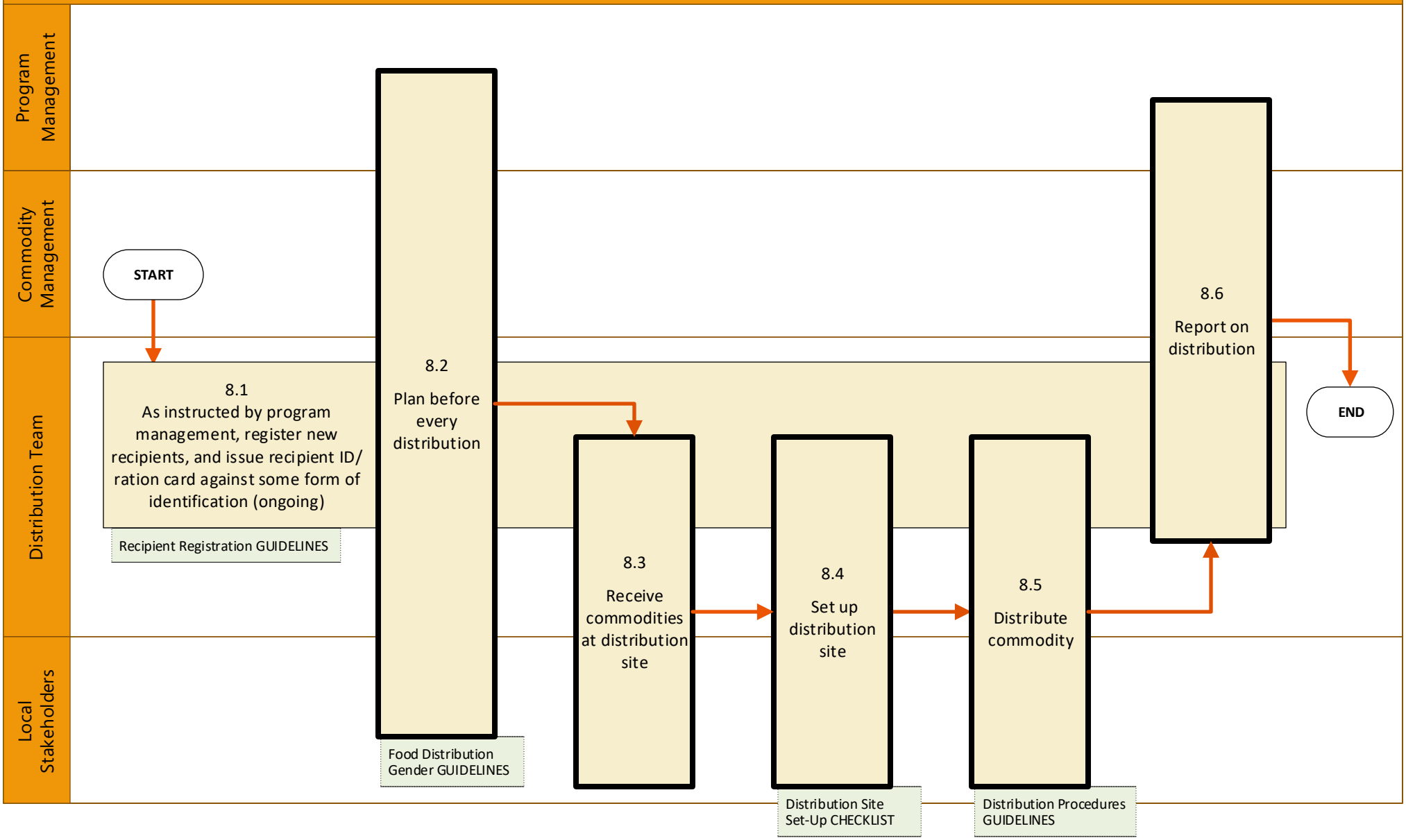
8.0 DISTRIBUTION



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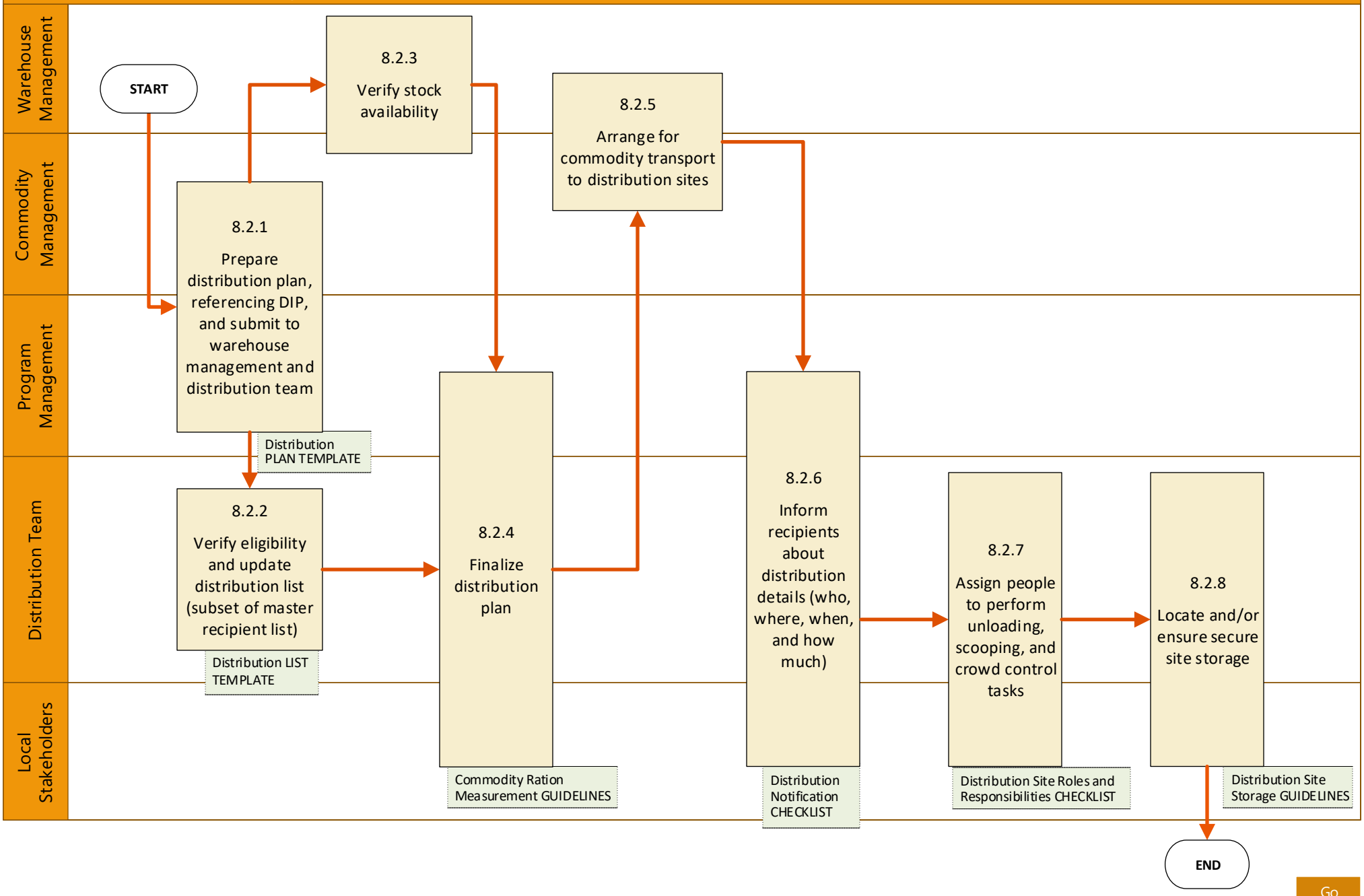
8.0 DISTRIBUTION

8.2 Plan before every distribution



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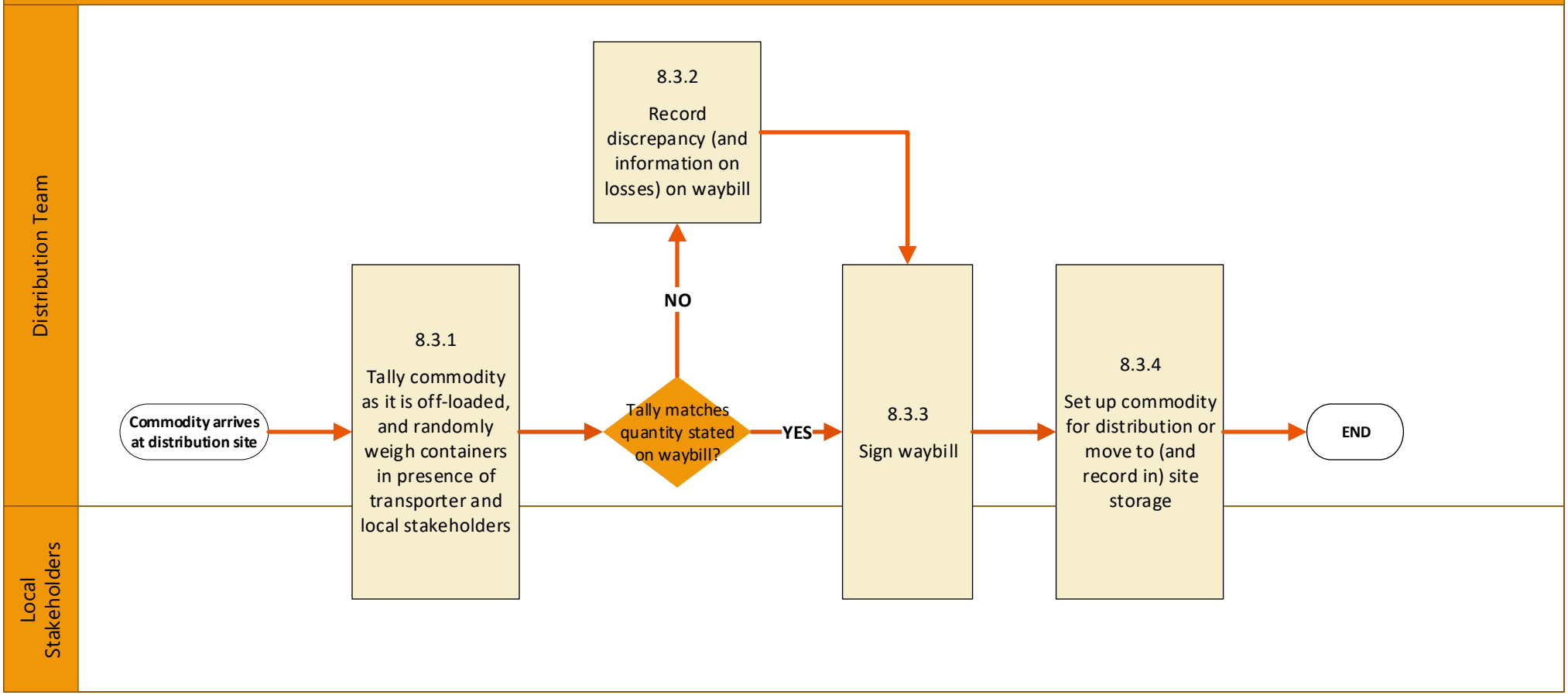
8.0 DISTRIBUTION

8.3 Receive commodities at distribution site



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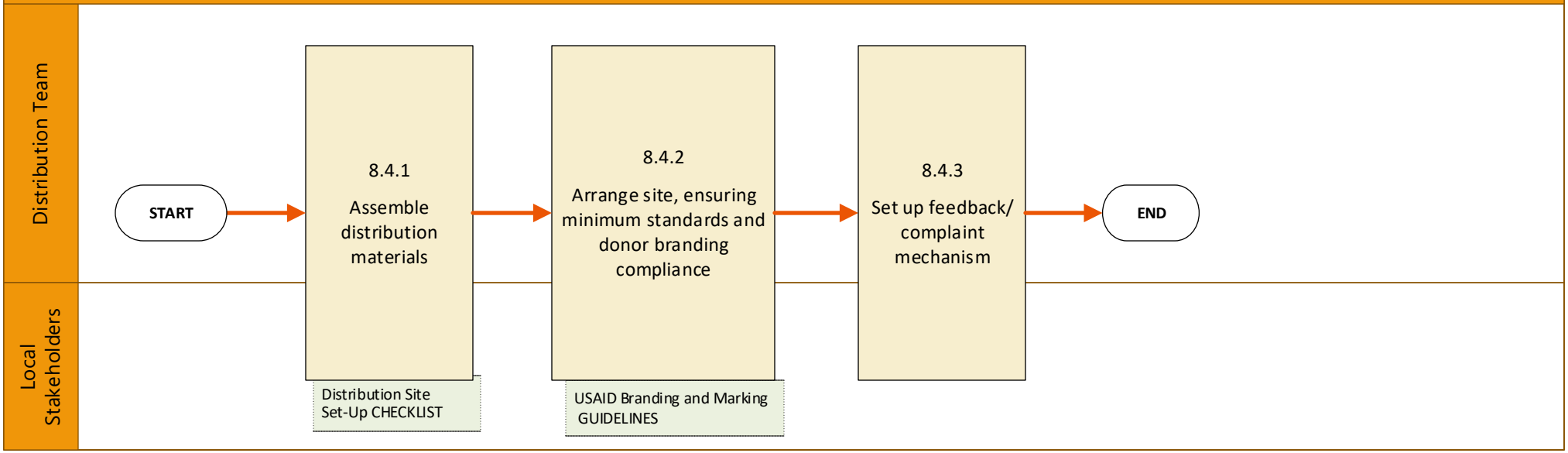
8.0 DISTRIBUTION

8.4 Set up distribution site



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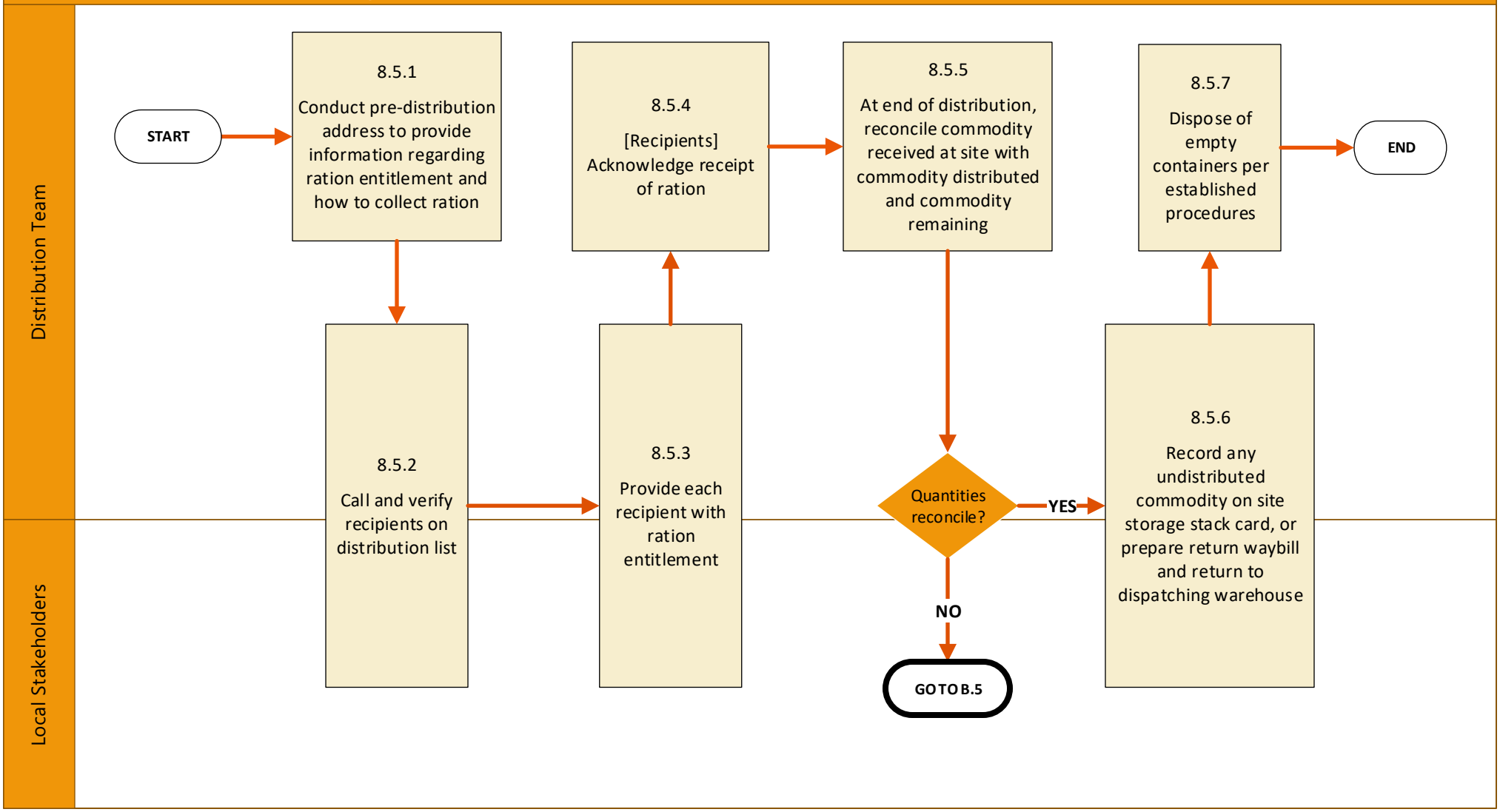
8.0 DISTRIBUTION

