

**RESCUE & SUPPORT THE HELPLESS
FOUNDATION
(RESH)**



**PROCUREMENT POLICIES AND
PROCEDURES**

2025

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GENERAL PROCUREMENT POLICY

The purpose of this manual is to establish the policies and procedures concerning the procurement of goods and services. RESH's procurement policies and procedures are designed to ensure timely, efficient, and transparent procurement, aligning with best business practices. Unless stated otherwise, these policies and procedures will apply to all procurement irrespective of funding source and payment method. All purchases and procurements shall be reasonable and necessary (i.e., no unnecessary items shall be purchased). Procurement transactions, regardless of method or monetary value, shall maximize open and free competition. RESH and its staff shall not engage in procurement practices that may be considered arbitrary or restrictive.

PROCUREMENT RESPONSIBILITIES

Assistant Executive Director

It is the responsibility of the Assistant Executive Director, who acts as the Administrative Director, to ensure the full and effective implementation of the policies and procedures in this manual. Therefore, the Assistant Executive Director and the Finance Department shall review all procurement requests to prevent duplication and ensure that costs are reasonable.

The Assistant Executive Director is authorized to sign and approve the procurement of goods and services up to the amount of NGN 7,000,000 for the following administrative purposes:

1. Payment of contractors with whom the management has negotiated a contract, provided that the contractors have performed the work to the satisfaction of the management team;
2. Payment of on-going or regularly recurring expenses of the organization, including, but not necessarily limited to, rent, utility charges, and equipment rental fees;
3. Purchase of office supplies and other expendable items, as required;
4. Payment of salaries to all employees of RESH Foundation, reimbursement of expenses incurred by employees, Directors, and third parties representing the foundation in an official and management-approved capacity, in performance of duties directly related to the work of the foundation, provided that proper documentation is supplied.

5. Purchase of equipment or other property necessary for the operation of programme activities at the foundation, including, but not limited to, computers, office furniture, etc..; and
6. Any other incidental purposes as may arise for the operation of the foundation offices.

REGULATING AUTHORITY

RESH Foundation shall follow the policies outlined in this Policy Document, except as it is deemed necessary to adhere to certain rules set forth by a specific donor. In the event of a conflict, the foundation shall defer to a donor's policies if expressly requested, unless doing so would be detrimental to the image, reputation, and efficient operation of the foundation's program activities. In such a situation, the management team will decide on the next course of action. It is the responsibility of the Assistant Executive Director to bring any potential policy conflicts immediately to the attention of the management team.

PROCUREMENT POLICIES

1. PROCUREMENT INSTRUMENTS

RESH shall use four (4) Procurement Instruments: 1) Invoice/Purchase Order; 2) Consultancy Agreements; 3) Project Contracts, and 4) Competitive Proposal.

- a) **Invoice/Purchase Orders:** Procurement requests shall be made through an Invoice or Purchase Order for office/programme supplies or equipment. Purchases shall be made from vendors offering the best value in terms of price, as well as after-sales and delivery services. Purchase orders only shall not be used for consultancy services, contracts, travel advances and reimbursements, monthly or periodic bills (e.g., rent, telephone, utilities, equipment leases, and maintenance agreements), minor recurring expenses, and items paid from petty cash. Invoices or Purchase orders shall be prepared by the relevant person or department requesting the procurement of items, clearly describing the item(s) being purchased, the estimated purchase amount, and the purpose of the purchase. In the case of an invoice, any procurement submission shall have an Advance Request Form attached, which has been approved (along with a Request Memo) by the Assistant Executive Director.
- b) **Consultancy Agreements:** Consultancy agreements are contracts with individuals (i.e., consultants or independent contractors in business for themselves) for specialized services

that cannot (either because of time or skill level) be performed by the foundation's employees. The foundation shall use a consultancy agreement when the individual is performing a specialized type of work under a contract that clearly specifies the scope of work, rate, and terms of compensation, time period of performance, deliverables, and terms of the agreement.

c) **Project Contracts:** Project contracts are formal agreements that govern project-related services. The foundation shall use a project contract when none of the other procurement instruments are appropriate, and/or when the contract will have particular responsibilities. Normally, a project contract shall be used for large amounts and where each party is seeking Terms and conditions that will protect both parties. The project contract should clearly describe the scope of work, the rate and terms of compensation, the period of performance, deliverables, and terms of the agreement. RESH Foundation's standard contract language shall generally be used in establishing project contracts. However, in exceptional circumstances, a simple letter contract which specifies the scope of work, the rate and terms of compensation, the period of performance, deliverables, and terms of the agreement, may also be used (e.g., short-term contracts).

