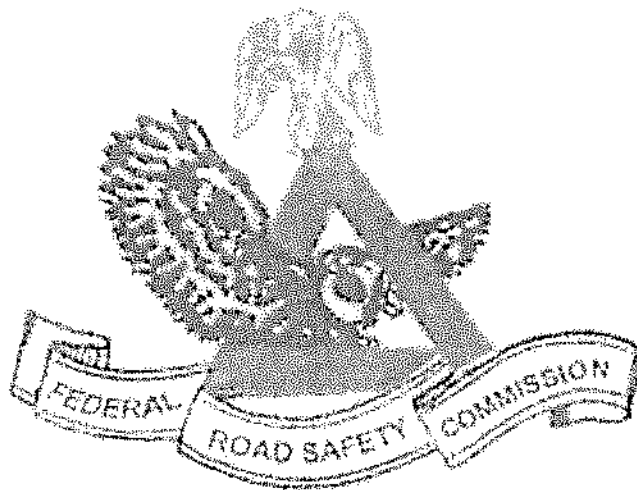


FEDERAL ROAD SAFETY CORPS



STANDARD OPERATING PROCEDURE (SOP) FOR FRSC STAFF COOPERATIVE SOCIETY OFFICE

SEPT, 2021

AUTHORIZATION

	OFFICE	SIGNATURE
Prepared by:	DCC (C & I)	
Reviewed by:	MR	
Approved by:	Corps Marshal 	
Edition	0	
Date	September, 2021	

TABLE OF CONTENTS

TITLE PAGE	TITLE	PAGE
1.0	Introduction	1
2.0	Objective of the SOP	1
3.0	Purpose of the SOP	1
4.0	Scope of the SOP	1
5.0	Functions FRSC Staff Cooperative	1
6.0	Processes and procedures of FRSC Staff Cooperative	2
6.1	Procedure for obtaining/ disbursement of Cooperative loans	2
6.2	Procedure for loan Re-payment	2
6.3	Procedure for withdraw from FRSC Staff Cooperative Scheme	3
6.4	Procedure for refund of entitlements of Deceased staff	3
6.5	Procedure for refund of entitlements of Retired staff	3
6.6	Procedure for refund of entitlements of Terminated staff	4
6.7	Procedure for payment of suppliers	4
6.8	Procedure for loan recovery	4
6.9	Procedure for review of savings	5
6.10	Procedure for partial withdrawal from Cooperative scheme	5
6.11	Procedure for obtaining a bank loan through the Cooperative	5
6.12	Procedure for stocking of Cooperative Shop	6
6.13	Procedure for conducting market survey	6
6.14	Procedure for stock taking	7
6.15	Procedure for supply of product by vendors	7
6.16	Procedure for Cheque for Cash(CFC)	7
6.17	Procedure for obtaining Bank Statement of Account	7

STANDARD OPERATING PROCEDURE (SOP) FOR FRSC STAFF COOPERATIVE SOCIETY OFFICE.

1.0 INTRODUCTION :

Following the merger of the business outfits of the Corps to form the Mage Cooperative in 2013, there are no clearly defined roles / job functions of staff deployed to the cooperative.

Also there are no clearly defined procedures in carrying out various activities in the Cooperative and as such the need to have uniform and Standard Operating Procedures for executing various activities of FRSC Staff Cooperative.

2.0 OBJECTIVE OF THE SOP

The objective is to have a unified and standard operating procedures for conducting the various activities in FRSC Staff Cooperative.

3.0 PURPOSE OF THE SOP

The SOP is aimed at standardizing the processes and procedures involved in the operations / activities of FRSC Staff Cooperative in order to address the following gaps:

- a) Lack of clearly defined roles / Job functions
- b) Lack of well-defined chains of command.
- c) To serve as a standard reference material that will enhance uniformity in the discharge of duties related to FRSC Staff Cooperative.

4.0 SCOPE OF THE SOP

The SOP covers all activities expected of the Staff deployed to FRSC Staff Cooperative. It is also pertinent to note that not all the activities of the FRSC Cooperative are covered (Activities of the elected executives are not covered in this SOP).