8.5 Distribute commodity



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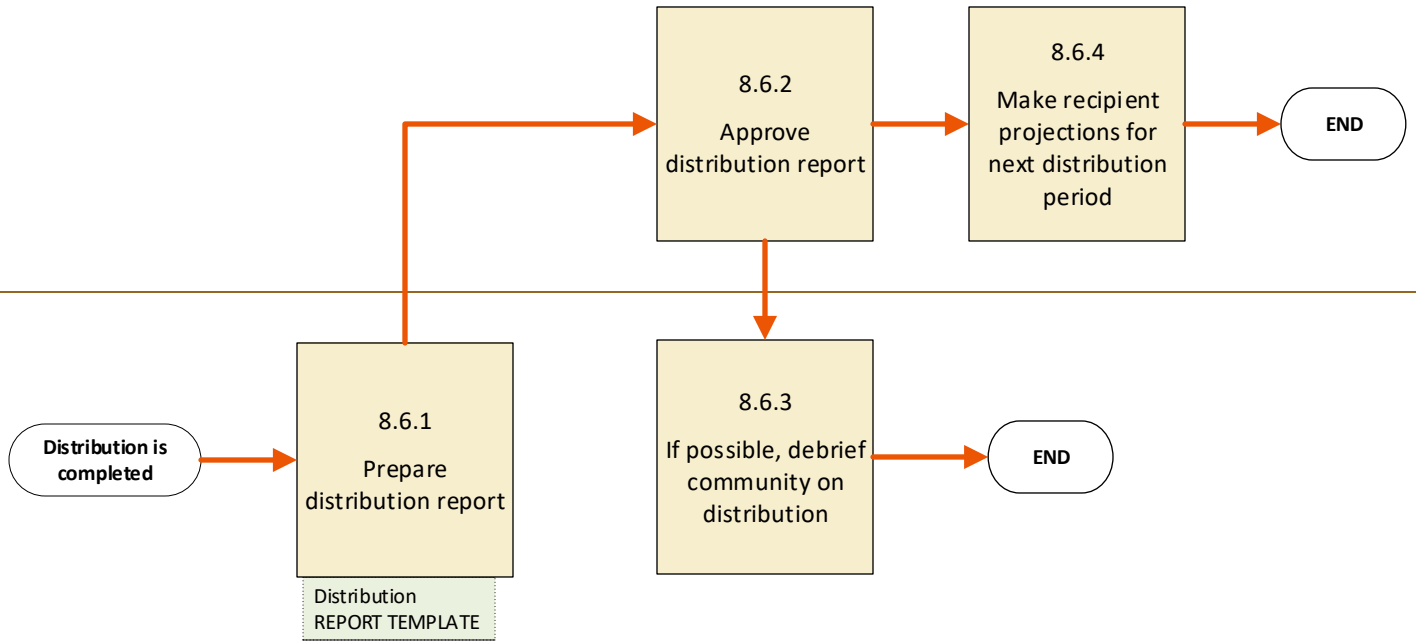
8.0 DISTRIBUTION

8.6 Report on distribution



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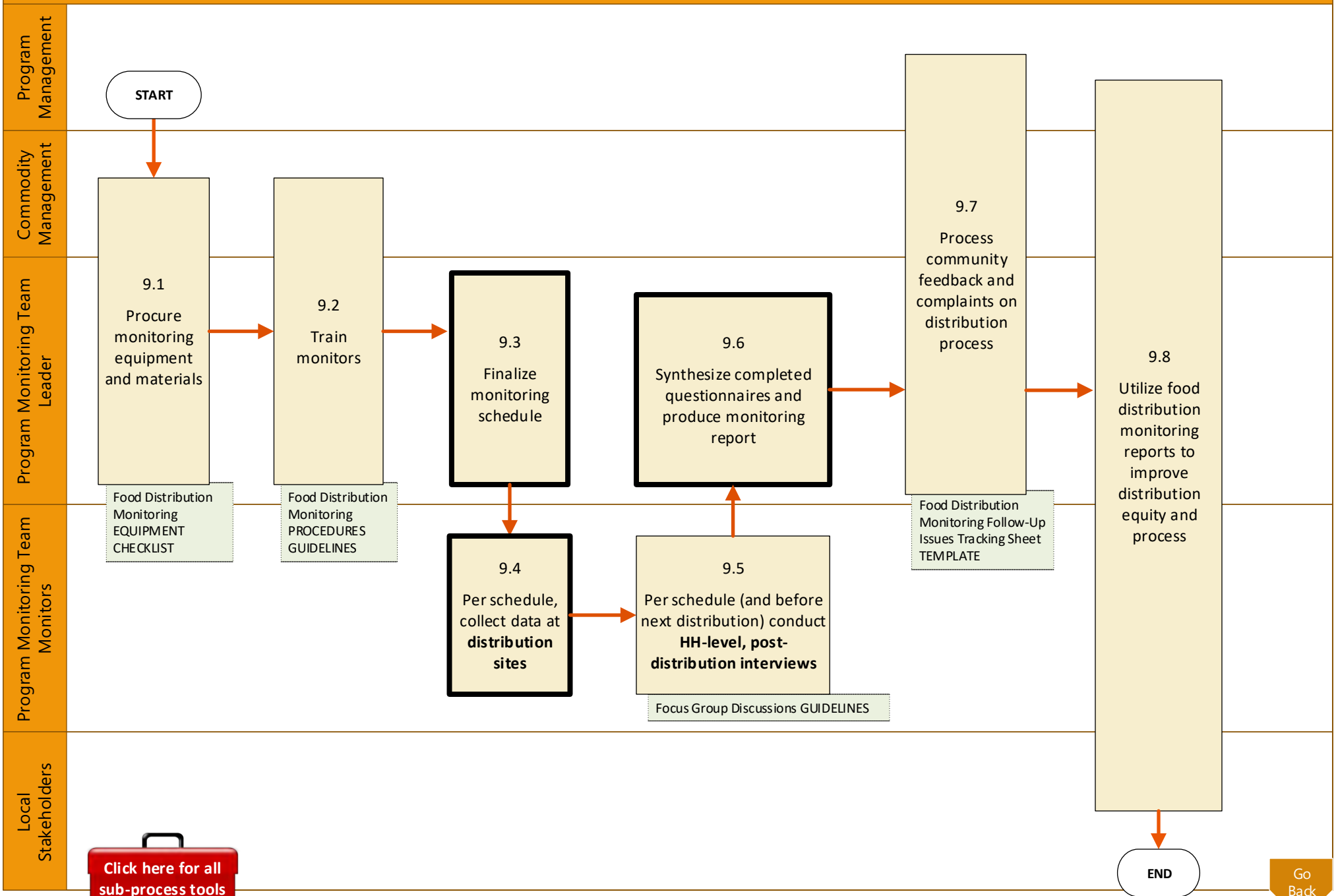
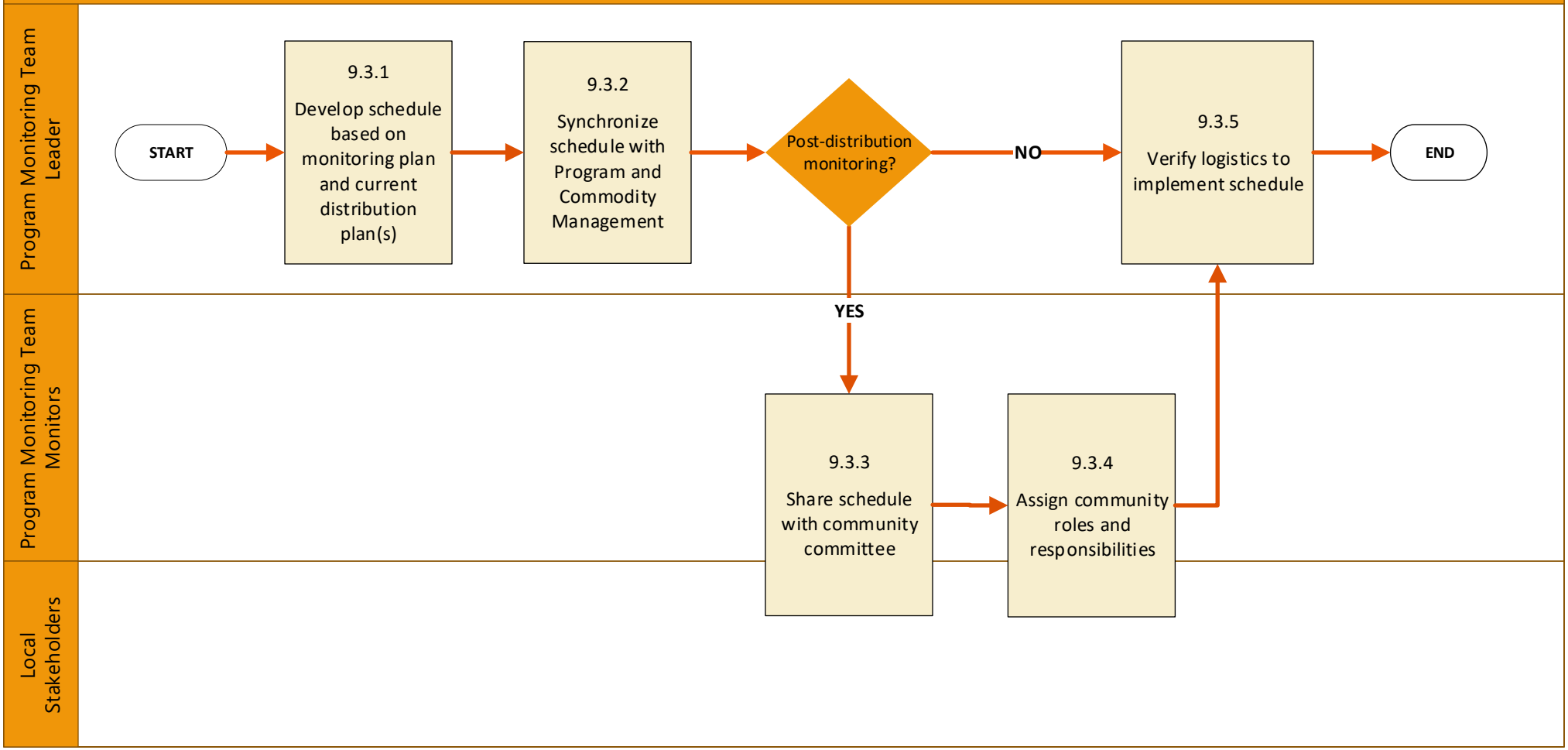
9.0 FOOD DISTRIBUTION MONITORING



9.0 FOOD DISTRIBUTION MONITORING

9.3 Finalize monitoring schedule



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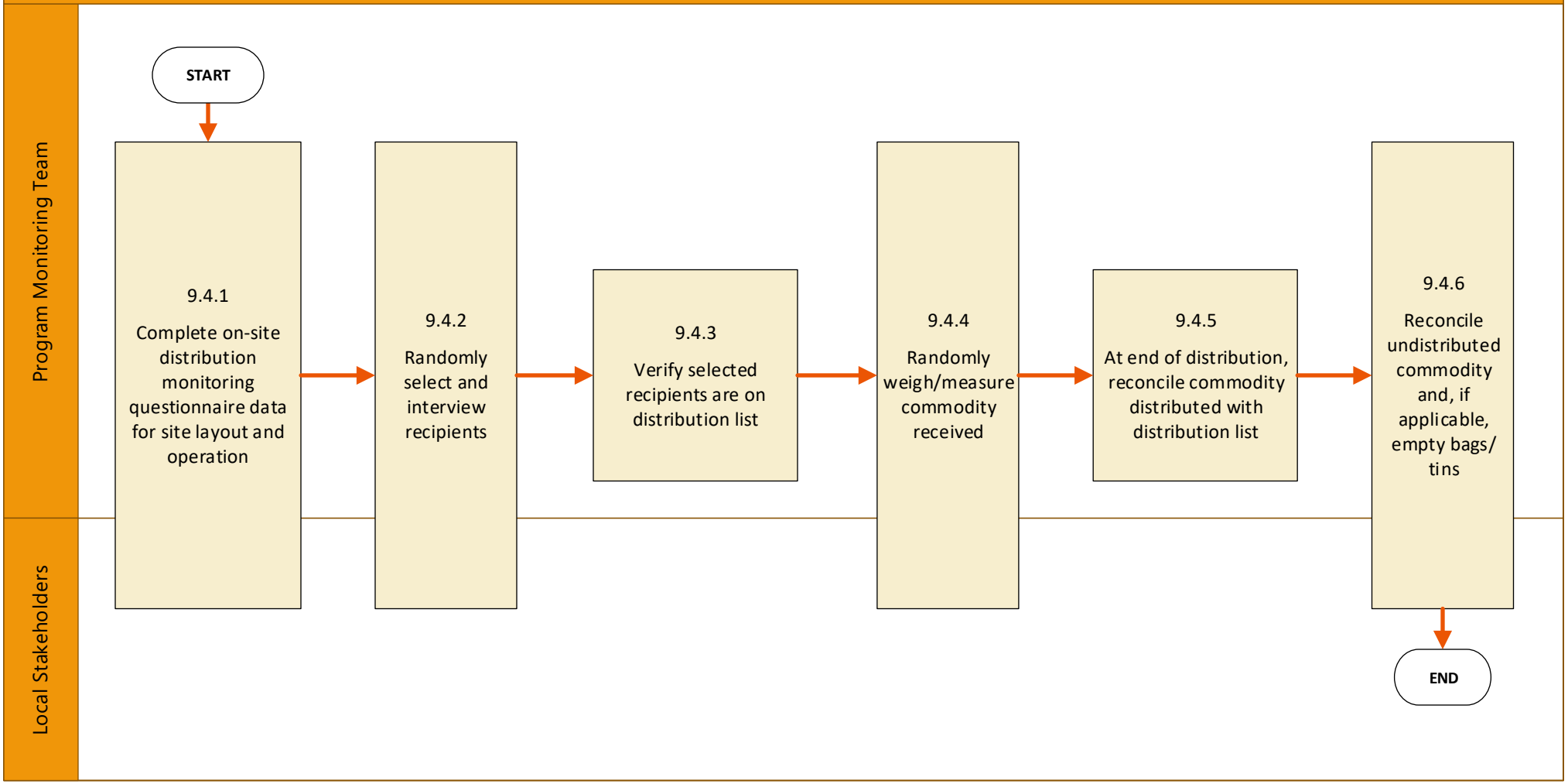
9.0 FOOD DISTRIBUTION MONITORING

