ELOHIM FOUNDATION
PROCUREMENT POLICIES AND PROCEDURES

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Introduction:

Elohim Foundation considers the procurement of services and products an import process in its drive for transparency and accountability in line with its values and her operational relationship with her partners hence the need to have the procurement and procedure framework/policy to serve as a standard in its engagement with all its stakeholders. This is also as a matter of integrity in maintaining a fair financial relationship with each partner. This policy therefore shall guide all procurement transactions for ELOHIM FOUNDATION.

Elohim Foundation's **Vision is to** 'Attain a sustainable human society.
While our mission is to provide social intervention services that address the challenges of sustainable human society through people centred approaches in both urban and rural communities.

Our core objective is to make the human family the focus for veritable and sustainable human development.

Operational Objectives:

Core Objectives:

a) Public Health: To provide community based public health intervention: health promotion and point of care services, while promoting universal access to healthcare for the general public and key populations.
b) Child Development & Project: To provide child focused family based interventions in promotion of a safe environment for the comprehensive development and wellbeing of vulnerable children in households, in the best interest of the child.
c) Environmental Resource Protection & Management: To provide environmental resource protection and conservation education/awareness to promote sustainable human society.

Cross-Cutting Objectives:

a) To improve the socio-economic livelihood status of the rural and urban poor.
b) To promote a culture of Good Governance and transformational leadership.
c) To create awareness on the dangers of Conflict/violence, human trafficking, child abuse and irregular migration while mitigating its impact among victims in promotion of the rights and dignity of human life.
d) To promote knowledge and skills acquisition necessary for human and societal development in attaining human sustainability. To promote safe environment for comprehensive child care & development in the best interest of the child through partnerships.
e) To promote knowledge and skills acquisition necessary for human and societal development in attaining human sustainability.
f) To increase Elohim Foundation operational efficiency and effectiveness.

Our Values and Systems include:

a) **RESPECT:** We respect the various traditions and loyalties of our co-worker, partners and beneficiaries.
b) **EMPATHY:** We identify as deeply as possible with people's hurts and concerns.
c) **ACCOUNTABILITY & TRANSPARENCY:** We spare no effect to being reliable, accurate and open in our operational
d) **GENDER EQUITY**: We recognise and encourage God given gifts and the acquired skills/ knowledge in both male and female.
e) **NON-RACIAL, NON-DISCRIMINATORY**: Respect for all Races and ethnic groups.
f) **SELFLESS SERVICE:** Determination and boldness to services requiring us to be creative, radical, excellent and attractive without being ostentatious and sensational.

GUIDING PRINCIPLES: Elohim Foundation draws strength from its institutional provisions which include her concept, operational scope, rational and value system as stated below:

Rationale for the operations of the Organization in all spheres is predicted on the following:

a) That life in general is a costly gift of God, which need be preserved and cherished.
b) That, as God's ambassadors on earth, we are called to complement creation by giving our all towards its sustenance for today and tomorrows generations.
c) That human development is a broad band spectrum that requires the input of all sectors, as governments of nations cannot do it alone.

Implementation, monitoring and review:

Elohim Foundation will regularly preparation and submission of policy compliance reports for review by management on an annual base.

Elohim Foundation personnel, consultants and volunteers will be monitored to ensure confidentiality of beneficiary's information.

Institutional Technical capacity:

The Compliance Officer of Elohim Foundation shall serve as the designate procurement supervisor. He/she will be responsible for handling all issues as regards procurement process and report to the ED on monthly bases.

1. PREAMBLE

The purpose of this document is to provide a guideline that will enable the procurement unit carry out its acquisition of goods, materials, equipment and services in the most possible cost –effective manner.

For the purpose of this document, procurement is defined as the acquisition of goods, materials, equipment and services for ELOHIM FOUNDATION operations in Nigeria. This policy therefore does not cover acquisition of goods, materials, equipment and services by ELOHIM

FOUNDATION through commissioned agents and other third parties for which acquisitions are covered by separate procurement policies. However, acquisitions by ELOHIM FOUNDATION through third parties shall be carried out with policies that follow professional procurement practices.

The policies and procedure below shall be followed for the procurement of goods, **materials, equipment and services** for ELOHIM FOUNDATION program operations. Goods, materials, equipment and services include all times required for warehousing/product packaging operations, sales promotion, research operations, marketing and communications activities, offices supplies and fixed assets, repairs and maintenance, and engagement of consultants. Services include jobs of skilled and unskilled persons or organizations and or agencies.

