



HEART فريق الإغاثة والتعزيز الإنساني
Humanitarian Empowerment and Relief Team



HEART's Procurement and Financial Compliance Policy

(Official Internal Policy Document)

Version	1.1
Dated	March 18, 2026
Approved by	Board of Directors

This policy establishes HEART's comprehensive procurement and financial compliance framework governing all procurement processes, transactions, and related operational activities. It ensures transparency, accountability, value for money, and full compliance with organizational, donor, and regulatory requirements.



HEART's Procurement and Financial Compliance Policy

Document Code: HEART/POL/PRC/PROC/2026/005 - Revised Version: 1.1 - Dated: March 18, 2026

1) Document Control

Document Title	HEART's Procurement and Financial Compliance Policy
Document Code	HEART/POL/PRC/PROC/2026/005
Version	1.1
Designated Responsible Unit	Procurement Officer/Operation Manager
Approved by	Board of Directors (BoDs)
Oversight by	Oversight & Audit Committee
Effective Date	March 18, 2026
Review Date	Before: March 17, 2028

Controlling Notes:

Review Cycle

This policy shall be reviewed every two years or earlier if required due to operational, regulatory, or donor compliance changes.

Related Policies and Documents

This policy forms part of HEART's governance and accountability framework and shall be read in conjunction with the following documents:

1. Financial Regulations Policy
2. HEART's Coding & Reference System Policy.
3. HEART's Master Register System.
4. HEART's Code of Conduct.
5. HEART's Anti-Fraud and Anti-Corruption Policy.
6. HEART's Safeguarding and PSEA Policy.
7. HEART's Human Resources Policy.
8. HEART's Asset and Inventory Management Policy.
9. HEART's Relevant program and operational manuals.



Article One: Purpose and Scope

1.1. Purpose

The purpose of this policy is to establish transparent, fair, and accountable procedures governing procurement activities within the Humanitarian Empowerment and Relief Team (HEART). The policy aims to ensure that all procurement processes are conducted in a manner that promotes value for money, prevents fraud and corruption, and complies with HEART's Financial Regulations as well as applicable donor and regulatory requirements.

1.2. Scope of Application

This policy applies to all procurement activities undertaken by HEART, including the acquisition of goods, services, works, and consultancy services financed through organizational funds or external donor funding.

It applies to:

- Board members
- Staff members
- Volunteers
- Consultants
- Contractors
- Partner organizations engaged in HEART-supported projects.

All procurement actions must comply with this policy regardless of the funding source.

Article Two: Procurement Principles

The following principles shall guide HEART procurement activities:

Transparency

All procurement processes shall be conducted in a clear and documented manner to ensure transparency and accountability.

Fair Competition

Procurement shall promote open and fair competition among qualified suppliers whenever possible.

Value for Money

HEART shall seek the best combination of quality, price, sustainability, and delivery time in all procurement decisions.



Accountability

Procurement decisions must be properly documented and subject to internal review and audit.

Integrity and Ethical Conduct

All procurement activities must comply with HEART's Code of Conduct and Anti-Corruption and Anti-Fraud Policy.

Compliance with Donor Requirements

Where procurement is funded by external donors, the procurement process must comply with donor regulations and contractual obligations.

Article Three: Procurement Planning

1. An annual procurement plan shall be prepared based on the operational needs of programs and projects.
2. The procurement plan shall be developed in coordination with program teams and the finance department to ensure alignment with approved budgets.
3. The procurement plan shall be reviewed by the Finance Department and Executive Management.
4. The Board of Directors shall approve major procurement plans as part of annual planning processes.
5. Provisions shall be made for emergency procurement in situations requiring urgent humanitarian response.

Article Four: Procurement Thresholds and Methods

HEART applies the following procurement thresholds to ensure proportionality and efficiency in procurement processes.

Procurement Method	Value Range	Requirements
Direct Purchase	Up to USD 300	One quotation and approval by the Program Manager
Request for Quotations (RFQ)	USD 300 - USD 3,000	Minimum three quotations and internal evaluation
Competitive Tender	Above USD 3,000	Public tender and an independent evaluation committee

Emergency Procurement

In emergency situations requiring rapid response, procurement procedures may be simplified. Such cases must be properly documented and approved by the Executive Director.



Single Source Procurement

Single-source procurement may *only be used in exceptional cases where:*

- Only one supplier is available
- Urgent operational needs arise
- Donor regulations permit such procurement

Justification for single-source procurement must be documented.

