



Youth Harvest Foundation, PO 656, Bolgatanga, Ghana

Procurement policy

What is competitive tendering

With competitive tendering we mean purchase or rent of services or goods according to certain procedures. The purpose is to secure that all tenderers are treated equally, that resources are efficiently used and to avoid corruption and fraud.

The purpose of the policy

- To support the organisation in its' activities
- To have a common approach on procurement
- To contribute to a market situation characterised by fair competition without corruption
- To ensure that purchasing of goods and services is done by right quality, to low cost and with minimal environmental impact
- To make sure that purchase and procurement is done according to internal and external demands

Procurement levels at YHFG

Direct purchase	Purchase up to the value of GH¢5,000. For purchases of services exceeding the value GH¢5,000, the person who makes the purchase shall ensure that a minimum of three (3) invoices are obtained and discussed with approving authority.
Comparison of price	Information (Invoices, letters, emails, and telephone) received from 3 suppliers for purchases of services between GH5,000 and GH¢10,000 . This also applies for purchases of products between GH¢5,000 and GH¢10,000 . The information received should be documented. Agreements not exceeding the value of GH¢50,000 shall be signed by the Executive Director + Finance Manager. Agreements above GH¢50,000 shall be signed by the Executive Director + Finance Manager + Chairperson of the Board of Trustees.
Selective tendering	YHFG asks at least 3 suppliers to present tenders according to certain, specified rules. This should be done for consultant services exceeding GH¢10,000 and for goods exceeding GH¢10,000 . Selective tendering procedure shall be used for all purchase above 10,000. Agreements not exceeding GH¢50,000 shall be signed by the Executive Director + Finance Manager. Agreements Above GH¢50,000 shall be signed by the Executive Director + Finance Manager + Chairperson of the Board of



	Trustees.
Open tendering	The competitive tendering is announced and is open for every supplier who wishes to submit a tender. This form of tendering is also used at YHFG at present. All purchases of goods and services above GH¢50,000 shall require the approval of the Board of Trustees and shall be subject to open tendering.

Template for tendering and price comparison

Price comparison: Goods and services between GH¢5, 000 and GH¢10, 000

Selective tendering: Goods and services between GH¢10,000.00 and GH¢50,000.00

Open tendering: Goods and services exceeding GH¢50,000.00

The tendering/price comparison regards

Responsible person for the tendering/price comparison

Estimated total amount	
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The tendering/price comparison should be finished by (date)

Request for tender/quotes has been sent to (name suppliers/consultants)

Tenders/quotes has been submitted from (name suppliers/consultants)

Chosen supplier/consultant	
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Justification why this supplier/consultant was chosen

Attachment/s	
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The selective or open tendering/price comparison is authorized by:

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Executive Director/BOT Chairman (depending on total sum)

Attachments (mark the attachments that are included)

Mandatory attachments for price comparison:

- Request sent to suppliers/consultants
- Received quotes from suppliers/consultants



Mandatory attachments for selective and open tendering:

[] Request for tenders, containing

- o Terms of Reference/Technical criteria
- o Deadline for submitting a tender and the tender's period of validity
- o YHFG's general conditions for entering an agreement

[] Tender evaluation (comparison of the tenders based on the Request for tenders). The tender evaluation shall clearly state which tender was chosen and on what grounds this tender was chosen.

[] Submitted tenders

YHFG tendering template be signed by the Executive Director, Finance Manager and the Board of Trustees Chairman.

Planning of procurement

- In the ordinary budget process in September/October the procurements for the following year should be planned in order to secure financial means and to dedicate time for the involved staff.
- All new agreements shall specify the time frame of the agreement. It is advisable to evaluate, major, on-going agreements concerning telephones, office supplies, travel etc with an interval of approximately three years.
- When a new project starts the needs of competitive tendering/price comparison should be identified early to be planned financially and administratively.

Procurement in practice

Planning is an essential part and condition of the procurement process in order to get the right goods or services on time to the right price.

The documentation should contain at least the following:

- General information about YHFG and the present need
- YHFG's requirements regarding 30 days payment terms, no automatic increases in price or automatic extensions of agreements
- Rules for the procurement (practical information, dates etc)
- Specification of requirements of the actual good/service
- Price/volume (if there is a limitation)
- Description of how the quotations will be valued

It is important to **communicate** the decision to all the tenderers.

When a decision is made to hire one of the tenderers, information about the tender's business and credit information shall be obtained from the tendering organisation **before the agreement is signed. Documentation** of all the steps and decisions in the process should be done continuously and be filed for at least seven years. Agreement together with documentation shall be sent to the Finance Administrator for filing.



Demands on environmental standards

Environmental demands should be included when feasible. Social and ethical aspects should be considered when it is regarded as possible.

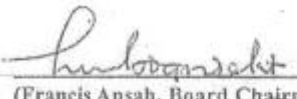
In charge of procurement

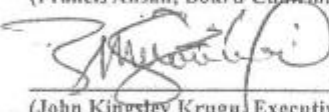
Finance Administrator at YHFG is in charge of procurement. The approval for procurement lies with the Executive Director and/or the BOT chairman


References

- YHFG's delegation of authority
- YHFG's anti-corruption policy
- YHFG's administrative manual

Approved by:

 Date 12/02/2014
(Francis Ansah, Board Chairman)

 Date 12-02-2014
(John Kingsley Krugu, Executive Director)

 Date 12-02-2014
(David Asamoah, Finance Administrator)