d) **Procurement by Competitive Proposal:** Competitive Proposals shall be used when conditions are not appropriate for the use of sealed bids or small purchase procedures. Competitive proposals typically involve more than one source submitting an offer, and a fixed-price or cost-reimbursement type contract is awarded. If this method is used, the following requirements apply:

(i) Requests for proposals/quotations will be publicized, identifying all evaluation factors and their relative importance. Any (RFQ/RFP) response to publicized requests for proposals shall be honored to the maximum extent practical;

(ii) Proposals will be solicited from an adequate number of qualified sources.

(iii) RESH Foundation's **Procurement Committee** shall evaluate responses to its solicitations and select awardees in accordance with the procedures outlined in section 2 below ("Procurement Procedures")

(iv) Awards will be made to the responsible firm whose proposal is most advantageous to RESH's with price and other factors considered; and

- (v) The foundation may use the competitive proposal procedures for qualifications-based procurement of professional services, whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation

2. PROCUREMENT PROCEDURES

A. All procurement by RESH shall comply, at a minimum, with the requirements of subsections (i), (ii), and (iii) below: (i) RESH shall avoid purchasing unnecessary items.

(ii) Where appropriate, an analysis is made of lease and purchase alternatives to determine which would be the most economical and practical procurement

(iii) Solicitations for goods and services shall provide for all of the following:

- a. A clear and accurate description of the product/service to be procured. In competitive procurements, a product or service description shall not contain features that unduly restrict competition.
- b. Requirements that must be fulfilled, as well as other factors, are used in evaluating proposals submitted in response to solicitations.
- c. A description, whenever practicable, of the functions to be performed or performance required, including minimum acceptable standards.
- d. When relevant, the specific features of "brand name or equal" descriptions are to be included in responses submitted to the solicitation.
- e. Preference, to the extent practicable and economically feasible, for products and services that conserve natural resources and protect the environment and are energy efficient.

B. RESH shall make positive efforts to utilize small and female-owned businesses whenever possible. ESH shall take the following steps to further this goal:

- i. Ensure that small and female-owned companies are used to the fullest extent practicable.

- ii. Make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small and female-owned businesses.
 - iii. Consider in the contract process whether firms competing for larger contracts intend to subcontract with small or female-owned businesses.
 - iv. Encourage, when practical, contracting with consortia of small and female-owned businesses when a contract is too large for one of these businesses to handle individually.
- C. RESH shall determine the procuring instruments used (e.g., fixed-price contracts, invoices). It shall ensure that they are appropriate for the procurement and for promoting the best interests of the programme or project concerned.
- D. Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of the proposed procurement. As such, consideration shall be given to contractor integrity, record of past performance, financial and technical resources, or accessibility to other necessary resources when awarding a contract

3. FULL AND OPEN COMPETITION

RESH strives to ensure full and open competition, guarantee the objective performance of contracts, and eliminate the possibility of unfair competitive advantages. Therefore, proposal selection shall be based on responsiveness to the solicitation, price, quality, deadlines for delivery, accountability warranties, and fulfillment of the service, as well as other relevant factors.

To ensure full and open competition, RESH shall abide by the following procurement threshold:

Threshold Value(Naira)	Approval Level	Number of quotes	Vendor Source
1-200,000	Assistant Executive Director. (The appropriate programme unit must do coding)	Single quote	Preapproved supplier (Vendor listing)

200,001-2,000,000	Assistant Executive Director. (Coding must be done by the appropriate programme unit)	Minimum of three quotes	Preapproved supplier(Vendor listing)/ online advertisement on at least one platform
2,000,001-7,000,000	Assistant Executive Director (upon recommendation by the procurement committee)	Minimum of three quotes	Competitive tender (on multiple online platforms)
Above 7,000,000	Executive Director and Assistant Executive Director (upon recommendation by the procurement committee)	Minimum of five quotes	Competitive tender (on multiple online platforms)
Sole Sourcing (above 1 million)	Executive Director and Assistant Executive Director (upon recommendation of programme manager/ executive board)	Single quote	

A. SOLE SOURCE BASIS

The foundation reserves the right to purchase or award contracts on a sole-source basis when only one supplier is capable of delivering the product. The circumstances for selecting Sole Source procurement shall be:

- i. Monopoly or oligopoly (limited) availability of Suppliers,
- ii. Technical Reasons of Continuity and compatibility of supplies,
- iii. Donor Restrictions.