Article Five: Procurement Procedures

All procurement processes shall follow the steps below:

1. Identification of technical and operational needs by program units.
2. Preparation of a **Purchase Request (PR)** approved by relevant management.
3. Collection of quotations or initiation of tender procedures depending on procurement value.
4. Evaluation of offers based on objective criteria including:
 - Price
 - Quality
 - Delivery time
 - Technical compliance
 - Warranty and after-sales support
5. Preparation of an Evaluation Report documenting the assessment process.
6. Approval of the selected supplier.
7. Issuance of a Purchase Order (PO) or contract.
8. Delivery verification and confirmation of goods or services received.
9. Documentation of the full procurement process in the procurement register.
10. Purchase requests shall be initiated using the Purchase Request Form (Annex 1).
11. Bid evaluations shall be conducted using the Bid Evaluation Form (Annex 4).
12. Delivery of goods and services shall be verified using the Goods Receipt / Delivery Verification Form (Annex 5).

Article Six: Tendering Process

For procurement above the defined tender threshold, *the following procedures shall apply:*



1. Tenders shall be publicly announced through appropriate channels such as the organization's website, digital platforms, or local media.
2. Tender documents shall clearly specify:
 - technical requirements
 - eligibility criteria
 - evaluation criteria
 - submission deadlines.
3. An independent evaluation committee shall be formed to assess bids.
4. Evaluation shall consider both technical and financial criteria.
5. The evaluation process shall be documented in an official report.
6. The contract shall be awarded to the most responsive and compliant bidder.
7. Contracts shall be signed in accordance with HEART's financial and legal procedures.

Article Seven: Procurement Integrity and Controls

- 1) Commitment to fair competition and transparency in all procurement activities.
- 2) Prevention of conflicts of interest in procurement processes.
- 3) Ensuring all tenders are conducted according to clear and equitable criteria.
- 4) Documentation of all stages (from request for quotations to award) in line with the Records Retention Policy.
- 5) This chapter refers to HEART's comprehensive Procurement and Tendering Policy, which serves as the detailed reference for procurement operations.

Article Eight: Supplier Due Diligence

Before entering into contractual agreements, HEART shall conduct due diligence to ensure the reliability and legitimacy of suppliers.

Supplier due diligence shall be conducted using the Supplier Due Diligence Form (Annex 2).

This process may include:

- verification of company registration
- review of references and previous experience



- verification of physical address and contact information
- assessment of financial and operational capacity
- review of potential conflicts of interest.

These checks help protect the organization from fraud, reputational risks, and operational disruptions.

Article Nine: Integrity and Conflict of Interest

HEART strictly prohibits conflicts of interest in procurement processes.

1. Staff or Board members must not participate in procurement decisions where they have direct or indirect personal interests.
2. All members involved in procurement evaluation must sign a Conflict-of-Interest Declaration.
3. Any suspected misconduct must be reported through HEART's whistleblowing mechanisms.
4. Procurement activities must comply with:
 - Code of Conduct Policy
 - Anti-Corruption and Anti-Fraud Policy
 - Safeguarding Policy

All personnel involved in procurement processes shall complete and sign the Conflict of Interest Declaration Form (Annex 3).

Article Ten: Documentation and Record Keeping

All procurement documentation must be retained and accessible for audit and compliance purposes.

All procurement files shall be maintained and verified using the Procurement File Checklist (Annex 6) to ensure completeness and compliance with procurement requirements

Required documentation includes:

- Purchase Request (PR)
- Quotations received
- Evaluation reports
- Purchase Orders



- Contracts
- Delivery notes
- Invoices
- Payment authorization records.

All procurement documents shall be assigned unique reference codes in accordance with HEART's Coding and Reference System and recorded in the Master Register.

Records shall be maintained for a minimum of five years in both electronic and hard copy formats in accordance with HEART's Records Retention Policy.

Article Eleven: Oversight, Compliance, and Audit

Procurement activities shall be subject to oversight and internal control mechanisms to ensure compliance and accountability.

1. Procurement processes shall be periodically reviewed by the Oversight and Audit Committee.
2. Procurement records may be reviewed during internal audits.
3. External auditors may review procurement procedures as part of the annual financial audit.
4. Internal control measures shall include:
 - segregation of duties
 - review of approvals and signatures
 - periodic spot checks.

Article Twelve: Final Provisions

1. This policy shall be distributed to all relevant staff and incorporated into operational procedures.
2. All employees and associated personnel must comply with its provisions.
3. This policy shall be reviewed every two years, or earlier if required due to operational, regulatory, or donor compliance changes.
4. Amendments to this policy must be approved by the Board of Directors.

Article Thirteen: Approval and Promulgation

This policy is hereby approved and enters into force on the date indicated below.