As a general rule, we shall strive to be our own vendors and shall as such strive to avoid third party transactions. Our vendors/suppliers shall consist of reputable registered organizations that are capable of directly executing procurement contracts on their own.

2. APPROVAL AND REGISTRATION OF VENDORS/SUPPLIERS

All vendors/suppliers who intend to do business with ELOHIM FOUNDATION must formally apply in writing to the Admin and Procurement Manager. The Admin and Procurement Manager shall review the application and make recommendation to the Manager (Finance and Administration) who may approve the registration to the vendor/supplier with ELOHIM FOUNDATION. The approved vendor/supplier shall then register with ELOHIM FOUNDATION by completing the ELOHIM FOUNDATION vendors/suppliers form (sample form attached), and attaching the following statutory documents.

(i) **Document to be submitted by Prospective Vendor/Supplier:**

- Company Certificate of Incorporation
- A copy of Form CO2 (filed with the Corporate Affairs Commission) stating the Directors of the company.
- Two (2) passport photographs of the least of the directors of the company
- Address of place of business (including telephone number if any)
- Evidence of any previous business done with other company/companies
- Letter authorizing ELOHIM FOUNDATION to obtain references from former business partners
- Name and address of bankers (where current account is maintained)

(ii) Custody and Update of Vendor Register

The Procurement Coordinator shall update and maintain vendors/suppliers register with the approval of Senior Management (Finance and Logistics). Staff members can recommend new vendors to apply to be included in the register of vendors.

3. HOW TO INITIATE PROCUREMENT

Procurement of goods, materials, equipment and services shall be initiated by the head of user department and approved by the head of the user division, who will verify the work is approved in annual budget.

A department that wants to procure goods, materials, equipment or services shall complete a procurement requisition form which is the first process. Where the procurement requires

technical details, the procurement requisition form must be accompanied by Request for Proposal (REP) or Scope of Work (SOW) prepared by the head of department. The RFP must be approved by the divisional head. The approved Requisition form and RFP must be approved by the divisional head. The approved Requisition form and RFP shall be sent to the procurement coordinator who shall forward copies to vendors and supplier.

The requesting party, unit or department is responsible for submitting a correct and accurate PRF (Purchase Requisition Form) to the Procurement Unit. The procurement Unit in turn has the responsibility of reviewing all PRF submitted. The request is promptly returned to the requesting party if any detail is missing or proper approval is lacking.

The Procurement Unit is not authorized to alter specifications quantity or other details of a purchase requisition unless changes have been approved by the requesting and approving party.

4. INVITATION TO BID

The Procurement Coordinator on receipt of procurement requisition form and or REF shall invite vendors who are in the register of vendors for that particular goods, materials, equipment and or services by forwarding to them a specification or REP as appropriate.
Invitation may also be intended to vendors not on the list where such items(s) cannot be supplied by vendors on the register list.

5. PROCUREMENT BUDGET

Procurement of goods, materials, equipment and services must be for expenditure approved in the departmental budget. It is therefore the responsibility of divisional head to ensure that all items for procurement are in the approved budget.

Where item for procurement is not in the approved budget, the procurement manager has the right not to honour the procurement request form unless a waiver has been obtained from the Project Director. It is the responsibility of the divisional head to obtained waiver for item not in the budget from the Project Director at all times.

All procurement for goods, materials, equipment, and services must indicate the budget line item to be charged by the finance department.

6. PROCUREMENT AUTHORITY

The following shall be the authority to procure goods and services and consultations for ELOHIM FOUNDATION:

Value of Procurement	**Requisition Approval**	**Number of Bids**	**Vendor Selection**
(i) N50,000 and below (Petty cash expenses)	Team Lead	Quotations not required, but are subject to regular internal auditing. This may not be restricted to any particular vendor on the register of vendors.	Not applicable

(ii) Between N50,001 and below N100,000	Head of Division	Quotations may be from single vendor if price is well known. This may not be restricted to any particular vendor on the register of vendors.	Admin Manage
(iii) N100,001 and Below N1,000,000	Head of Dept. if in budget.	At least three (3) quotations must be obtained from vendors on ELOHIM FOUNDATION vendors Register selected by Procurement HOD and must come sealed. Where however, the materials, equipment and services are not supplied by existing vendors on ELOHIM FOUNDATION register, bids shall be collected from suppliers not registered with ELOHIM FOUNDATION.	Procurement Committee
(iv) N1,000,001 to N3,000,000.00.	Project Director.	At least three (3) quotations must be obtained from the vendors on ELOHIM FOUNDATION vendors Register and must come sealed Formal request – REP Including scope of work must be prepared and attached.	Procurement Committee Plus Project Director-(final approval report from Committee).

