



Procurement Policy

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Based on Work Template B, 2022

Management Document

Tayyab Trust USA



Overview

NAAS Welfare Foundation Inc. is a registered 501(c)(3) nonprofit organization in USA (Tax ID: 47-5008669), DBA Tayyab Trust USA, with multiple social programs focusing on projects related to affordable healthcare, water/WASH, food security, poverty alleviation, general welfare, etc. Our mission is to empower individuals to rise out of poverty through relief and development. Equipped with 15 years of experience led by a global network of charity sector professionals, Tayyab Trust USA has uniquely crafted expertise in impact driven project management creating significant sustainable change through the use of innovative technologies, digital management tools, and community based solutions. We have partnered with various renowned national and international humanitarian organizations to assist in project development and implementation within Asia, Africa, and Americas. The organization also manages a 30-bedded hospital, Tayyab Hospital in India, with extended primary healthcare facilities nationwide. Together, we believe that our vision to beat poverty can be achieved, and we continue to strive to reach that goal through the advancement of emergency relief and human development work globally.

We take fraud and corruption practices very seriously and have internal organizational policies to prevent such dangers from occurrence. All our policies are established on the basis of zero-tolerance with strict timely action taken against those who fail to follow the policies established. Additionally, we are committed to ensure compliance with local government regulations and keep high standards for transparency and accountability. This document will explain the purpose, scope, and statement in regard to the procurement policy.

Policy Purpose

This policy is created to describe the importance of procurement practices, define the organizations steps and actions to address it, and designate the appropriate procedures and activities among the board and staff in response to if needed. The information mentioned in this policy frames the overall aim of the policy and any related information from this policy may also be found in other policies and procedures enforced within the organization.

Policy Scope

This policy applies to all organization members, representatives, contractors as well as extended project staff and official volunteers. The term of this policy is for three years starting January 2025 with the next review date set for January 2028. The organization may choose to revise and renew this policy prior to the next review date upon unanimous decision from the board. All policies are maintained and recorded by the organization's board and any changes in the policies must be with the authorization and approval of the board in writing.



Policy Statement

The aim of this procurement policy is to establish a system to purchase quality goods, supplies, and services, as well as other expendable property, equipment, real property, and other services, on the basis of best value for money for the organization and its charitable projects and initiatives during the financial year. The purchase committee, consisting of the purchase manager, board member, and at least one accountant, is responsible for managing the procurement process, including preparing purchase requests, coordinating tendering or bidding processes, and sourcing the best quotations according to organizational requirements. The purchase manager ensures that at least three quotations are solicited from vendors or service providers and prepares a summary report for board review. The accountants maintains all financial records of the transactions for various quotations and purchases carried out by the organization.

The procurement process will be as follows:

1. Purchase Request – A formal purchase request is created, which may include tendering, bidding, or advertising documents. The request clearly specifies the type of service or items required, quantity, and any specific standards or conditions. This can be stated in the Project Budget Sheet (PBS) as well.
2. Quotation – At least three quotations are received from vendors or service providers. The purchase manager collects these quotations and ensures that all submissions meet the required specifications.
3. Quotations Review – The board members convene a meeting to analyze the received quotations. A written record is maintained that clearly states which vendor/service provider was chosen and the rationale for the selection. The evaluation of vendors is based on the following selection criteria:
 - a. Best value for money – The price offered is reasonable and aligns with project goals; it is neither the highest nor the lowest but represents fair value.
 - b. Capacity to deliver – Ability to provide the required volume efficiently and effectively according to the project timeline and scope.
 - c. Regulatory compliance – Approved government licensing for sale and storage, applicable tax status, and adherence to local rules and norms e.g. re-packaging license, food grade storage, etc.
 - d. Flexibility in payment terms – Ability to accommodate reasonable payment arrangements including short-term credit or installment options if needed.
 - e. Industry network – Established connections in wholesale and retail supply chains, including re-packaging, transportation, and warehousing capabilities.
4. Purchase Order – A purchase order (PO) is issued to the selected vendor. The PO specifies the types, quantities, and agreed prices for the products or services. Once accepted by the vendor, the PO becomes a legally binding contract. This can be stated in the Project Funding Agreement (PFA) as well.
5. Invoices – The vendor submits an invoice based on the agreed-upon PO/PFA, requesting payment for the goods or services provided.



6. Receipts – Upon payment, the vendor issues a receipt acknowledging that payment has been received for the goods or services delivered.

After board approval of the PO/PFA, payments are released as per the invoices issued, where usually 80% is made upfront to the vendor, and the remaining balance usually 20% is paid upon delivery of goods or completion of services. Additional due diligence may be performed depending on the procurement method used. All procurement documentation, including purchase requests, quotations, meeting minutes, invoices, receipts, etc. will be securely maintained for a minimum period in accordance with regulatory requirements and organizational policies.

Tayyab Trust USA is registered with the Internal Revenue Service (IRS). Public reports for the organization may also be found on their website.