9.4 Per schedule, collect data at distribution sites



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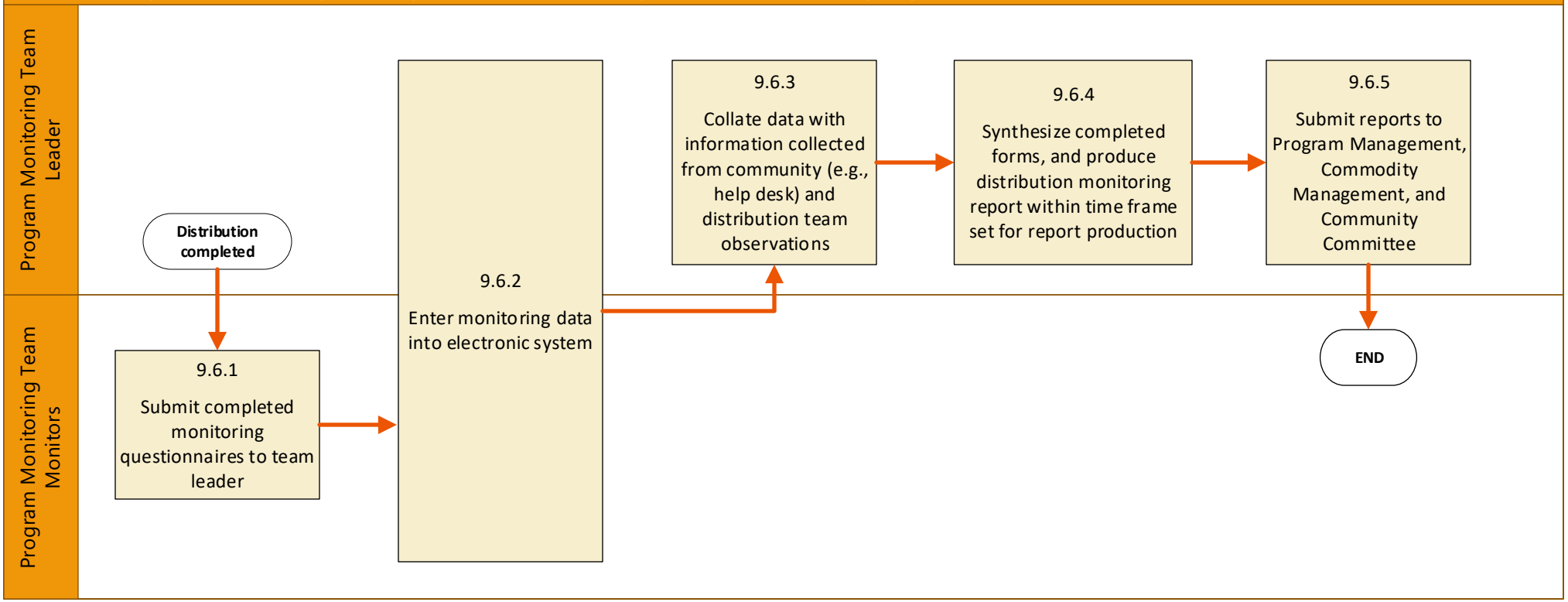
9.0 FOOD DISTRIBUTION MONITORING

9.6 Synthesize completed questionnaires and produce monitoring report



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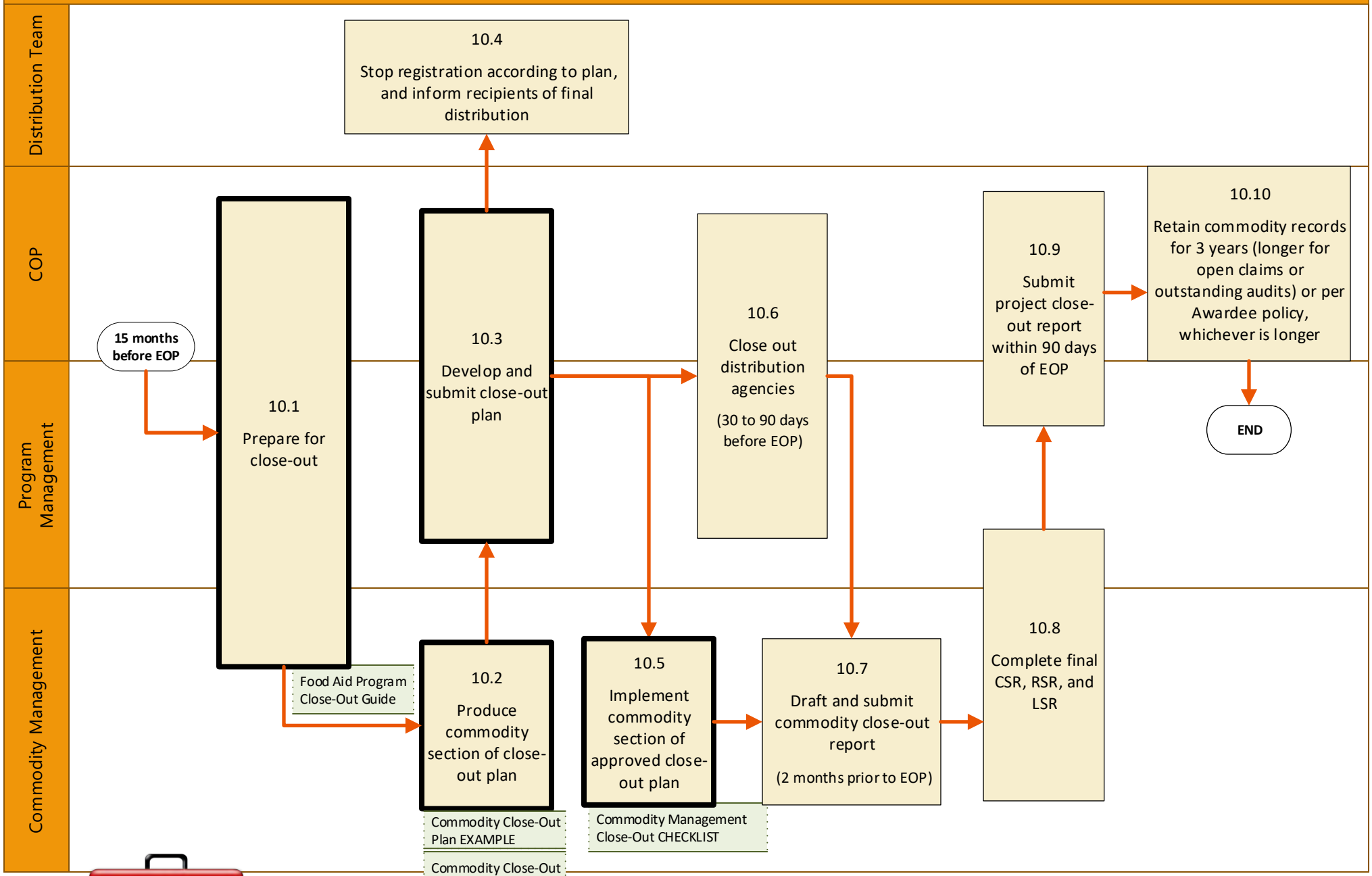
10.0 CLOSE-OUT



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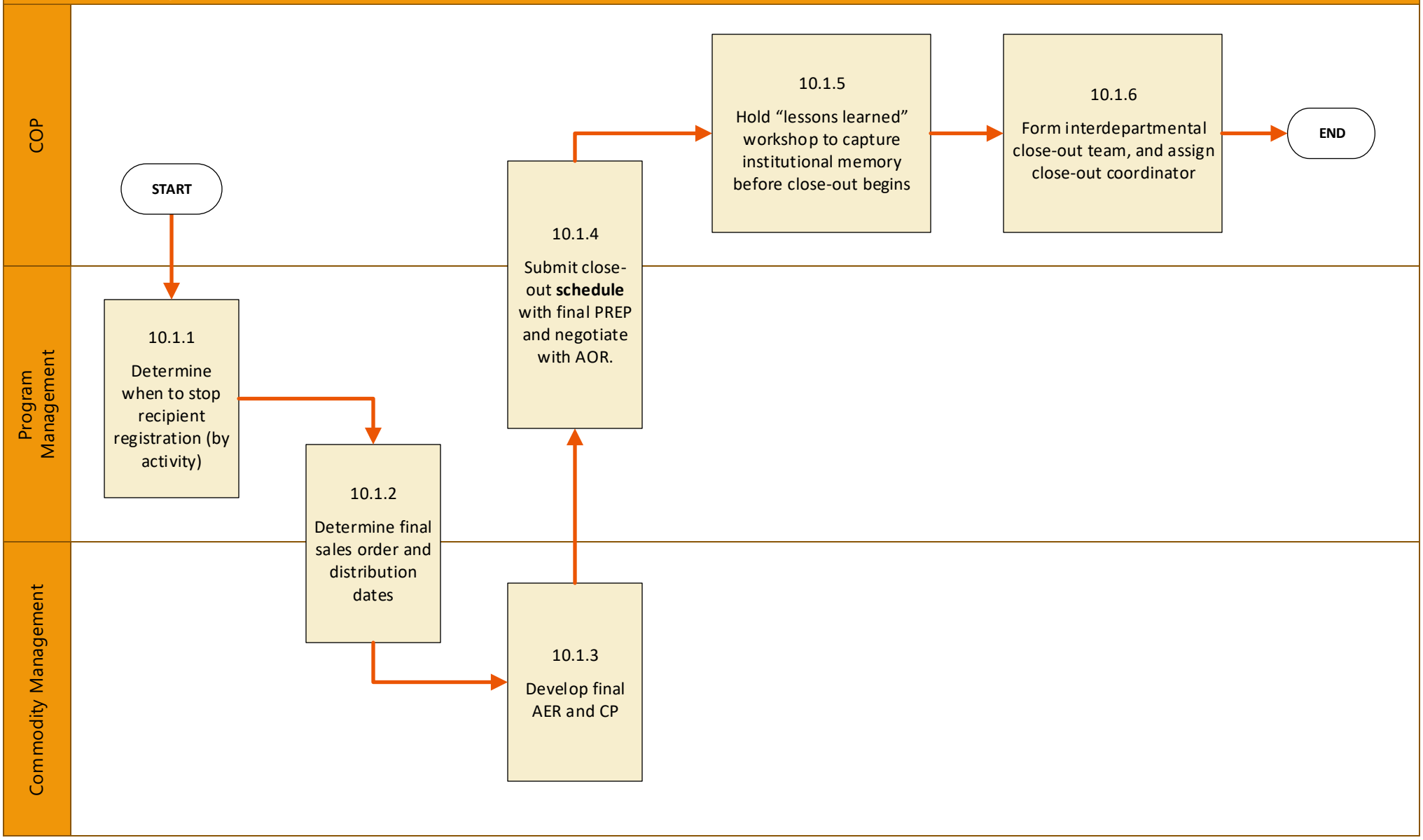
10.0 CLOSE-OUT

10.1 Prepare for close-out



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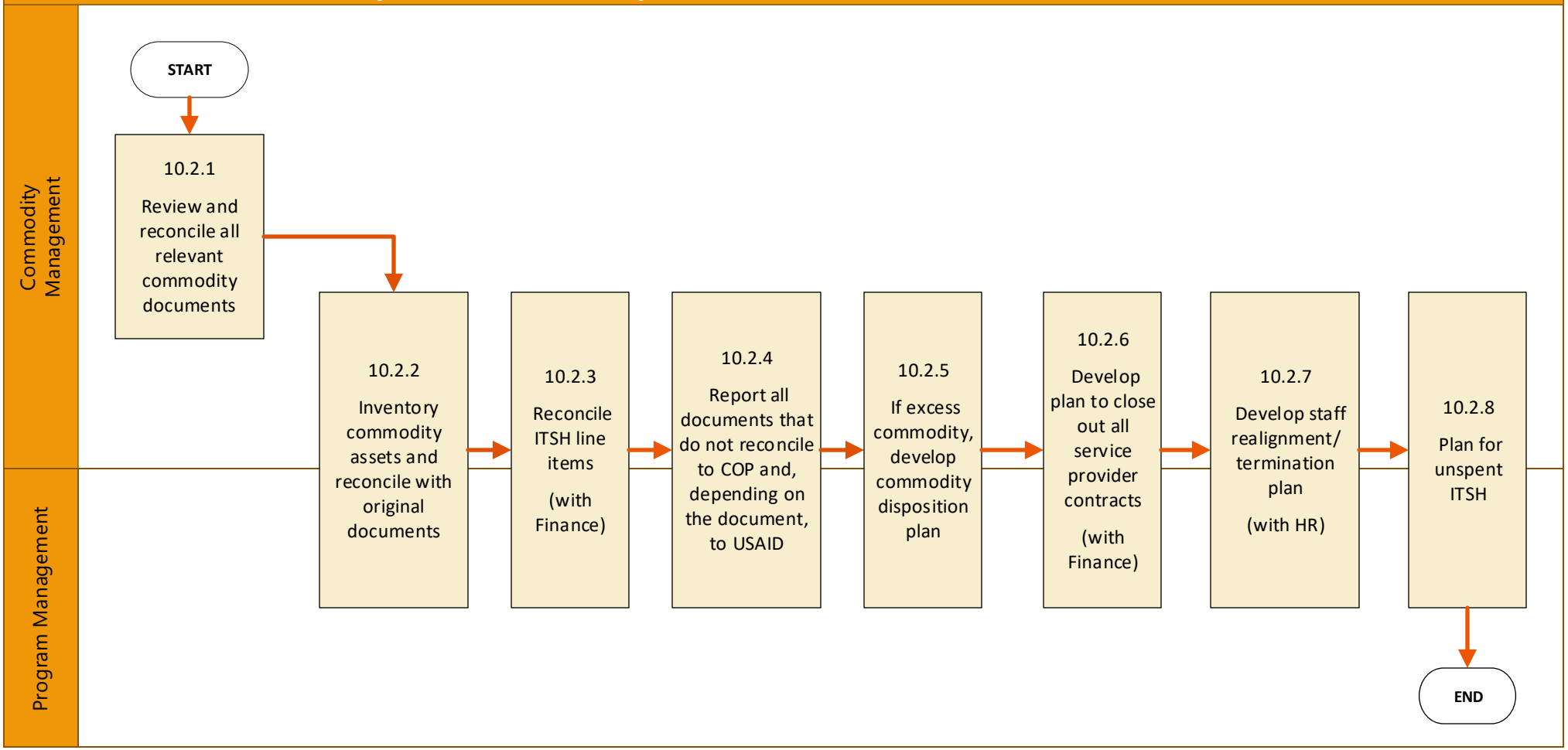
10.0 CLOSE-OUT

10.2 Produce commodity section of close-out plan



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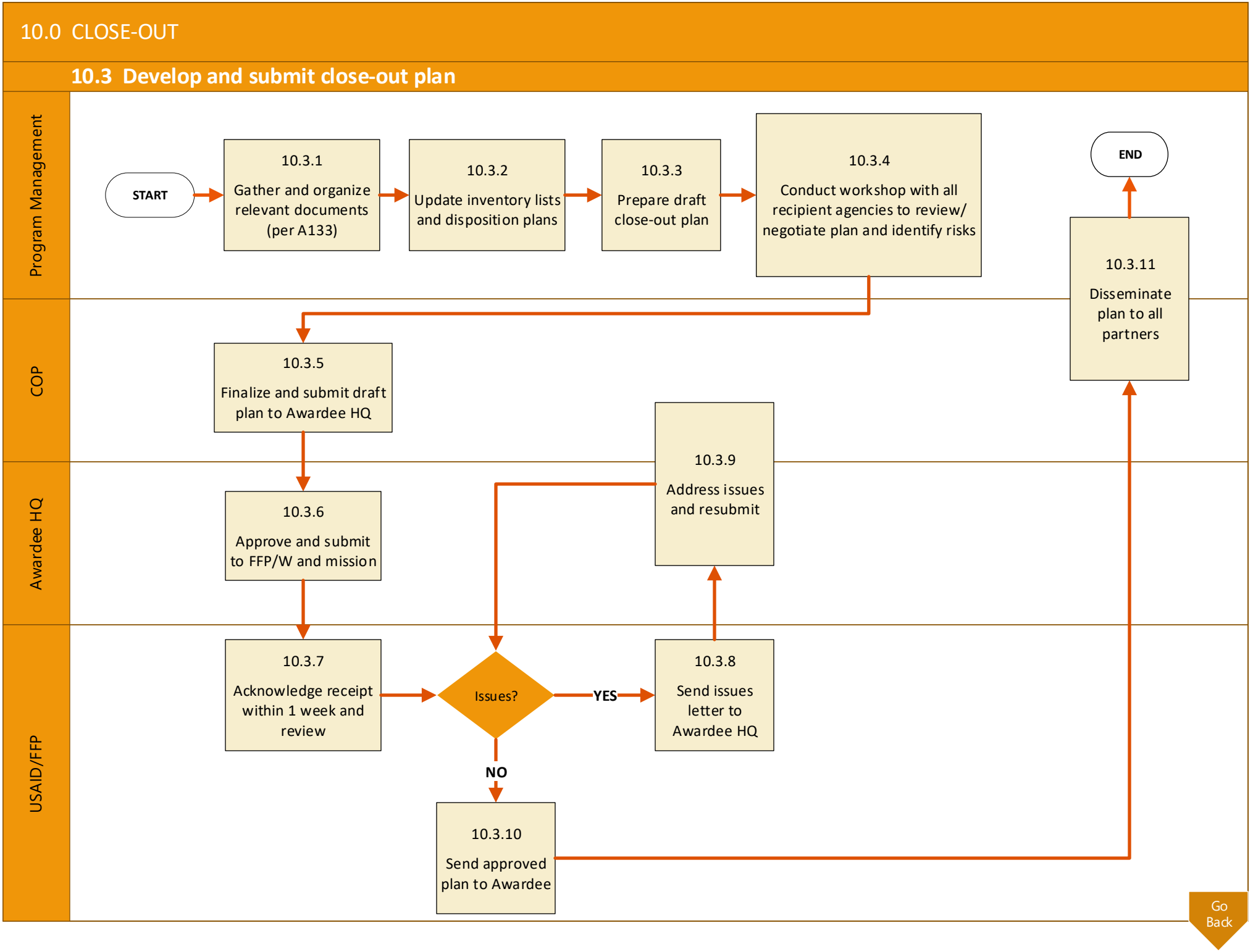
10.0 CLOSE-OUT