Approved by:



HEART's Board of Directors

Signed by:

Dr. Mohamed Mahdi - The Chairman, HEART

Signature:



Annexes and Operational Tools

Annexes and Operational Tools (Independently Coded):

Annex	Code
Annex 1 : HEART's Purchase Request Form (PRF)	HEART/FOR/PRC/PRF/2026/001
Annex 2 : HEART's Supplier Due Diligence Form	HEART/FOR/PRC/DD/2026/002
Annex 3 : HEART's Conflict of Interest Declaration Form	HEART/FOR/GOV/COI/2026/003
Annex 4 : HEART's Bid Evaluation Form	HEART/FOR/PRC/BID/2026/004
Annex 5 : HEART's Goods Receipt / Delivery Verification Form	HEART/FOR/LOG/GRN/2026/005
Annex 6 : HEART's Procurement File Checklist	HEART/CHK/PRC/PROC/2026/006



Annex 1: HEART’s Purchase Request Form (PRF)

Annex Code: HEART/FOR/PRC/PRF/2026/001

Related Policy: HEART/POL/PRC/PROC/2026/005

Item	Details
Requesting Department	
Project / Program	
Date	
Requested By	
Description of Goods/Services	
Quantity	
Estimated Cost	
Budget Line	
Justification for Purchase	

Approvals

Role	Name	Signature	Date
Program Manager			
Finance Officer			
CD Approval			



Annex 2: HEART's Supplier Due Diligence Form

Annex Code: HEART/FOR/PRC/DD/2026/002

Related Policy: HEART/POL/PRC/PROC/2026/005

Supplier Verification Form

Item	Details
Supplier Name	
Registration Number	
Physical Address	
Contact Person	
Phone / Email	
Years of Operation	
References Available	Yes / No
Previous Work with HEART	Yes / No

Verification Checks

- Business registration verified
- Address confirmed
- References checked
- No conflict of interest identified

Verified by: _____

Date: _____



Annex 3: HEART's Conflict of Interest Declaration Form

Annex Code: HEART/FOR/GOV/COI/2026/003

Related Policy: HEART/POL/PRC/PROC/2026/005

Procurement Conflict of Interest Declaration

I declare that I have no personal, financial, or professional interest in any supplier participating in this procurement process.

Name	
Position	
Procurement Reference	
Signature	
Date	

Note: If any potential conflict exists, it must be disclosed to management immediately.



Annex 4: HEART's Bid Evaluation Form

Annex Code: HEART/FOR/PRC/BID/2026/004

Related Policy: HEART/POL/PRC/PROC/2026/005

Tender Evaluation Sheet

Criteria	Supplier A	Supplier B	Supplier C
Price			
Technical Compliance			
Delivery Time			
Warranty			
Overall Score			

Evaluation Committee Members:

Name	Position	Signature

Recommended Supplier: _____



Annex 5: HEART's Goods Receipt / Delivery Verification Form

Annex Code: HEART/FOR/LOG/GRN/2026/005

Related Policy: HEART/POL/PRC/PROC/2026/005

Goods Receipt Form

Item	Details
Purchase Order Number	
Supplier Name	
Date Received	
Location	

Items Received

Item	Quantity Ordered	Quantity Received	Condition

Received by: _____

Position: _____

Signature: _____



Annex 6: HEART's Procurement File Checklist

Annex Code: HEART/CHK/PRC/PROC/2026/006

Related Policy: HEART/POL/PRC/PROC/2026/005

This checklist ensures that all required procurement documentation is properly completed and filed in accordance with HEART's Procurement and Financial Compliance Policy.

Basic Information

Item	Details
Procurement Reference Number	
Project / Program	
Procurement Method	<input type="checkbox"/> Direct Purchase <input type="checkbox"/> RFQ <input type="checkbox"/> Tender
Supplier Name	
Contract / PO Number	
Procurement Officer	
Date	

*RFQ = Request for Quotation - PO Number = Purchase Order Number

Procurement Documentation Checklist

Required Document	Available	Not Applicable	Remarks
Approved Purchase Request (PR)	<input type="checkbox"/>	<input type="checkbox"/>	
Procurement Plan Reference	<input type="checkbox"/>	<input type="checkbox"/>	
Quotations Received (minimum 3 if RFQ)	<input type="checkbox"/>	<input type="checkbox"/>	
Bid Evaluation Report	<input type="checkbox"/>	<input type="checkbox"/>	
Conflict of Interest Declarations	<input type="checkbox"/>	<input type="checkbox"/>	
Supplier Due Diligence Verification	<input type="checkbox"/>	<input type="checkbox"/>	
Purchase Order (PO) or Contract	<input type="checkbox"/>	<input type="checkbox"/>	
Delivery Note / Goods Received Note	<input type="checkbox"/>	<input type="checkbox"/>	



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Invoice	<input type="checkbox"/>	<input type="checkbox"/>	
Payment Authorization	<input type="checkbox"/>	<input type="checkbox"/>	
Procurement Register Entry	<input type="checkbox"/>	<input type="checkbox"/>	

Certification

I confirm that the procurement file contains the required documentation and complies with HEART’s procurement procedures.

Name	Position	Signature	Date

Oversight Review (if applicable)

Reviewer	Position	Signature	Date