5.0 FUNCTION OF FRSC STAFF COOPERATIVE

The functions of FRSC Staff Cooperative are highlighted thus:

- a. Coordinate all administrative duties of the Cooperative office.
- b. Provide loan facilities to Staff at affordable interest rate.
- c. Make advances available to Staff through cheque for cash method.
- d. Ensure regular supply of consumables/ other items for welfare on regular basis.

- e. Management of Cooperative store to ensure that Staff have access to essential commodities during festive seasons.
- f. Ensure supply of Uniform materials and other accessories to new and existing Staff on installment payment.
- g. Developing an investment culture in the corps.
- h. Identifying investment avenues with a view to participate on behalf of staff.
- i. Management of funds contributed by members.
- j. Liaise with corporate world on the best way to alleviate suffering of Staff.

6. 0 PROCESSES AND PROCEDURES OF FRSC STAFF COOPERATIVE.

The under listed processes and procedures will be utilized based on clearly defined roles / Job functions and chains of command in FRSC Staff Cooperative.

6. 1 PROCEDURE FOR OBTAINING/ DISBURSEMENT OF LOANS

Cooperative loan is given to registered members of the Cooperative at interest rate of 10% for any amount granted to the beneficiary.

The essence of the loan is to ensure that Staff accesses a loan facility at an affordable interest at least lower than what can be obtained in banks.

The following are the key processes/procedures involved in obtaining / disbursement of loans in Cooperative:

- a) Applicants apply for loans indicating their details such as Name, Rank, PIN, and Amount requested through HOU (Loans and Advances).
- b) Applications are vetted by HOU (Loans and Advances) to see if the applicant is indebted or if his salary can carry the amount requesting for.
- c) After vetting, lists of qualified applicants are sent to the President Cooperative for approval.
- d) Approved list is send to HOU (Loans and Advances) for record purposes and thereafter forwarded to HOU (F & A) Cooperative for payment of beneficiaries
- e) HOU (F&A) Cooperative disburses loans to beneficiaries through individual's accounts and list of beneficiaries is maintained for record purpose.

6.2 PROCEDURE FOR LOANS RE-PAYMENT

- a) HOU (F&A) sends schedules of disbursed loans to SRC (IT / Data).
- b) SRC (IT / Data) prepares schedule of duration the loan will run based on the designed template and the amount granted to the beneficiaries.

- c) The prepared deduction schedule of loan re-payment is forwarded to IPPIS) through DCM (F&A)
- d) IPPIS captures it in their data base and programs it to run from the start date to the end date.
- e) Thereafter IPPIS deducts from source and remits to Cooperative designated account.
- f) Records of deductions forwarded to IPPIS through DCM (F & A) are maintained.

6.3 PROCEDURE FOR WITHDRAWAL FROM FRSC STAFF COOPERATIVE

- a) The Staff apply to the President for intention to withdraw from Cooperative indicating his Name, Rank, Pin and Account details.
- b) The President directs (ICT/Data) to call up for his statement of Account.
- c) ICT/ Data works out the entitlements of the applicant and forward to HOU(F&A) Cooperative
- d) HOU (F&A) Staff Cooperative verifies the authenticity of entitlements worked out by the ICT/ Data and forward to President for approval.
- e) Approved application is forwarded to HOU (F&A) Staff Cooperative for payment directly into the customer's salary Account and list of payment for members withdrawing from the cooperative is maintained.

6.4 PROCEDURE FOR REFUND OF ENTITLEMENTS OF DECEASED STAFF

- a. The NOK comes with a request in form of an application addressed to the President of the Cooperative.
- b. HOU (Admin) Staff Cooperative verifies the real NOK from either CS or DCM (AHR).
- c. ICT/Data print out the statement of account of the deceased and work out his benefits after due deductions and report back to the President.
- d. The President directs the HOU (F&A) Staff Cooperative to cross-check the authenticity of the deceased entitlements.
- e. HOU (F&A) Staff Cooperative reports to the President and the President gives approval for payment of the deceased entitlement to his NOK and list of payment made to the beneficiaries are maintained.

6.5 PROCEDURE FOR REFUND OF ENTITLEMENTS OF RETIRED STAFF

- a. The retirees apply to the President attaching their disengagement letter and clearance form.
- b. President directs ICT/ Data to work out the retiree's entitlements.