10.3 Develop and submit close-out plan



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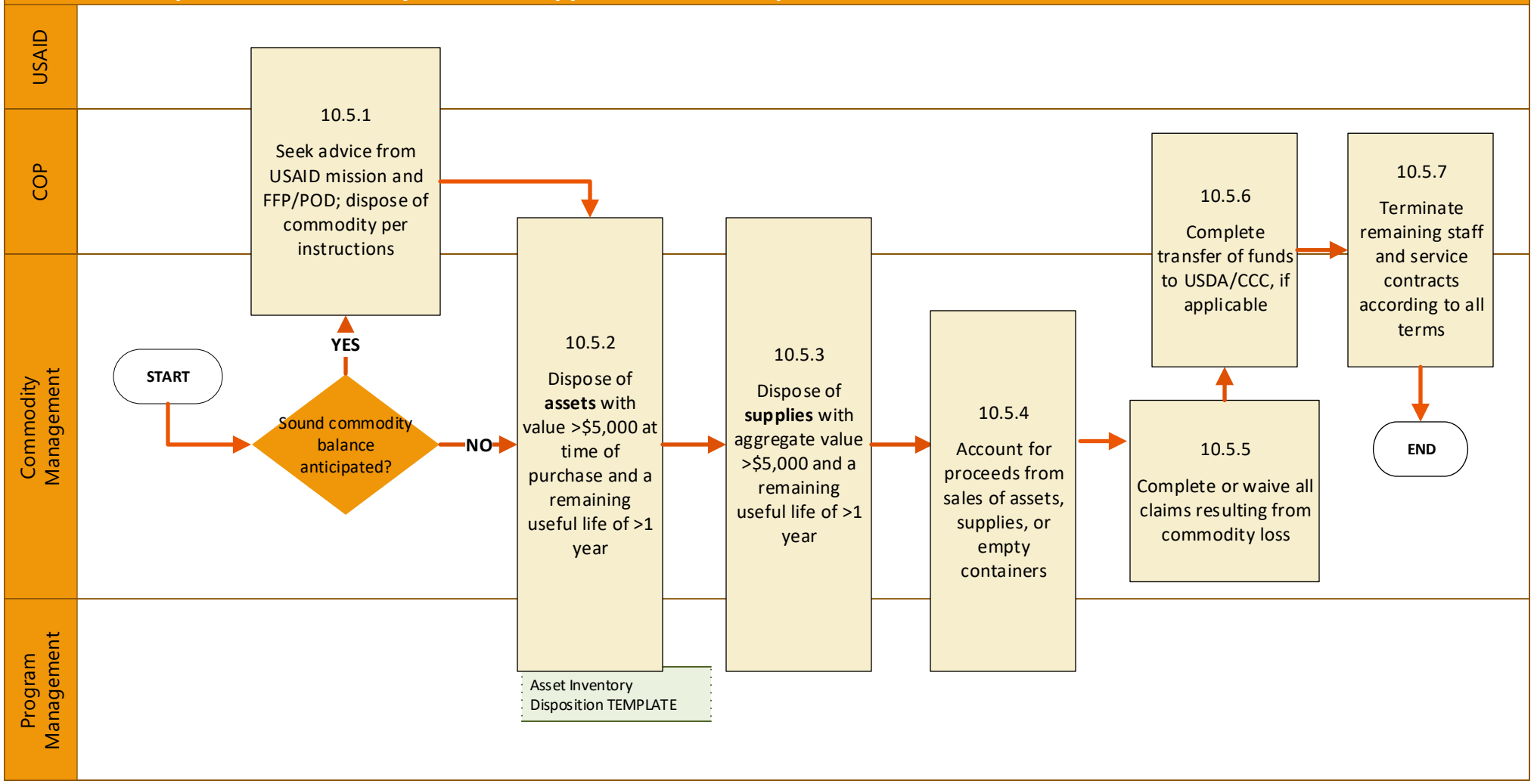
10.0 CLOSE-OUT

10.5 Implement commodity section of approved close-out plan



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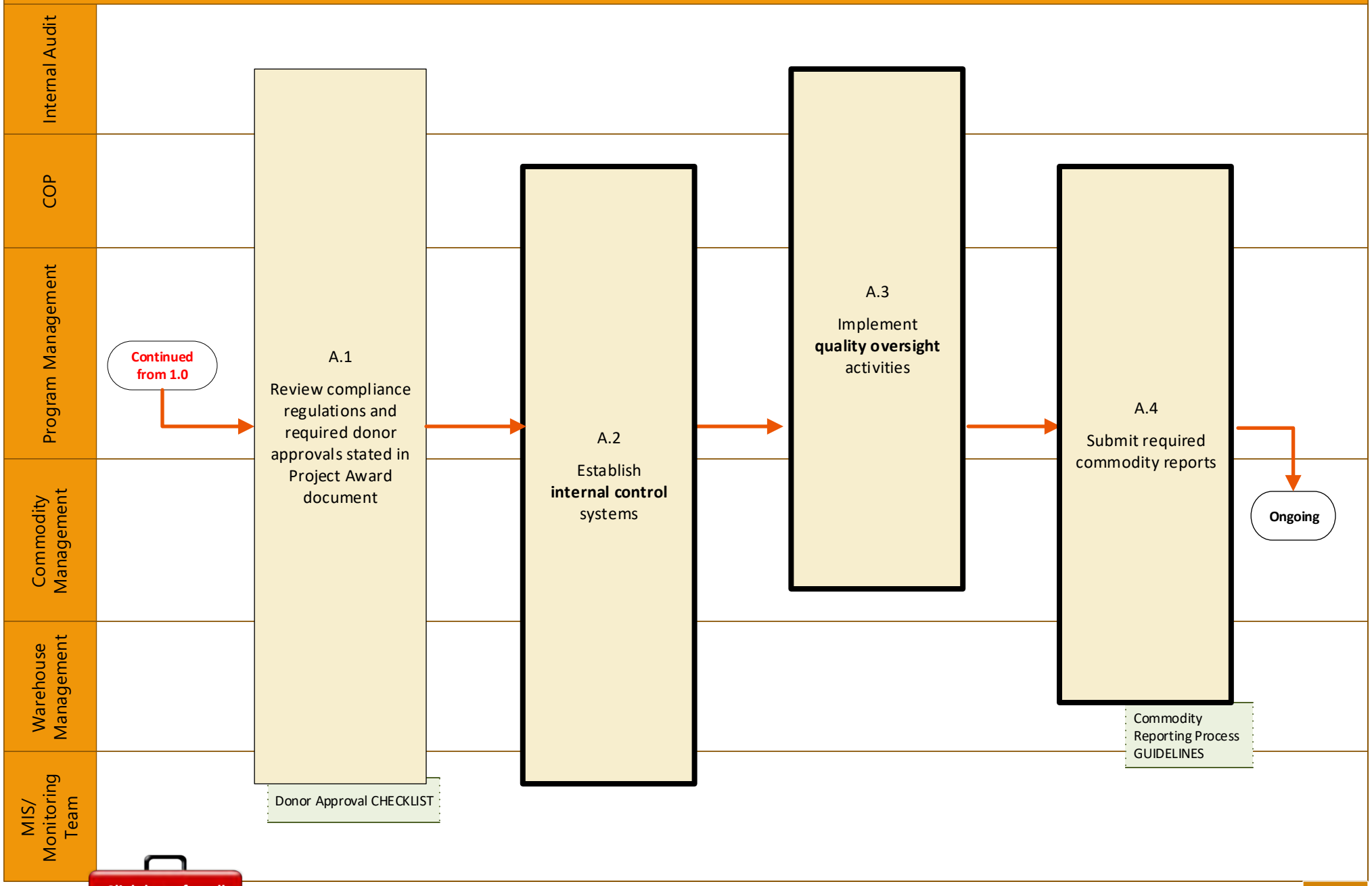
A.0 INTERNAL CONTROL and QUALITY OVERSIGHT



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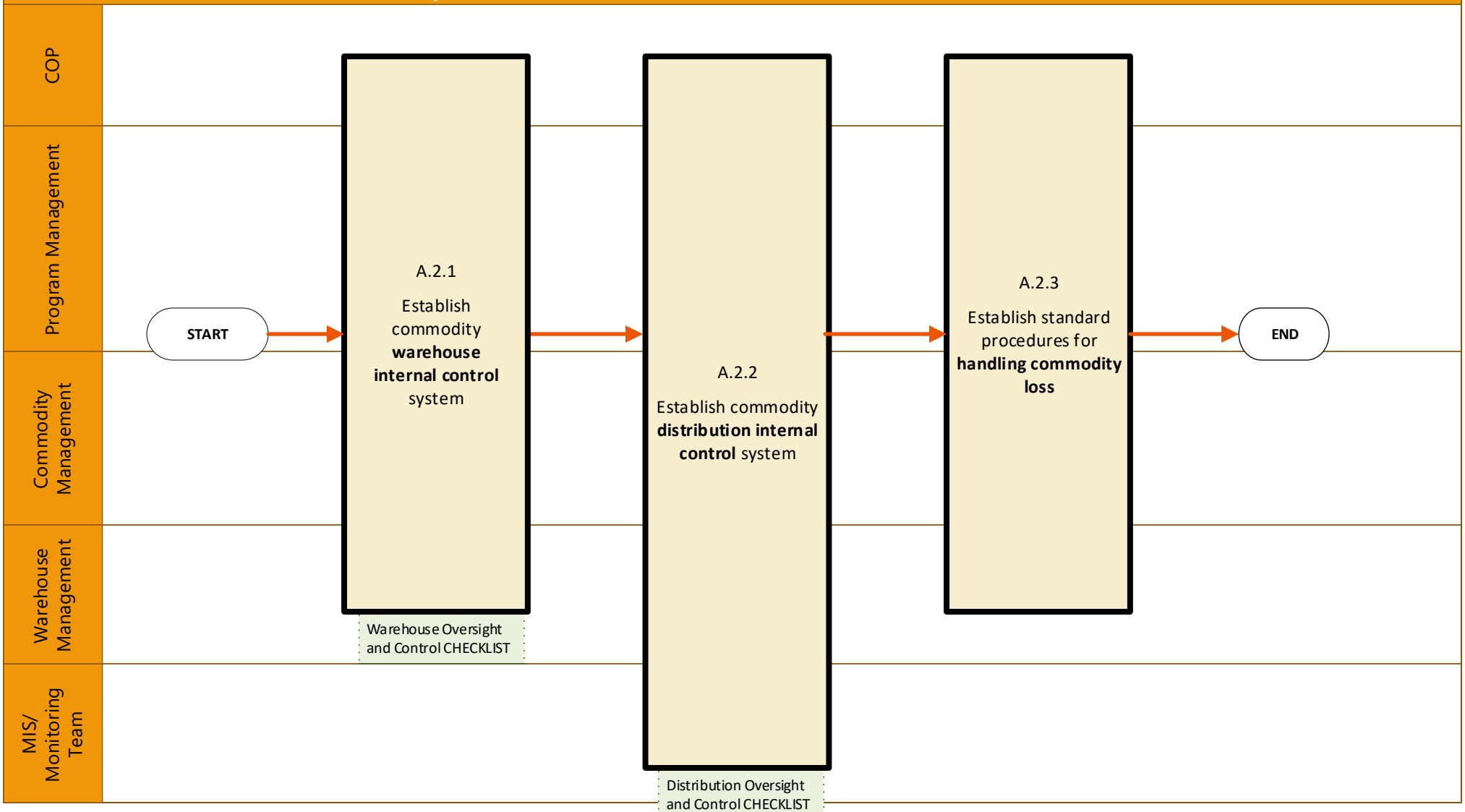
A.0 INTERNAL CONTROL and QUALITY OVERSIGHT

A.2 Establish internal control systems



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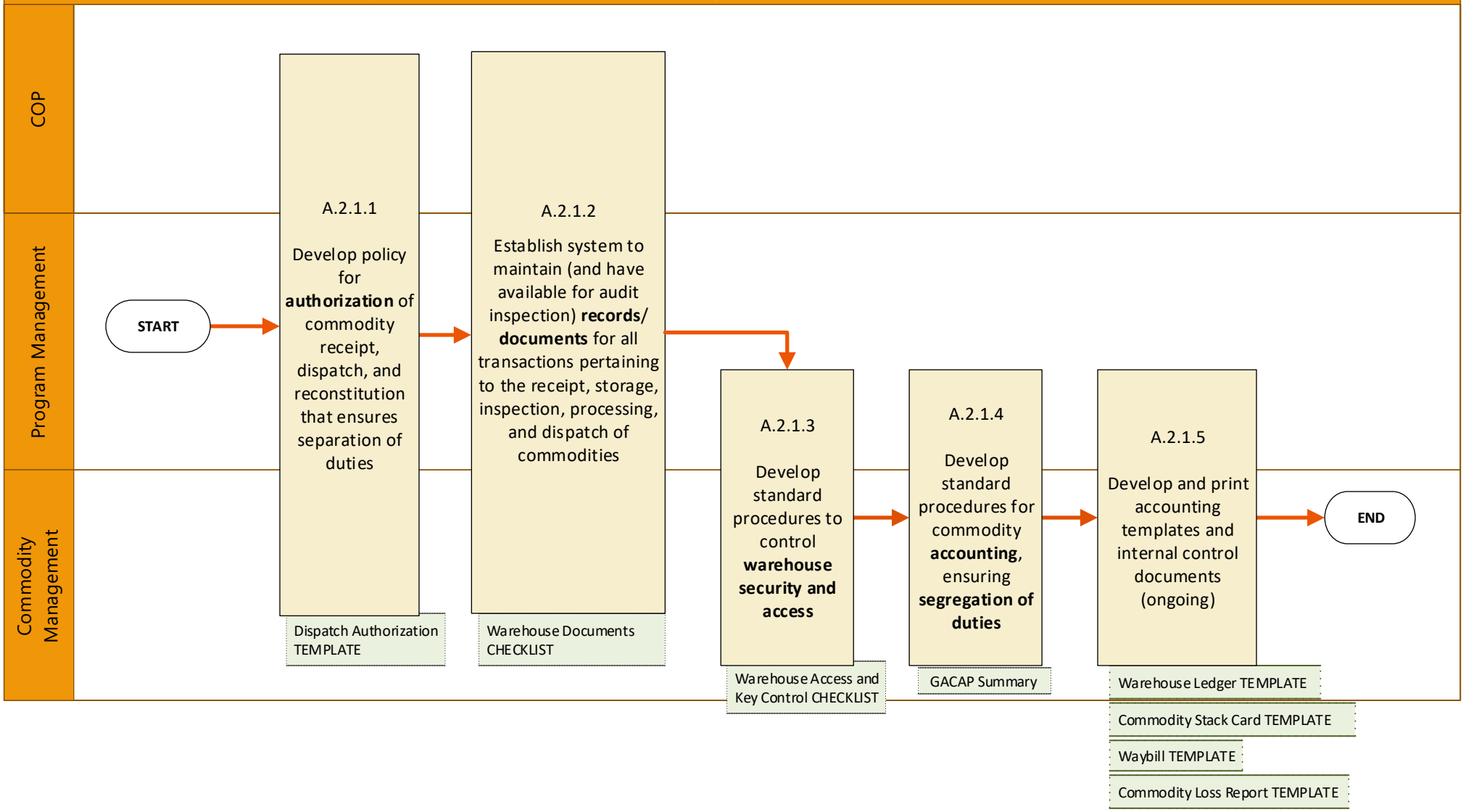
A.0 INTERNAL CONTROL and QUALITY OVERSIGHT