Note: Sole Source Procurement shall be clearly justified on the Sole Source Justification Form and approved by the Executive Director.

B. COMPOSITION OF THE PROCUREMENT COMMITTEE

The procurement committee shall comprise of the following:

- i. A member of the executive board (Chairman) as approved by the Assistant Executive Director/ Executive Director
- ii. A member of the finance department
- iii. Head of the requesting department for subject of procurement

iv. A member of programmes outside the user/ requesting department

v. Admin (as secretary)

C. ROLE OF PROCUREMENT COMMITTEE

i. To review recommendations for the award of contracts for all procurements above 2million naira

ii. To approve contract variations on contracts with a value above £ 2 million. iii. To approve the list of providers for RESH

iv. To ascertain market prices and ensure that all procurements are not in excess of the market price

v. To review proposals and quotes and ensure they conform to price, quality, and specifications

vi. Evaluating physical samples in the procurement process vii. Where necessary to recommend for independent supplier assessments, audits and supplier presentations.

D. TEMPORARY REPRESENTATION OF A PROCURMENT COMMITTEE MEMBER

i. The ProComm member may appoint secondary members to represent them in their absence at the committee meeting.

ii. The secondary member shall be temporary, and the responsibility of the roles assumed remains with the ProComm members

E. ROLE OF THE PROCUREMENT UNIT (ADMIN)

i. To provide technical advice on procurement strategy

- ii. To maintain and update the foundation supplier database and related information
- iii. To ensure that procurements are implemented according to the procurement plan and standard operating procedures
- iv. To ensure that the procurement policy and guidelines are implemented in the foundation
- v. To ensure that the right contracts are placed with the foundations suppliers
- vi. To report on procurement performance weekly with the use of the **procurement tracker**
- vii. To assist the requesting unit in the development of a statement of requirements and determining the estimated cost of goods
- viii. Coordinate procurement meetings

F. PREQUALIFICATION OF VENDORS

- i. Prequalification is a screening process designed to ensure that Invitations to Suppliers are confined to capable providers.
- ii. The prequalification process shall be to ensure that the procurement function has an optimal range of suppliers to meet its needs, and adhere to RESH procurement and ethical policies.
- iii. All Suppliers of Products used by the foundation shall undergo a supplier approval process to be prequalified to provide goods and services.
- iv. In an area where a supplier gap exists, the foundation can work based on recommendations from other NGOs or publish an Expression of Interest. Neem The foundation can also prequalify suppliers following an Expression of Interest process. Additionally, suppliers that solicit business by submitting their organization profile can be prequalified if needed.
- v. The foundation's professional staff can recommend a supplier in cases involving professional services, such as Legal, Education, Audit, or mental health, etc. In this case,

the **Conflict of Interest form** will be completed by the staff member making the recommendation.

G. CRITERIA FOR PREQUALIFICATION OF VENDORS

Vendors must be prequalified before they are included in the RESH preapproved vendor list. The vendor will provide the following evidence for evaluation by the procurement committee.

- i. Evidence of the company's incorporation with the Corporate Affairs Commission (CAC)
- ii. Evidence of a 3-year (2017-2019) tax clearance certificate
- iii. Evidence of tax identification number
- iv. Satisfactory past performance in the provision of indicated products/ services as evidenced by the provision of a minimum of 2 satisfying references
- v. Comprehensive company profile including verifiable addresses, active phone numbers, and email addresses.
- vi. Evidence of successfully executing similar projects within the last five years (copies of letters of award, successful completion certificate, and supporting reference letters should be attached
- vii. Evidence of a bank account in the name of the company/ business entity. The bank should provide the confirmation.