7. SINGLE VENDOR QUOTE

Where there is only one supplier for a particular goods or services adequate justification must be provided. Where a single vendor is used the quotation must comply with all the conditions list above except that there will be only one single quote.

8. LEAD TIME

Adequate lead-time is required for procurement of all goods, materials/equipment/services to enable the Procurement Department process the requests and make the purchase. In the case of Vehicles, Brochures, Calendars, Computers, and other materials, equipment and services a lead time of one to three months should be allowed for delivery. For overseas supplies a lead time of between one (1) to nine (9) month should be allowed for delivery at ELOHIM FOUNDATION central warehouse.

9. PRESENTATION ANND OR DEFENSE OF BID BY VENDOR

A vendor may be asked to make presentation to explain bid. Where a vendor is required to undertake presentation in defence or explanation of bid, presentation shall be done in presence of a committee selected by division and shall include the procurement manager and or the Manager (Finance and Administration). Persons who are not employees of ELOHIM FOUNDATION may be invited to assess the bid. Such ad-hoc committee so constituted shall

make recommendation to the procurement committee for award of contact to the successful bidder.

10. OPENING OF PROCUREMENT BIDS AND AWARD BY PROCURMENT COMMITTEE.

Bids and or tenders for procurement of materials, goods and services must be opened in the presence of all the committee members and all opened bids must be signed and dated by all committee members. The analysis of the bid shall be immediately agreed by the committee members and report produced by the Procurement Coordinator thereafter.

The criteria for analysis of quote and recommendation for approval shall include but not limited to the following: cost, quality, delivery time, track history, method and terms of payment, credibility of the vendor/supplier and applicable donor polices.

11. Vendor Selection and Bid Evaluation

If a supplier is to be given the opportunity to re-bid, that is to submit a revised bid after having already made an initial offer, then bidding must first be closed and invalidated. All suppliers will then be asked to submit new bids

12. Securing of quotations

Recurring purchase of item(s) from a preferred vendor need not be supported by quotations/canvas sheet. A note 'preferred vendor' must be indicated on the PR form. However, if the item is worth more than N60, 000, written quotations must be obtained regardless of the frequency of purchases. Any exception to this policy must be documented and approved by the Project Director.

In instances wherein written quotations cannot be obtained, verbal quotes or a telephone survey is acceptable. A summary of the survey should be recorded on a canvass sheet form which will serve as back –up documentation once the vendor is confirmed. The canvas sheet form should contain the following information: (1) Vendor name; address, contact numbers and contact person. (2) Description of the Items being quoted, (3) Prices quoted (4) payment Terms (5) Delivery Terms (6) Selected vendor with justification.

13. Evaluation of Vendors' Quotes /Bid

The act of selecting the best overall offer requires good judgment and experience and this responsibility must be approved in writing by the appropriate authority, especially if the award was not made to the lowest bidder.

14. COMPOSITION OF PROCUREMENT COMMITTEE

The following shall be composition of procurement committees in ELOHIM FOUNDATION

(i) Item between N0 and N100,000

(ii) Items between N100,000 and N1,000,000

(a) Admin. / Procurement,
(b) Users Divisional head
(c) M (F & A) or Designate
(d) User Department Manager

In the case of procurement originating from Administration department additional person may be introduced from other department.

(iii) Items N1,000,000 and above

(a) Admin and Procurement Manager (or designated).
(b) Users Division SM or Designated
(c) Internal Auditor
(d) SM (Fin and Admin) or Designate.
(e) User Department Manager.

In the case of procurement originating from Administration department additional person may be introduced from other department.

Please note that no designate shall be less than the rank of a Senior Officer in the department.

15. LOCAL PURCHASE ORDER/CONTRACT

Procurement of ₦100, 000 and above shall covered by an LPO issued to the vendor. Where necessary contract/ agreement may be entered between ELOHIM FOUNDATION and the vendor. When to issue a contract shall be agreed with SM user department and SM finance and Administration.

(i) Signing of LPE

All LPOs shall be signed as following:
Checked by: (Admin and Procurement Manager).
Approved by: Project Director or in absence the Deputy Project Director, may approve to be countersigned by M upon return

All contracts involving procurement of goods, materials, equipment and services shall be signed by the Project Director or in his absence the Deputy Project Director.