A.2.1 Establish commodity warehouse internal control system



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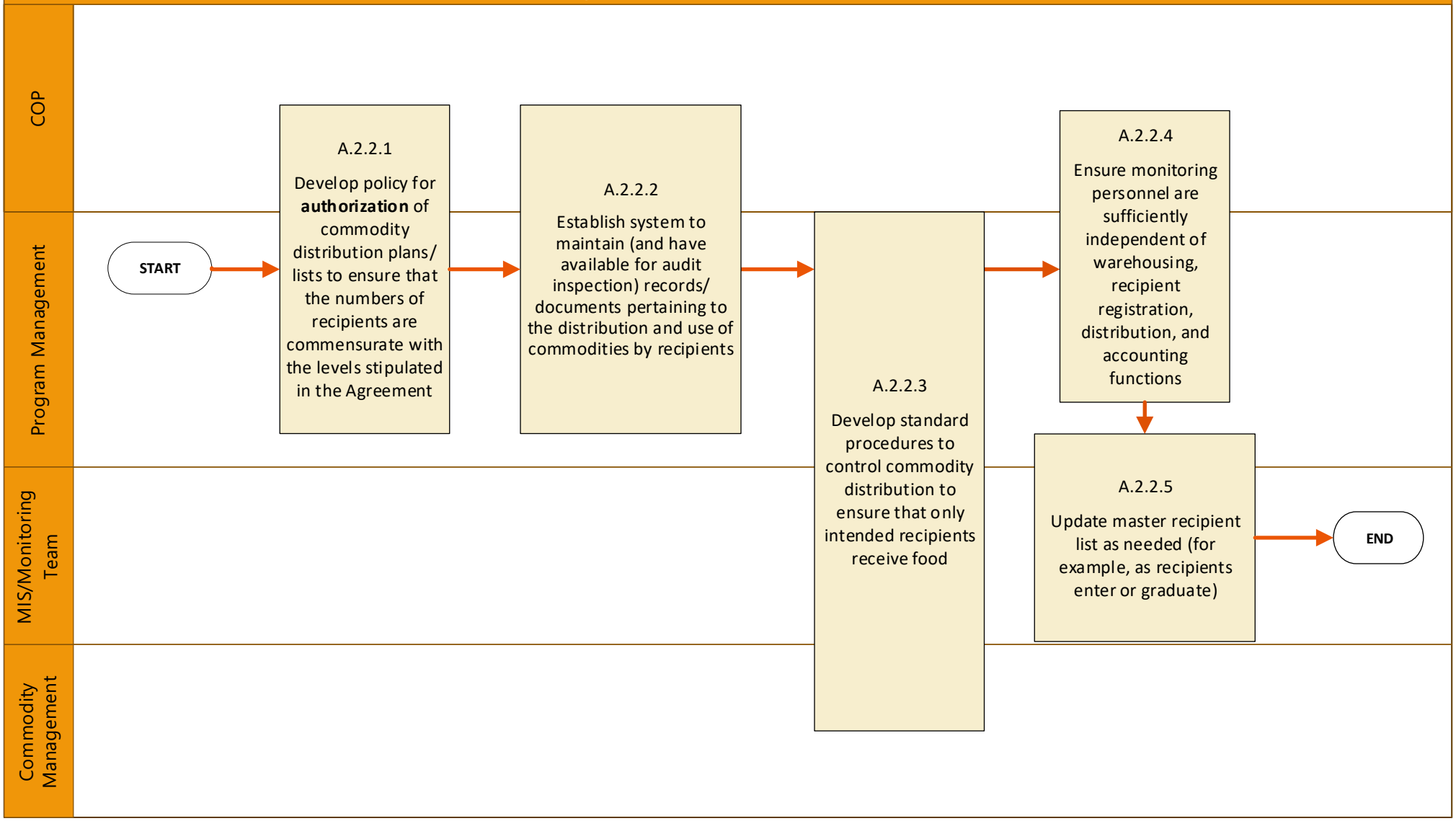
A.0 INTERNAL CONTROL and QUALITY OVERSIGHT

A.2.2 Establish distribution internal control system



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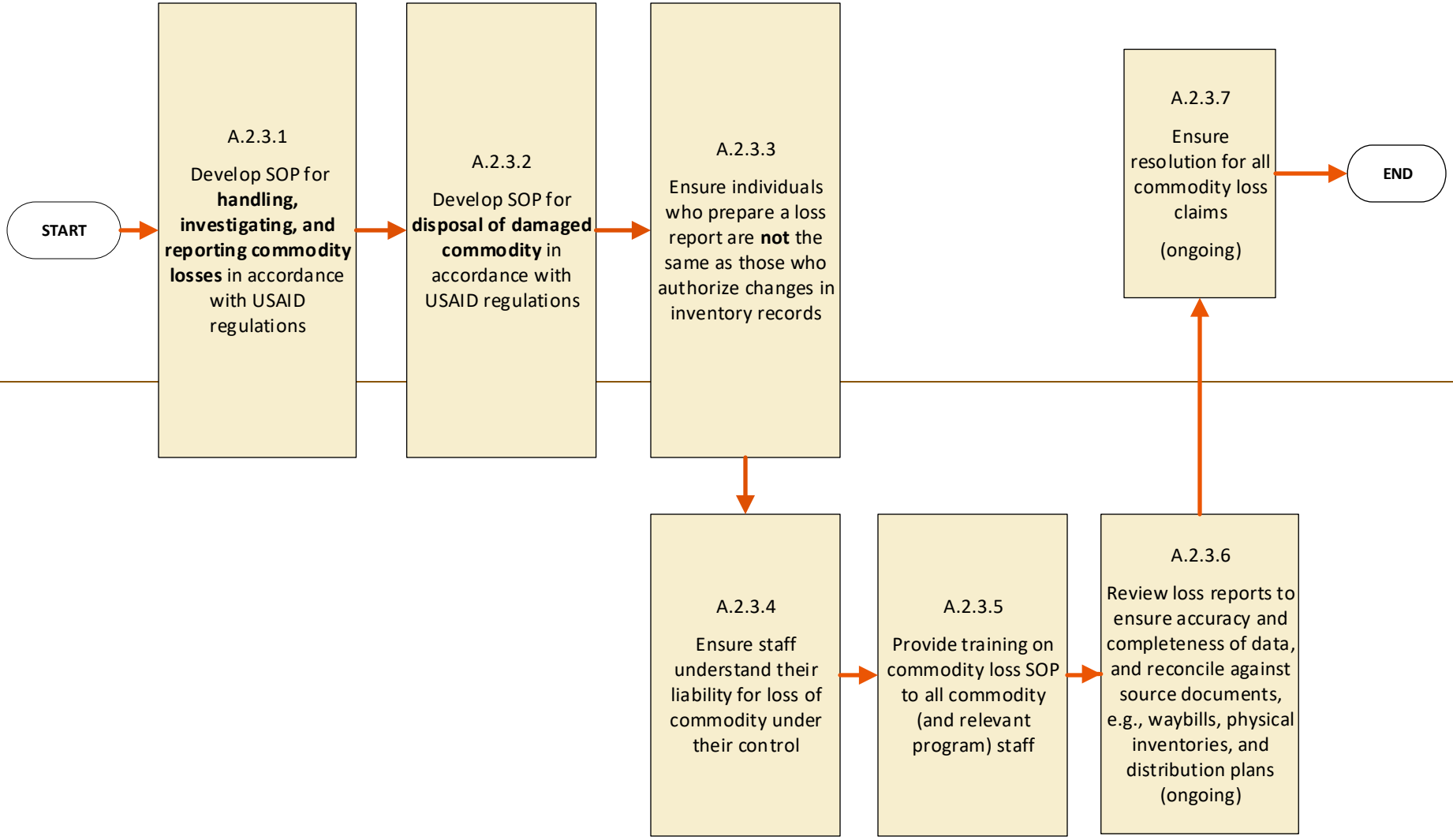
A.0 INTERNAL CONTROL and QUALITY OVERSIGHT

A.2.3 Establish standard procedures for handling commodity loss



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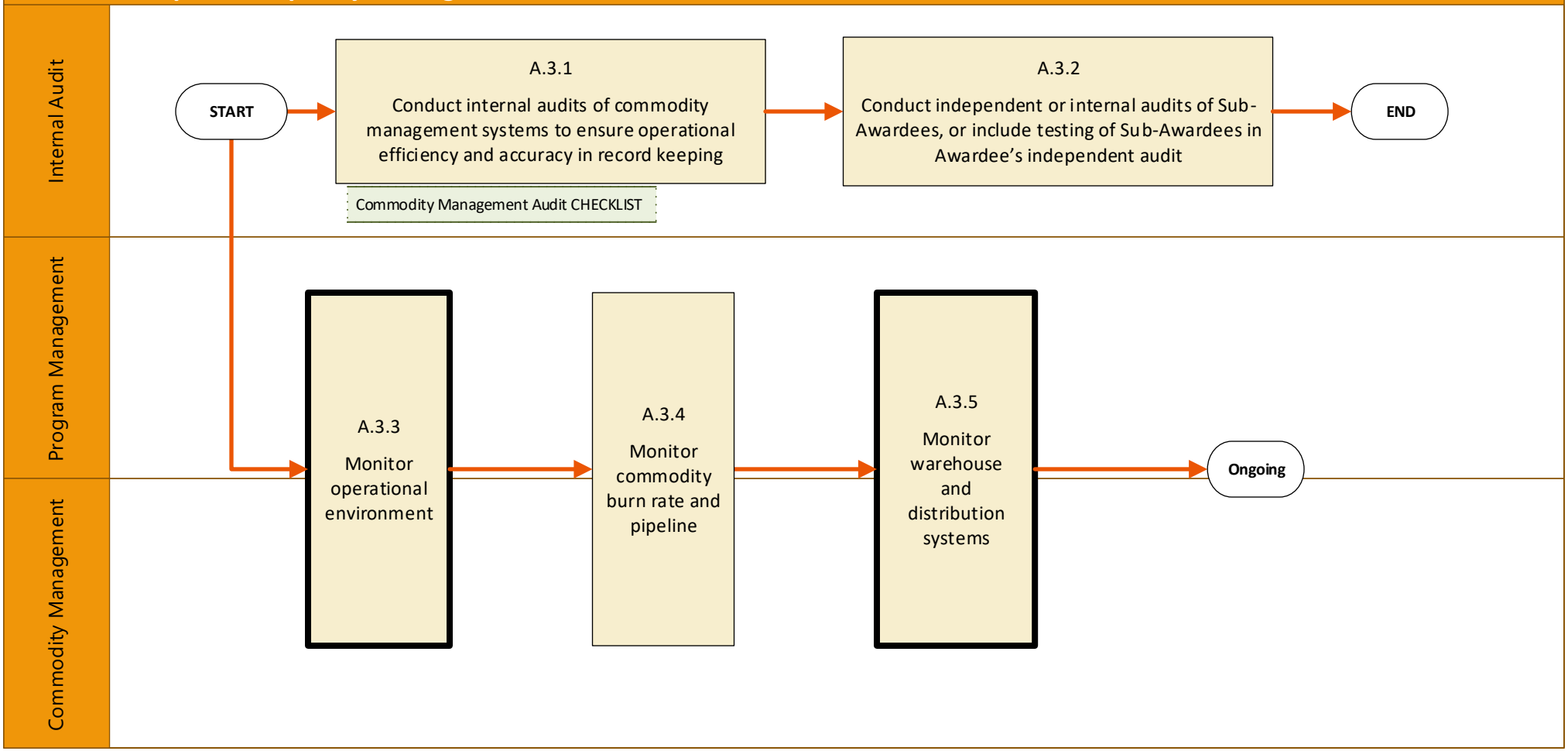
A.0 INTERNAL CONTROL and QUALITY OVERSIGHT

A.3 Implement quality oversight activities



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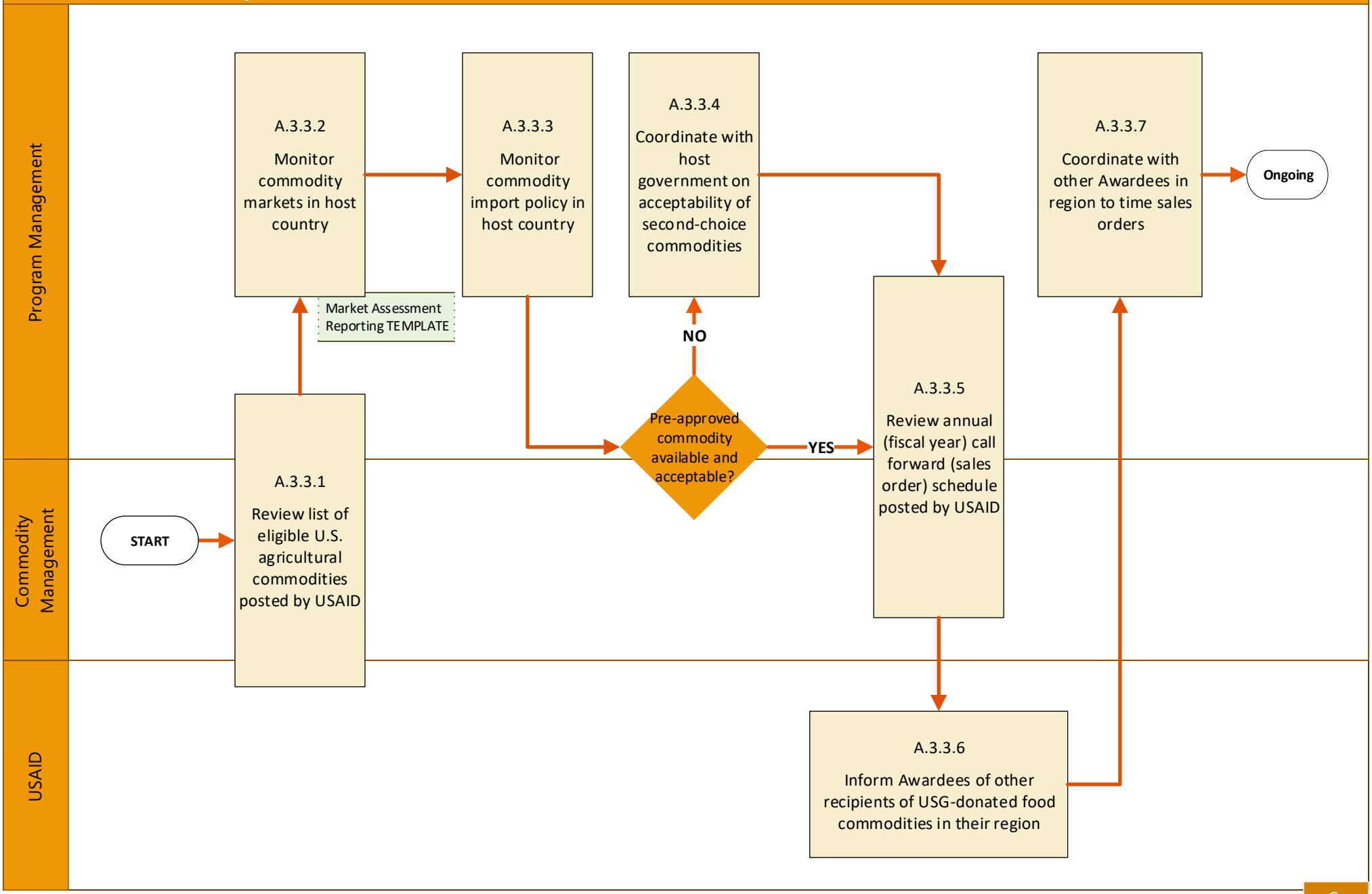
A.0 INTERNAL CONTROL and QUALITY OVERSIGHT