4. PETTY CASH PROCEDURE

Purpose

To describe the system and procedures to be followed and the documentation to be used in accounting for Petty Cash transactions

Responsibilities

1. The Finance/ Admin Department has the overall responsibility for operating the petty cash system

Documents to be used

2. The following documents will be used to operate the system
 - a) Petty Cash Voucher
 - b) Petty Cash Book
 - c) Cash Advance Form

Detailed description of procedures

3. Petty cash will be maintained at the following locations within RESH
 - a) Head Office – Units designated to hold it. However, it is currently an advanced system in use.
 - b) Project office, where applicable.
4. For safe custody, Cash boxes with security codes will be provided to each location. The Assistant Executive Director will keep a record of all security codes.
5. All petty cash floats will be maintained on an imprest system: i.e., the amount initially provided to the Petty Cash holder will be debited to a Petty Cash Account, and all payments reimbursed to the holder from the bank account periodically after the submission of a Reimbursement Claim.
6. The float size at each point will be one hundred thousand naira (N100, 000). This will be reviewed by management periodically and revised levels communicated via memo. The review will take into account the volume of transactions and their suitability for the smooth running of the office or project.
7. The maximum amount payable per individual transaction is N20, 000. Any Transaction above N20, 000 to be paid by cash must be duly approved.
8. All payments from petty cash will be based on an approved Petty Cash Voucher, to which invoices, receipts, and other relevant supporting documents will be attached.
9. All staff who collect petty cash for any transactions should sign the relevant portion of the PCV
10. The Petty Cash holder will maintain a Petty Cash book (or a Microsoft Excel worksheet). This will indicate for each transaction, the description and amount. The Petty Cash Book should indicate the balance of cash after each transaction.
11. The float should be replenished when the cash balance is below 20% of the float. The holder should complete a Petty Cash Reimbursement Form and attach all PCVs. This should be forwarded to the

Finance for review and replenishment

12. The Finance Manager will periodically review the Petty cashbook and cash balance for accuracy.
13. The Budget holder will code the transactions before submitting them to finance for posting.

NOTE: The petty cash holder may be issued a VISA card, subject to management's approval, from a commercial bank. Some petty cash expenses may be paid using this medium. Such payment shall be deemed a cash advance on the cardholder's account until it is repaid.

All cash advances must be retired on or before the 2nd day of the month following the period in which the expenses occurred.

CODE OF CONDUCT

The foundation requires full and open disclosure in all procurement dealings. As such, employees and Directors of RESH must avoid any conflict of interest or the appearance of a conflict of interest. RESH employees and Directors must always provide full disclosure of their actions or relationships with prospective vendors, contractors, or consultants. If there is any doubt whatsoever about the propriety of a procurement action, the Assistant Executive Director should be contacted immediately.

- a) **Chibuzo Chnyere Employees:** Neem employees shall not engage in conduct resulting in a real, potential, or apparent conflict of interest. A conflict of interest may arise when any action by a Neem employee, whether isolated, recurring, or continuous, is to the direct financial advantage of the employee, their spouse, parent, or child. Employees shall not participate in the selection of a contract covered by donor funds if a real, potential, or apparent conflict of interest is involved.

Such a conflict of interest would arise when any employee or any member of their family, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm/organization selected for a final contract. Neem employees shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, sub-recipients, or parties of project contractors. Neem employees are, however, allowed to accept gifts of a nominal face value not exceeding N5,000.00. As appropriate, either the Executive Director or the Assistant Executive

Director shall be responsible for determining the disciplinary action to be imposed for any conflict-of-interest violations.

- b) **Directors:** Directors shall not engage in conduct resulting in a real, potential, or apparent conflict of interest. A potential conflict of interest may arise when an action by a Director, whether isolated, recurring, or continuous, is to the direct financial advantage of the individual, their spouse, parent, or child. As appropriate, the Directors will be responsible for determining the disciplinary action that will be imposed for any code of conduct violations.

5. PROCUREMENT RECORDS

For each procurement action, the Administrative Officer shall maintain a procurement file with the following information:

- a) Signed copy of the procurement instrument (e.g., contract or Invoice/Purchase Order);
- b) All amendments to the procurement instrument;
- c) Copies of all bids and offers;
- d) As applicable, a written justification as to why sole source or minimum competition was used
- e) Written explanation as to why the winning contractor was selected
- f) Upon completion of the contract, written comments regarding the quality of the vendor's services, guidance, and recommendations regarding potential future work.

REQUEST FOR PROPOSAL (RFP)

Upon approval by the Directors, the Assistant Executive Director's office shall prepare an RFP in consultation with the relevant procuring department or Project Team. Each RFP shall contain:

- a) A brief statement of purpose or intent;
- b) Clear statement of the products or services required in sufficient detail to allow the preparation of a responsive bid;
- c) A clear statement of the contracting Component/Department at the foundation.

- d) Date and time by which proposals must be returned;
- e) Evaluation criteria; and
- f) Any other information that may be necessary or desirable to provide.