(ii) The approved Requisition Form, Abstract of Bids (or canvas sheet) and original copies of vendor's quotations, where applicable shall be attached to the Purchase Order or contract when submitting for approval of the Project Director. A copy of the Approved Purchase Order and all supports should be forever to the Finance Dept.

(13) PROCURMENT OF MATERIALS THAT REQUIRE OWNERSHIP RIGHT

ELOHIM FOUNDATION shall have exclusive ownership of goods, materials, designs and artworks, which may be originated by suppliers who are paid by ELOHIM FOUNDATION for its activities. Such goods, materials, designs and artworks shall handed over to a representative of ELOHIM FOUNDATION for subsequent use.

ELOHIM FOUNDATION reserves the right to use such materials, designs and artwork as it deems fit. This shall be incorporated in a procurement agreement to be signed by ELOHIM FOUNDATION and the suppliers, and where no written agreement is drawn up, **this must be written on the LPO issued to the supplier.**

16. TERMS OF PAYMENT

For payment purposes, vendors/suppliers shall be categorized into two, namely **REGULAR VENDORS/SUPPLIERS** and **NEW/IRREGULAR VENDORS/SUPPLIERS.**

(i) Regular Vendors/Suppliers

Regular vendors are vendors who have been doing business with ELOHIM FOUNDATION for at least one year, that have had continues business relationship with ELOHIM FOUNDATION for less than one year, and have successfully executed at two jobs of acceptable standard.

Regular vendors/suppliers shall be paid a mobilization fee equivalent to 50% of the total value of the items to be procured upon approval of the LPO by the GM Finance and Administration) Project Director). The balance of 50% shall be paid upon satisfactory completion and receipt of the items into ELOHIM FOUNDATION warehouse. However, ELOHIM FOUNDATION reserves the right not to pay mobilization fee to any vendor without assigning any reason to the vendor.

(ii) New/Irregular Vendors/Suppliers

New vendors are those that have not done any business with ELOHIM FOUNDATION. New vendors are also those who have not successfully executed more than jobs with ELOHIM FOUNDATION or have had broken relationship with ELOHIM FOUNDATION in the last on year.

New/irregular vendors/suppliers shall not be paid mobilization fees for approved LPO. Fifty per-cent (50% of the cost of items to be procured shall be paid after 50% satisfactory completion of the job. The balance of 50% shall paid after satisfactory completion and delivery of the items into ELOHIM FOUNDATION warehouse.

(iii) Mobilization/Cash Advance to Vendors

A vendor who does not require mobilization or cash advance payment shall be given preference in a bid selection. ELOHIM FOUNDATION Procurement Coordinator shall work towards reduction in cash advance to vendors.

17. GUARRANTY

Vendors/suppliers at the discretion of ELOHIM FOUNDATION management may be required to provide ELOHIM FOUNDATION with a bank guarantor for procurement contracts above N1,000,000 where mobilization fees are to be paid to the vendor.

18. MODE OF PAYMENT

All payments for amounts above Fifty Thousand Naira (₦50, 000) shall be by check, except for the payment for diesel (because of uncertainties/difficulties associated with this item) and other items where the vendors/suppliers do not accept check.

Cash may also be paid where the vendor would not deliver unless check has cleared with the bank or cash received, and this may delay acquisition of such materials, goods and services.

All check shall be made payable to the registered business name of the vendor/supplier, except where the individual is also the company.

On payment by cash, where a vendor will not accept payment by cheque, payment by bank draft (demand draft) or bank transfer direct to vendor's account should be negotiated for before payment on cash

19 PRODUCTS/GOODS DELIVERY

Products/goods ordered must conform to the specifications in the requisition/specification form. To ensure this, samples of products/goods ordered shall be made available the vendor/supplier to the Procurement Coordinator for approval by the SM user department before final production/purchase by the vendor/supplier.

Finished product/goods shall be delivered to the procurement Coordinator who shall select a reasonable sample of the products/goods and compare them with the approved sample to ensure conformity. The Procurement Coordinator and user dept

Manager shall sign the delivery note if the products/goods are acceptable before the goods are delivered to the Warehouse Materials Coordinator who shall take delivery and issue a good received note to the vendor/ supplier. A copy each of the receipt from the vendor and the good received note shall be forwarded to the Finance Manager for the purposes of payment.