A.3.3 Monitor operational environment



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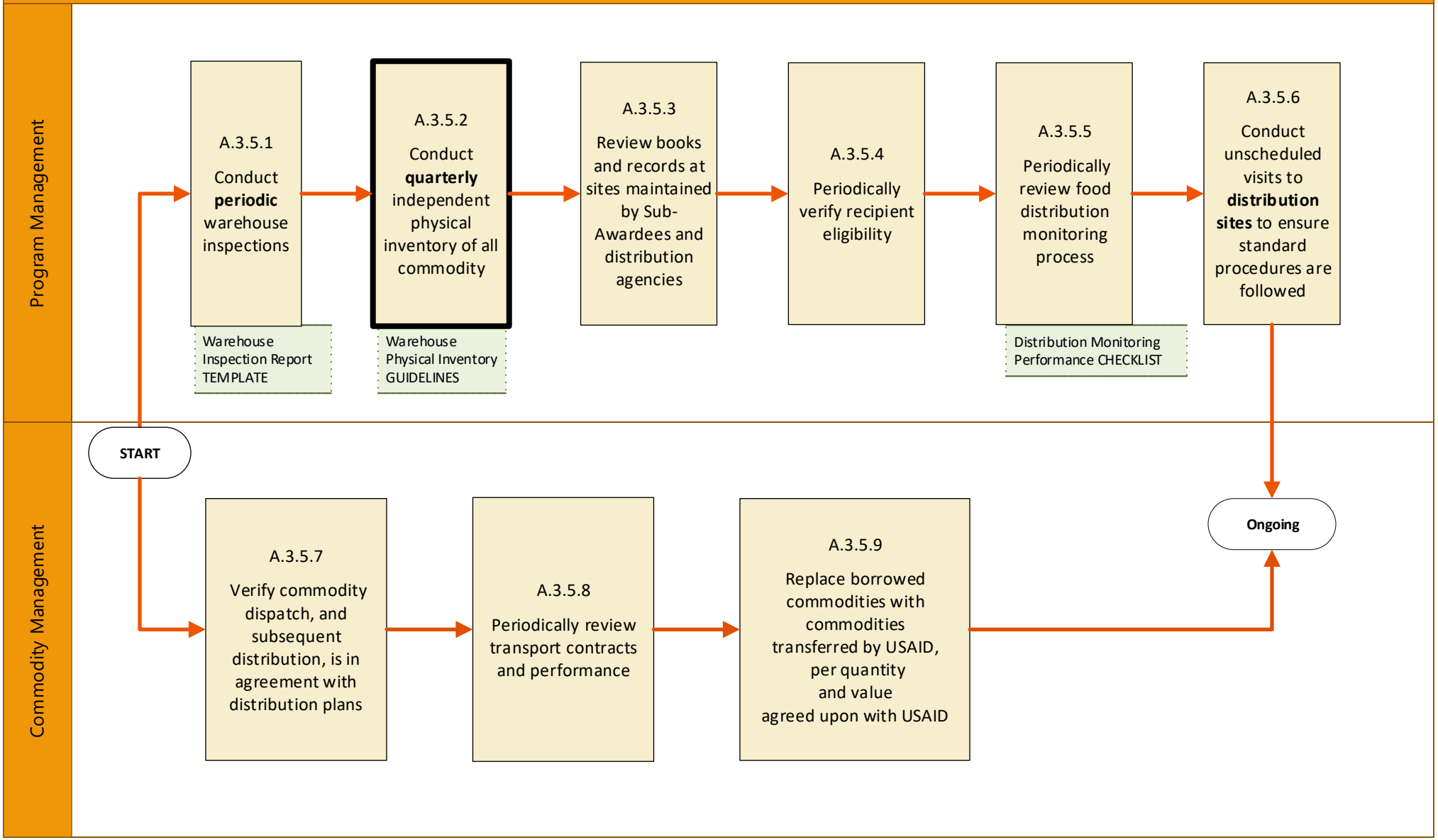
A.0 INTERNAL CONTROL and QUALITY OVERSIGHT

A.3.5 Monitor warehouse and distribution systems



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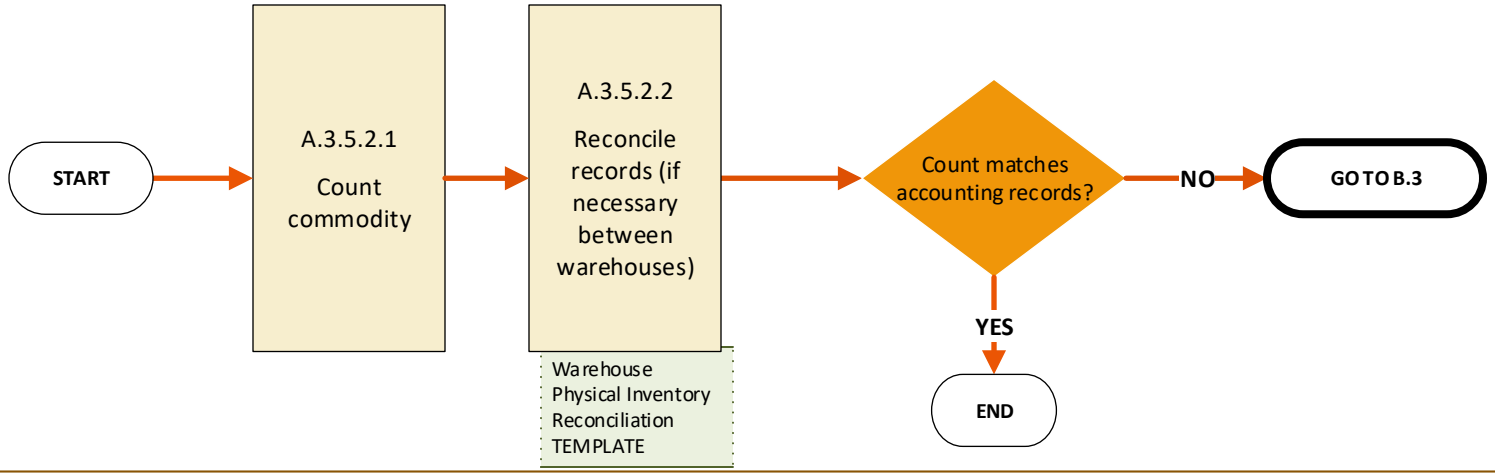
A.0 INTERNAL CONTROL and QUALITY OVERSIGHT

A.3.5.2 Conduct quarterly physical inventory of all commodity

Program Management



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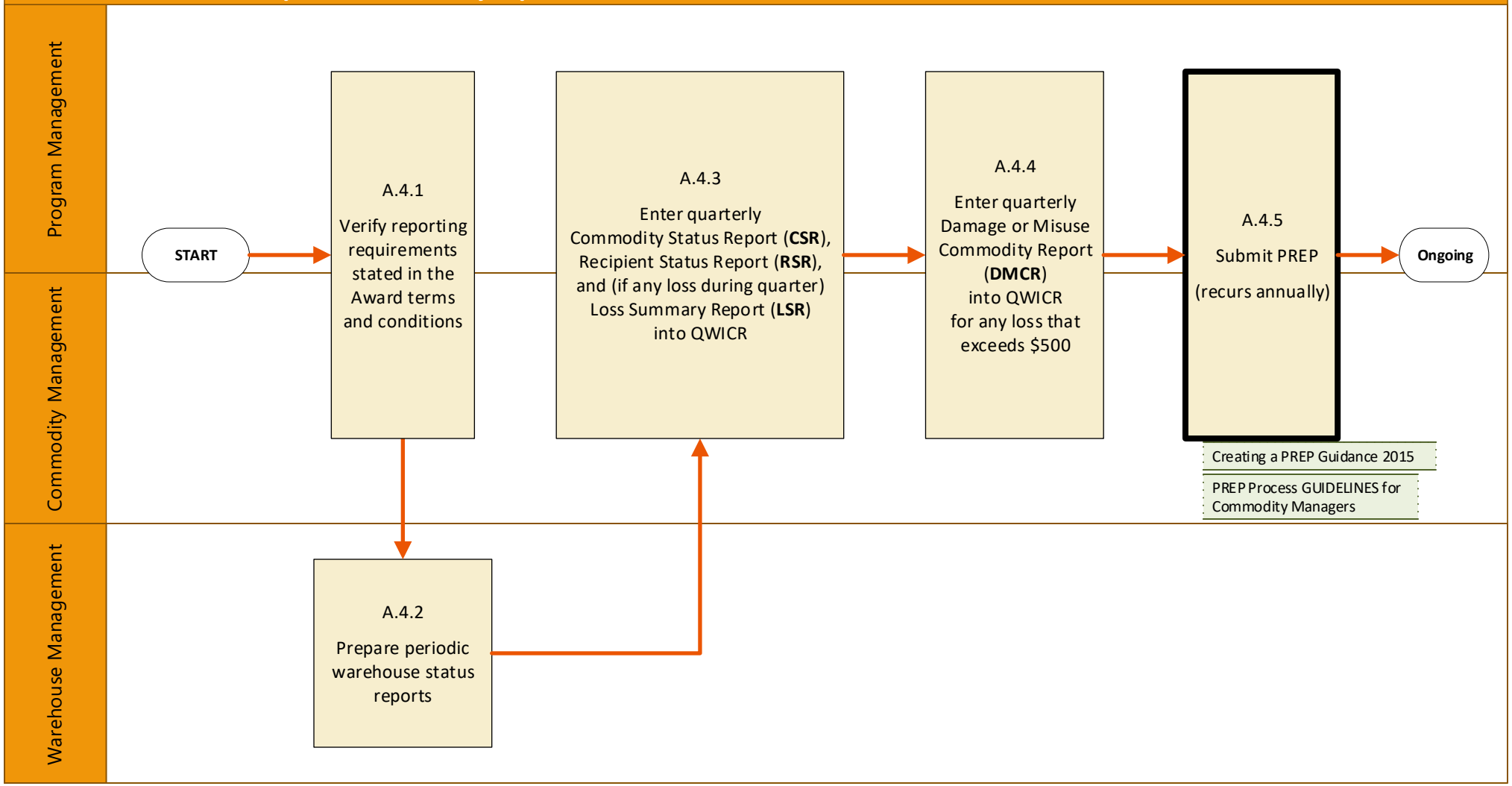
A.0 INTERNAL CONTROL and QUALITY OVERSIGHT

A.4 Submit required commodity reports



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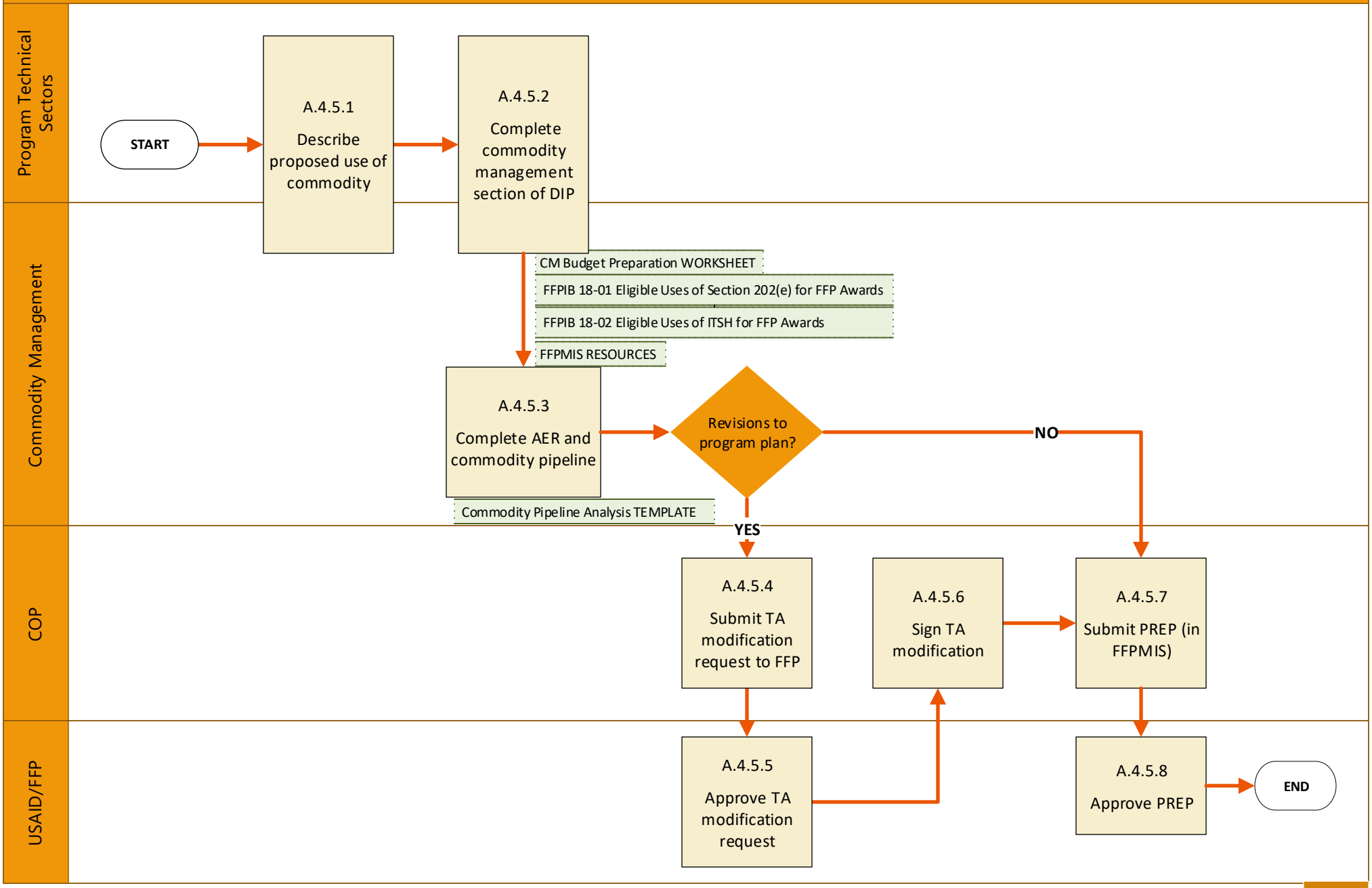
A.0 INTERNAL CONTROL and QUALITY OVERSIGHT

A.4.5 Prepare and submit PREP (recurs annually)



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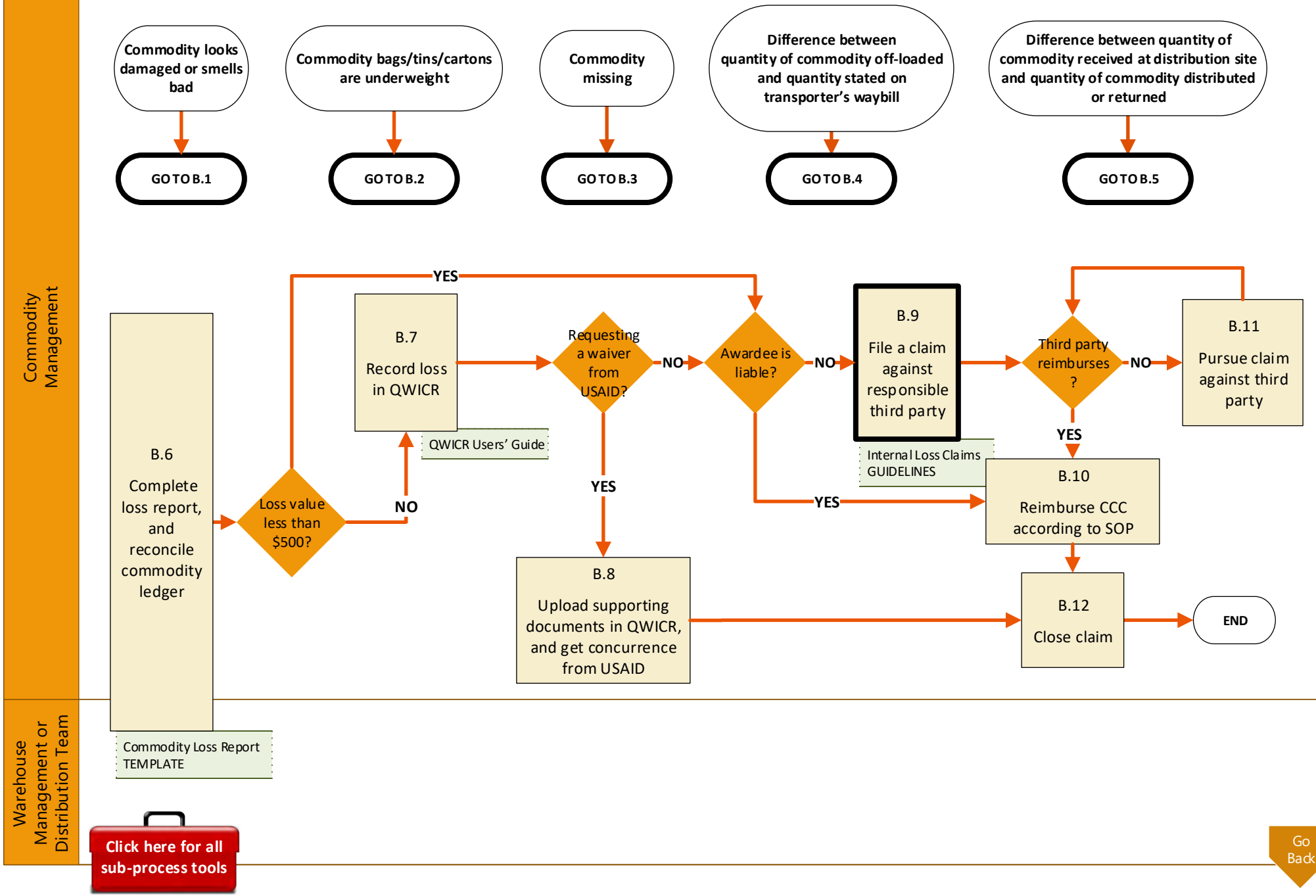
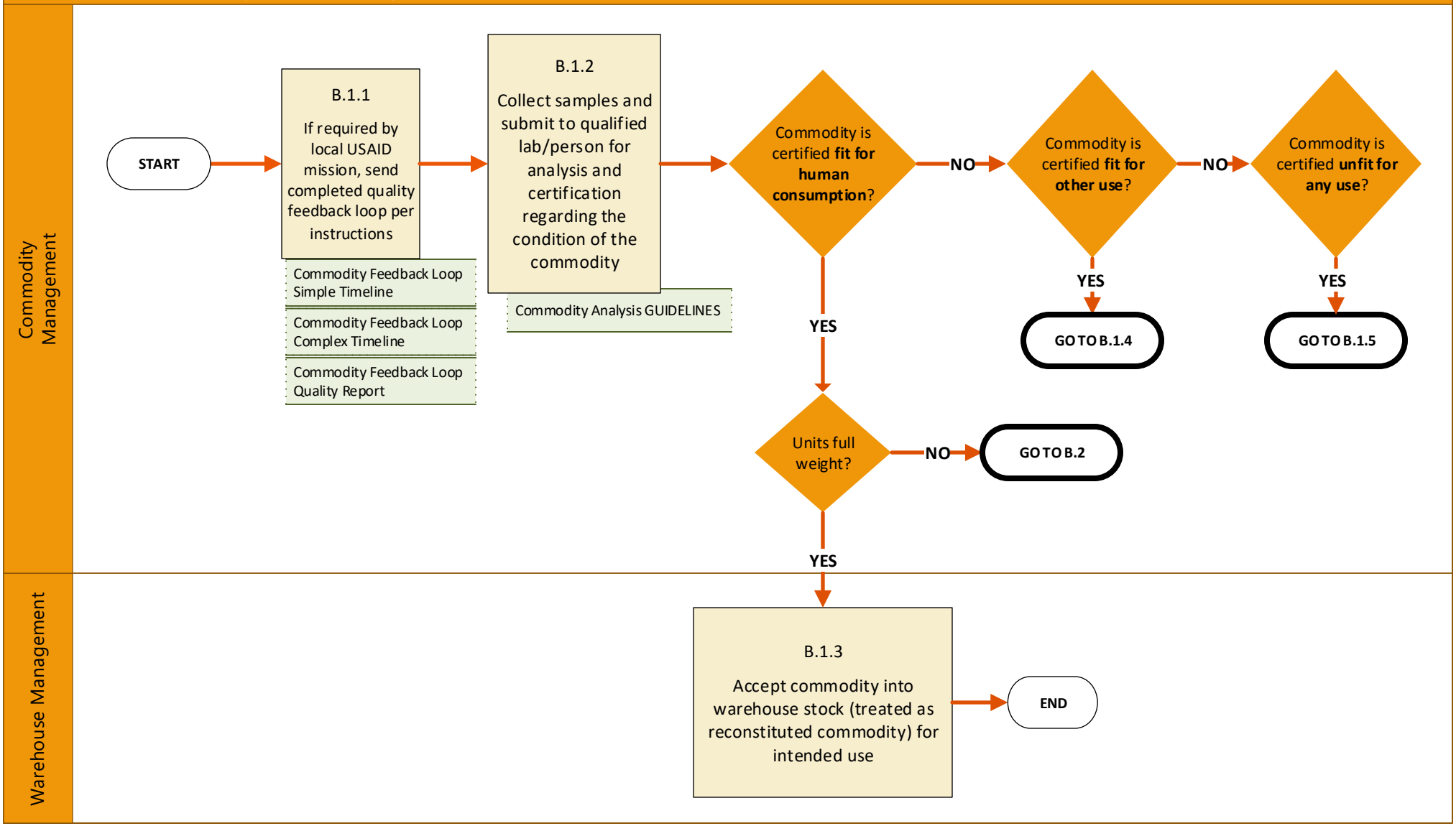
B.0 INTERNAL LOSS



B.0 INTERNAL LOSS

B.1 Commodity looks damaged or smells bad



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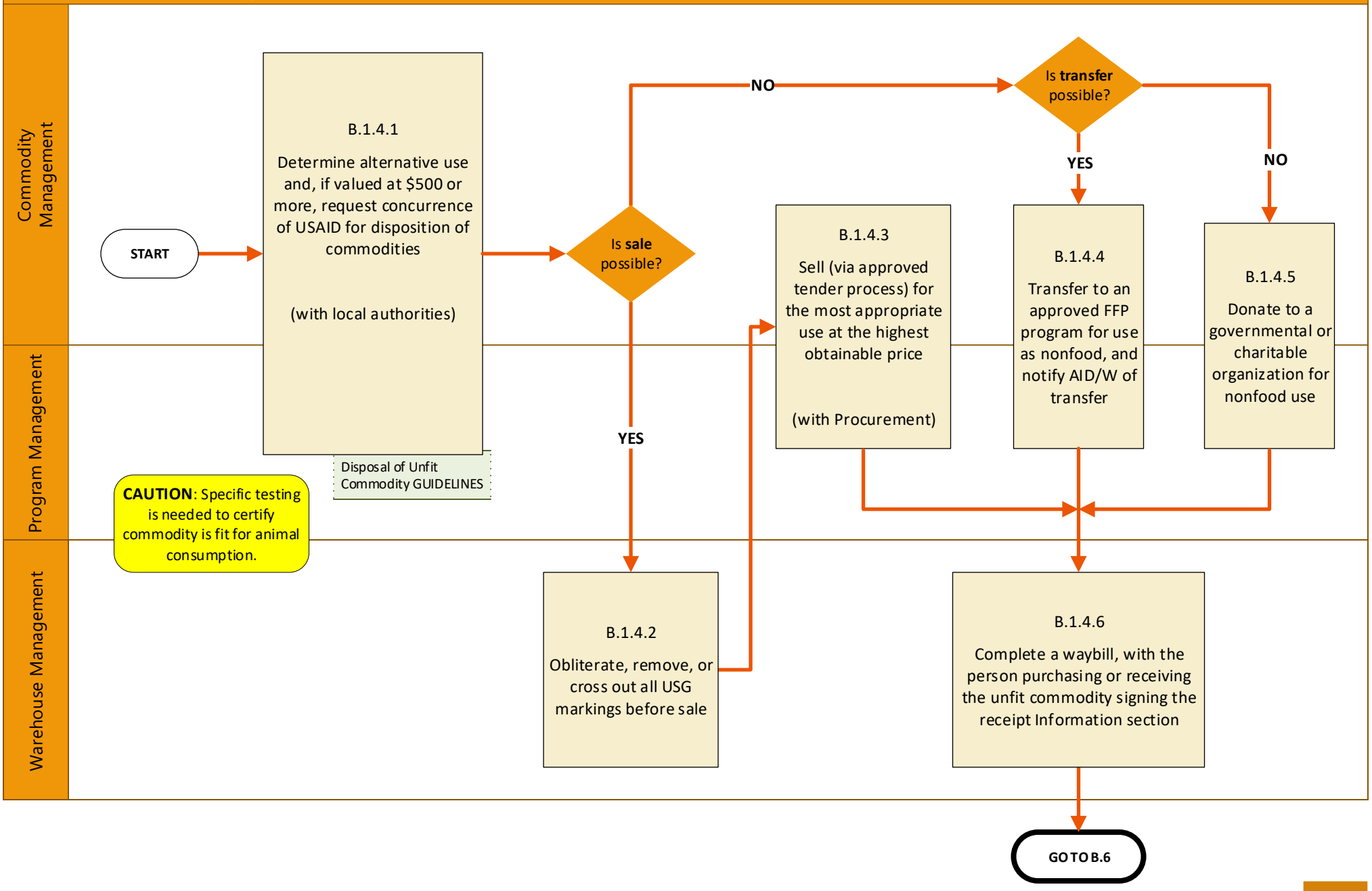
B.0 INTERNAL LOSS

B.1.4 Commodity is certified fit for other uses



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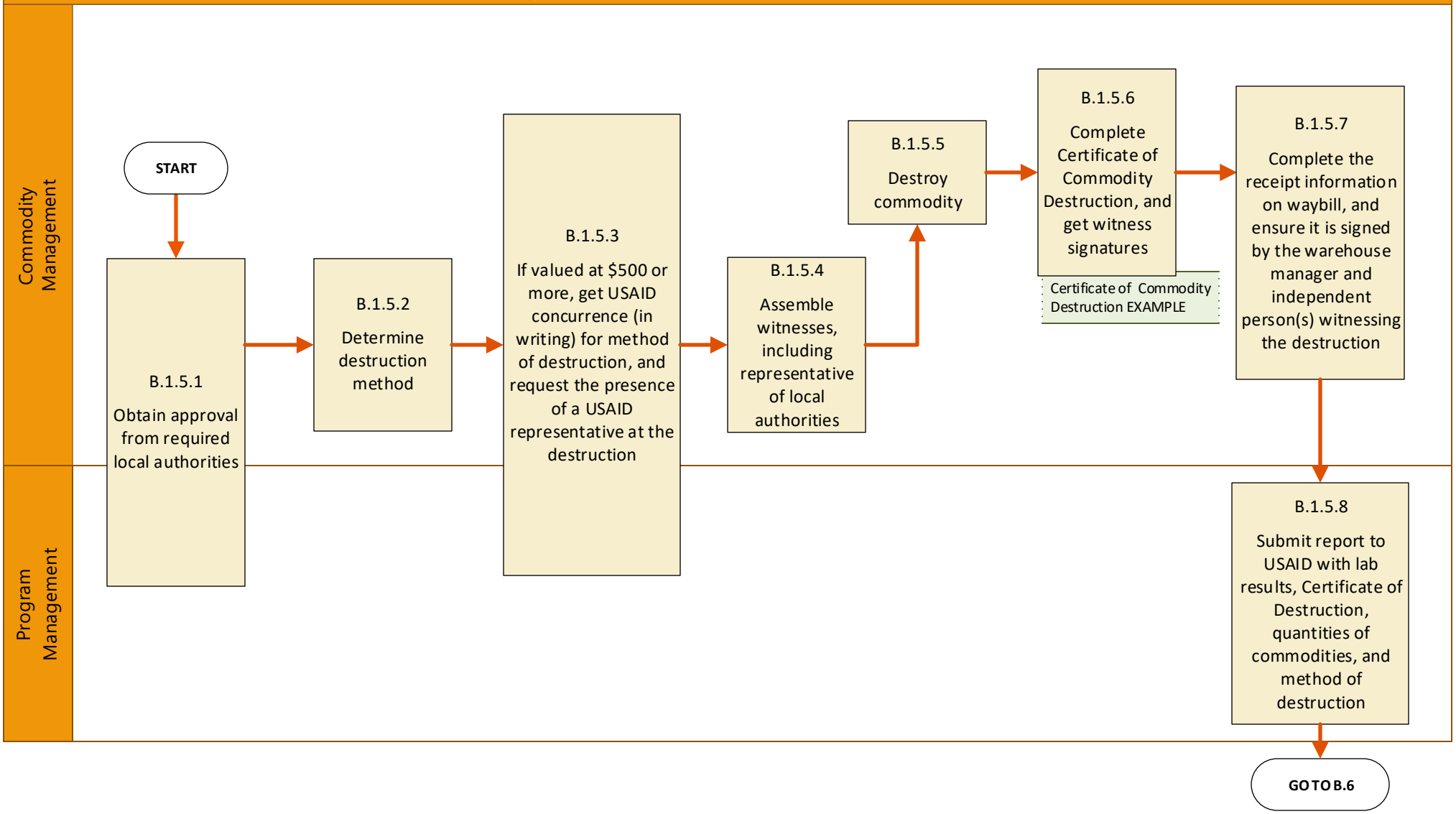
B.0 INTERNAL LOSS

B.1.5 Commodity is certified unfit for any use



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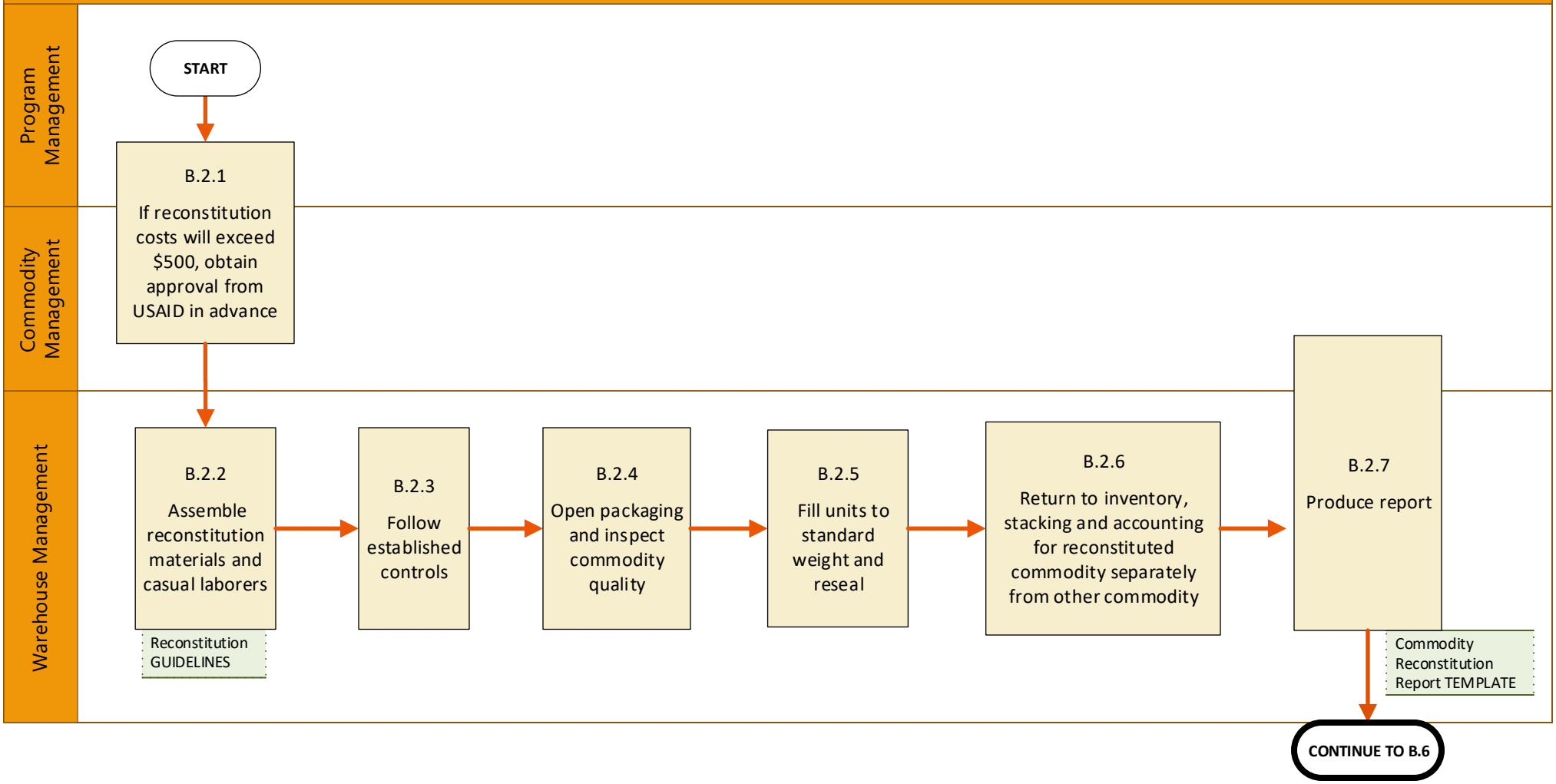
B.0 INTERNAL LOSS