20. RETURN OF GOODS

Goods/products and services that fail to conform to the approved samples shall not be accepted from the vendor/supplier. Such goods/products and services shall therefore be returned to the /supplier with a cover letter from the Procurement Coordinator, explaining why the products/goods or services are not accepted. Returned goods/products shall not be paid by the Society for Family Health. If the vendor has been paid a mobilization fee, such mobilization fee shall be paid back to the society for Family Health. Where it is possible that non-conforming products/good could be amended, the GM user department shall agree to the amendments. The Procurement Coordinator shall then write to the amendments. Which must be effected before the products/goods are accepted.

21. INVOICE PROCESSING FOR PAYMENT

The following shall be the processing for payment:

1. The vendor/supplier shall submit an invoice for settlement directly to the Finance Manager.
2. The finance Manager shall match the vendor's invoice with his copy of the Purchase order/ supports and the Goods Received Note.
3. The Finance Manager shall ensure that the price, quantity, terms of payment per vendor's invoice conforms to the terms of the Purchase order (or contract),

Segregation of Duties

The following functions should be performed by separate individuals:

1. Preparation of the purchase Requisition Form
2. Review and approval of the purchase Requisition.
3. Vendor selection and preparation of the purchase order.
4. Approval of the Purchase Order.
5. Receiving of goods and services purchased.
6. Payment of Vendors,

2.2 MONTHLY REPORT ON PROCUREMENT STATUS –N1,000,000 AND ABOVE

The Procurement Coordinator shall produce bi-weekly or monthly procurement status report for purchase of N1,000, 000 and above.

23. INDEPENDENT PRICE SURVEY

The Procurement Coordinator shall undertake periodic price survey to ascertain the competitive price of goods, materials bought on regular basis for cash or less than one quote from vendor (e.g. stationary) are used by ELOHIM FOUNDATION procurement department.

24. PROCURMENT OF SERVICES (CONSULTANTS ONLY)

The procurement Coordinator shall maintain list of pre-qualified consultants in all the areas that consultant are required to work for ELOHIM FOUNDATION. The following areas have been identified- research, accounting, management information system, gender, management (including organizational development, personnel, etc), insurance (including breakage), tax matters script writing and development, concepts Development, etc

Development requiring consultant shall apply to the divisional head for approval to use consultants. The user department shall prepare a scope of work for the consultant which shall be attached to the request for consultant. From the list of consultants registered, the procurement and user department will invite selected consultants, where there are more than one consultant competent to handle the required service a selection of consultant shall follow the same financial limits as stated in the procurement policy for the procurement of other goods, materials, equipment and services.

25. CONSULTANTS FEES PAYMENT TERS AND CONDITIONS

While recognizing that each consultant has a unique blend of qualifications, the ELOHIM FOUNDATION has defined four general categories of local consultants for which it defines daily fee rates. Within each category, relatively stronger candidates would command the high end of the range and vice versa. The categories (from lowest to highest qualifications) are:

D. Local honours degree or equivalent

C. Local Masters Degree
At least five years of non-consulting working experience in a related field
Little or no previous consulting experience
Computer skills are an advantage

B Master Degree (Local or foreign)
At least five years of non-consulting working experience

Consultants' experience
Computer skills

A. Foreign Master's degree local/foreign PhD
Professional qualifications
Consultants experience with international organizations
Computer skills
Own computer available for consultancy work an advance.

A+ Foreign Master's degree local or foreign PhD
Professional qualification
Extensive consultancy experience with international organizations
Consultants experience abroad
Own telephone/fax/mail/email connections for work an advantage.
Computer skills
Own computer available for consultancy work an advance.

The following daily fee ranges is effective from October, 2021 are approved for use by ELOHIM FOUNDATION

Consultancy Category	Minimum	Maximum
"D"	₦20,000	₦50,000
"C"	₦50,000	₦70,000
"B"	₦70,000	₦100,000
"A"	₦100,000	₦120,000
'Á+'	₦120,000	₦200,000

The fee paid however should also be matched to the job. If a skilled consultant choose to do a job for which s/he is over-qualifies, s/he should agree to accept a fee, which is commensurable to the job. I owner fee rates for long term engagements should be applicable. This is subject to review from time to time.

(26) OTHER CONSULTANT /TEMPORARY RATES

The following are the fees/rates approved for other categories of consultants doing temporary engagement work for ELOHIM FOUNDATION:

(i) Interns/NYSC N50, 000 per month
(ii) Post Internship/NYSC N85, 000 per month
(iii) Casual Driver N100,000. Per month.
(iv) Survey, Accountants, Architects etc may be paid based on recommended professional body fee rates or negotiated based on hours of work on the assignment

APPROVED BY:

18/07/2021
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President Board of Trustees.

18/07/2021
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