B.2 Commodity packaging units are underweight



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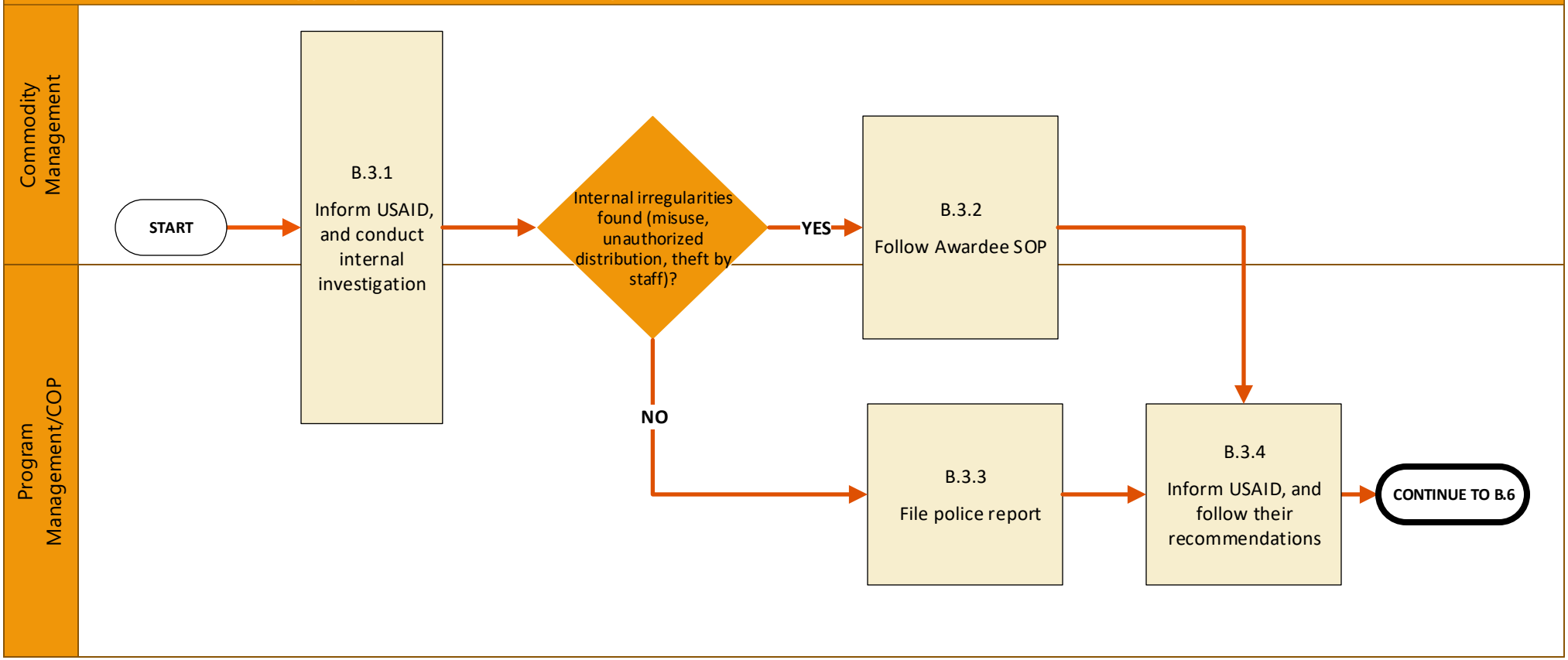
B.0 INTERNAL LOSS

B.3 Possible misappropriation of commodity



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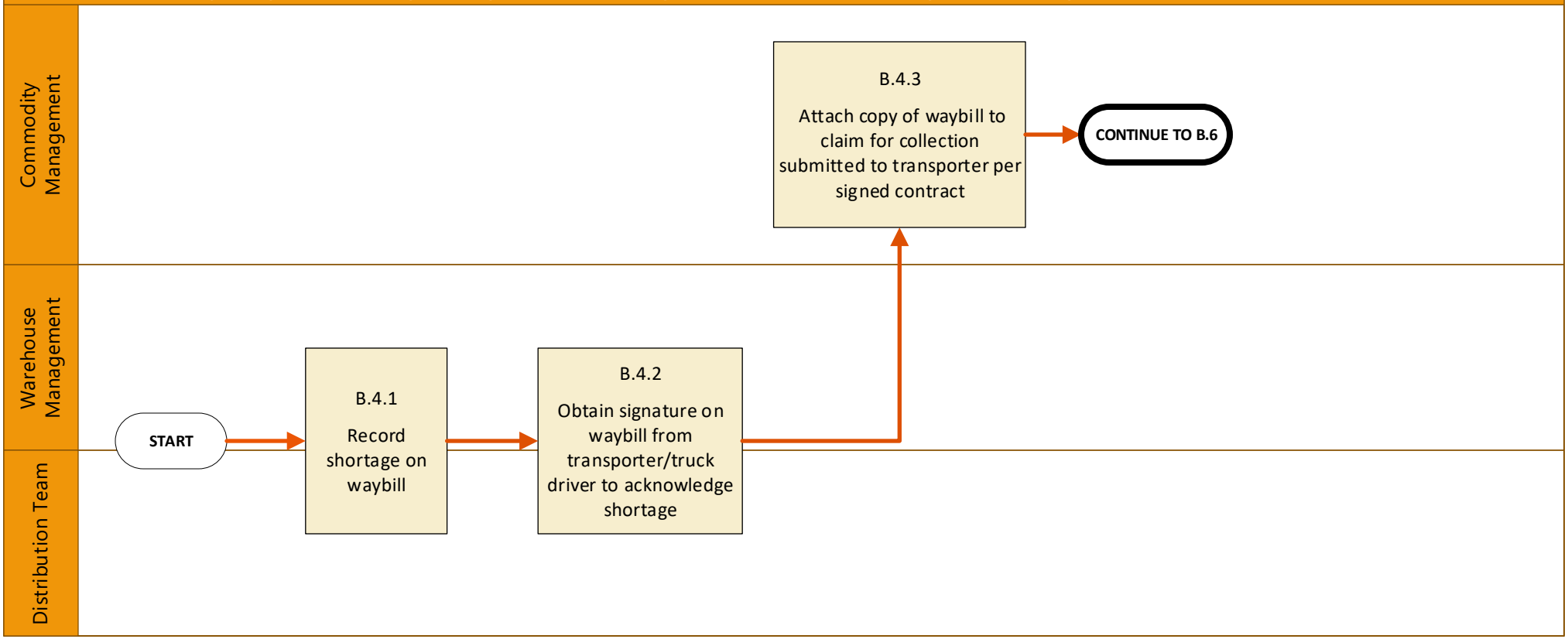
B.0 INTERNAL LOSS

B.4 Discrepancy between quantity of commodity off-loaded and transporter's waybill



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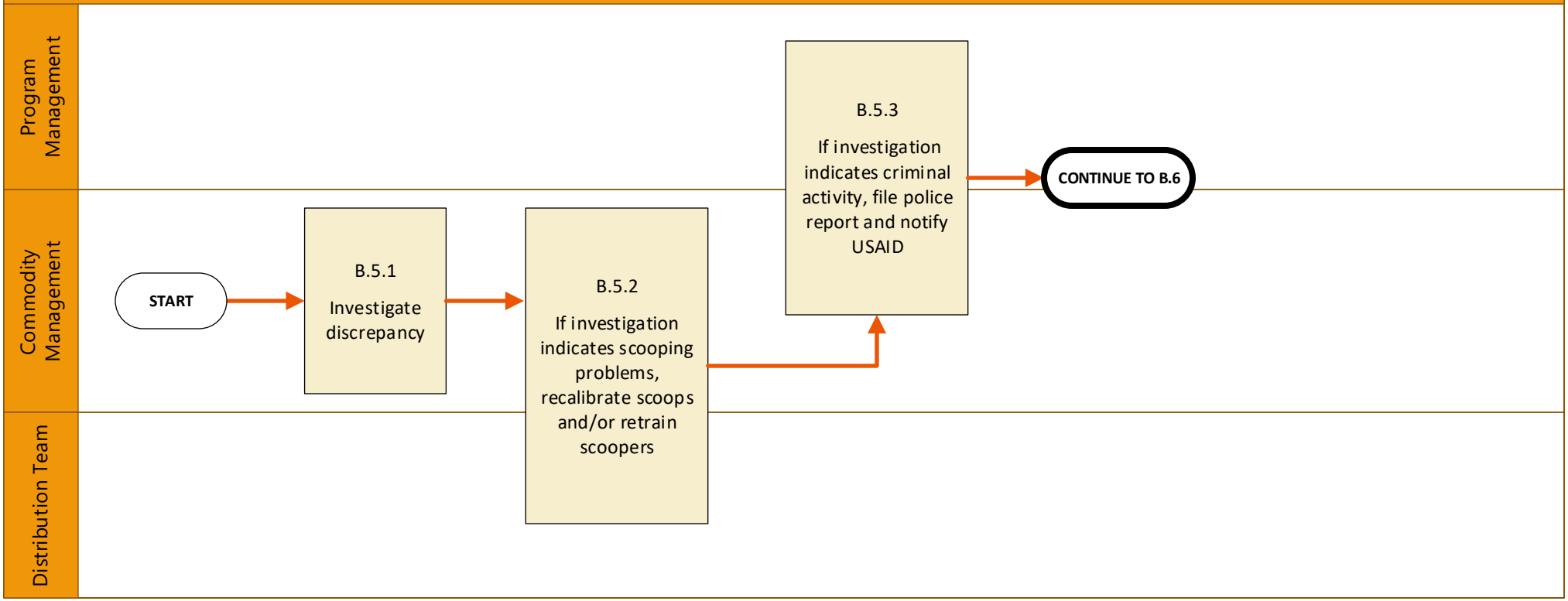
B.0 INTERNAL LOSS

B.5 Quantity of commodity received at distribution site ≠ quantity of commodity distributed or returned



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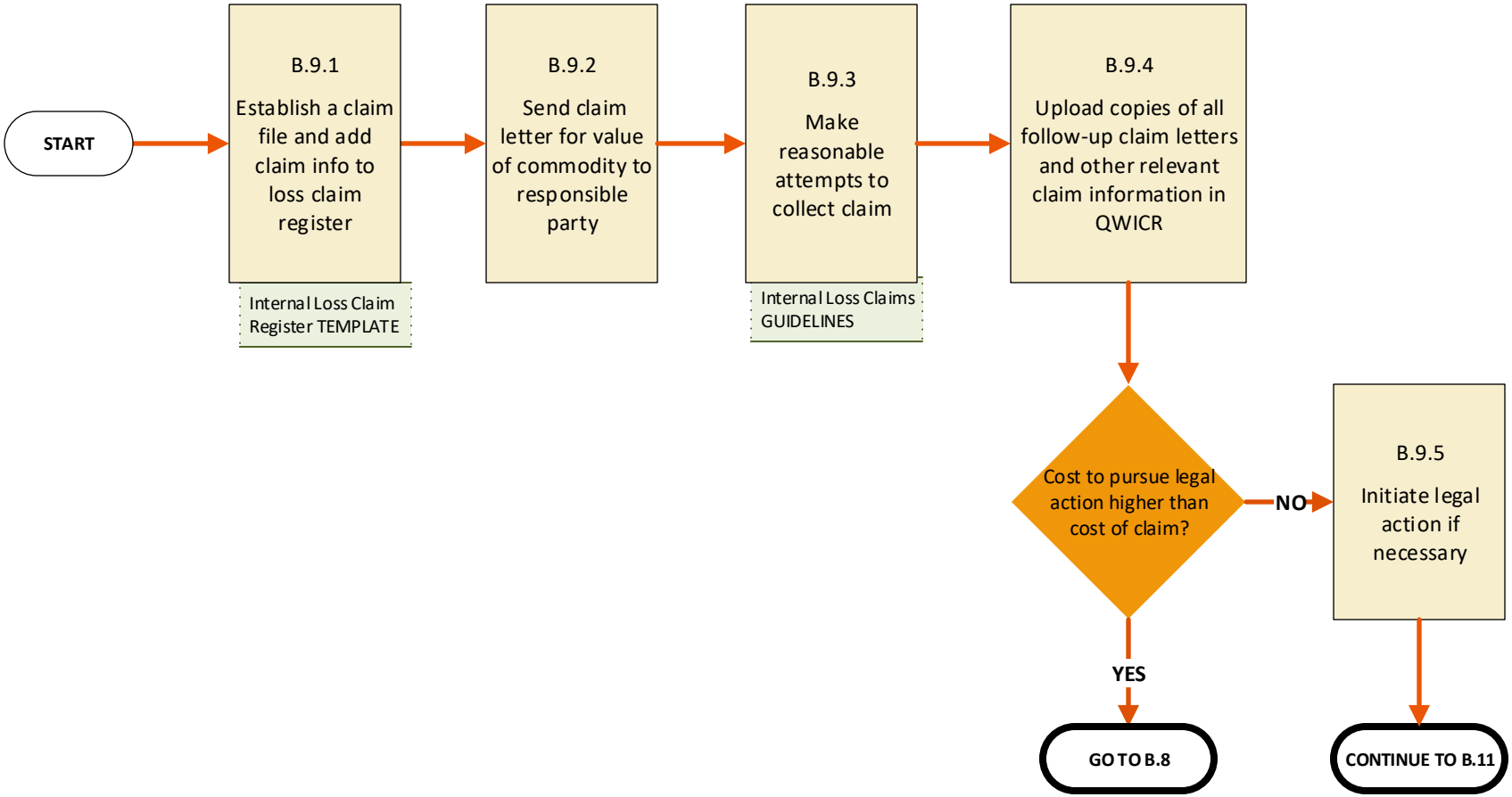
B.9 File a claim against responsible third party

Commodity Management



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Resources (Additional TOOLS)

FFPMIS PREP Training Slides

Fumigation PEA Tool Annexes

GACAP (Generally Accepted Commodity Accountability Principles)

Managing the Supply Chain of Specialized Nutritious Foods (WFP)

OIG Fraud Indicators

OMB Uniform Cost Principles and Audit Requirements for Federal Awards

PREP Guidance 2017

Preventing Corruption in Humanitarian Operations

The Essential Guide to Managing Your USAID Award

TOPS Commodity Management Handbook

USAID ADS Chapter 203 Assessing and Learning

USAID ADS Chapter 320 Branding and Marking

USAID Graphics Standards Manual and Partner Co Branding Guide

USAID Regulation 11 (22 CFR CH II) Part 211

USAID Regulation 11 (22 CFR CH II) Part 226

Abbreviations and Acronyms

Glossary

References

Click here for all Resource tools

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