- c. Retiree staff entitlement is send to F&A Staff Cooperative for verification.
- d. HOU (F&A) Staff Cooperative forwards the verified entitlements of the retirees' staff to the President for approval.
- e. HOU (F & A) pays the retiree staff through his / her account and list of payment made to the retirees is maintained.

6.6 PROCEDURE FOR REFUND OF ENTITLEMENTS OF TERMINATED STAFF.

- a. The terminated staff applies to the President attaching their disengagement letter and clearance form.
- b. President directs ICT/ Data to work out the terminated staff entitlements.
- c. Terminated staff entitlement is send to F&A Staff Cooperative for verification.
- d. HOU (F&A) Staff Cooperative forwards the verified entitlements of the terminated' staff to the President for approval.
- e. HOU (F & A) pays the terminated staff through his / her account and list of payment made to the terminated staff is maintained.

6.7 PROCEDURE FOR PAYMENT OF SUPPLIERS.

- a. The Vendors apply to the President for payment through the HOU (Cons./ Invest)
- b. HOU (Consumer / Investment) notifies the President by forwarding the vendor's application.
- c. President directs HOU (Consumer / Investment) for verification of vendor's claims.
- d. HOU (Consumer / Investment) directs shop Supervisor to verify vendor's claims and submits to president for approval.
- e. The President approves for the payment and directs the F &A Staff Cooperative (Treasurer) to pay directly to the vendor's Account and list of vendors paid is maintained.

6.8 PROCEDURE FOR LOAN RECOVERY.

- a. HOU (F&A) Cooperative writes to the president attaching list of Staff/ members that failed to pay their loans (defaulters).
- b. The President Cooperative directs HOU (ICT / Data) to confirm list of defaulters.

- c. HOU (ICT / Data) forward confirmed list of defaulters to President Cooperative.
- d. President Cooperative submit list of defaulters to Corps Marshal with a prayer for CM to direct DCM (F & A) to deduct the outstanding loan directly from defaulters salary and remits to Staff Cooperative.
- e. The Corps Marshal directs DCM (F&A) for deduction of the loan from Staff salary.
- f. DCM (F&A) directs HOS (Salaries) to deduct the loan from the defaulter's salary directly and remit same to Staff Cooperative Account within 24 months and list of outstanding deductions of defaulters are maintained.

6.9 PROCEDURE FOR REVIEW OF SAVINGS

- a. The Staff applies by obtaining / filling an appropriate form from the Cooperative secretariat
- b. Amount to be reviewed either upward or downward is clearly stated in the form
- c. Forms are submitted to HOU (F&A) Staff Cooperative.
- d. Completed forms are thereafter forwarded to the President for approval.
- e. Amount Stated is deducted monthly and remitted into members' savings.
- f. Register for review of members' contribution is maintained.

6.10 PROCEDURE FOR PARTIAL WITHDRAWAL FROM THE COOPERATIVE.

- a. The Staff applies for partial withdrawal to the President through the HOU (Loans and Advances).
- b. The President directs HOU (ICT/ Data) to compute and come up with the applicant's total contribution (savings).
- c. The applicant's total contribution is forwarded to the President by the HOU (ICT/Data).
- d. The President approves application for partial withdrawal and directs HOU (F&A) Cooperative for implementation or payment.
- e. HOU (F&A) Cooperative pays the Staff through his account directly.
- f. List of staff paid for partial withdrawal is maintained.

6.11 PROCEDURE FOR OBTAINING A BANK LOAN THROUGH THE COOPERATIVE.

- a. Application form is forwarded to all Commands through their e-mails.

- b. The Staff or customer obtains form and fill and thereafter the forms are sent to Cooperative through its e-mail.
- c. HOU (F&A) Cooperative in collaboration with HOU (Loans and Advances) verify applicants net pay, date of retirement and either he/she is currently indebted or not and advice the President appropriately.
- d. After the president's approval, he directs HOU (Loans and Advances) to pay the applicant.
- e. Applicant is paid directly through his account and list of loan beneficiaries is maintained.

6.12 PROCEDURE FOR STOCKING OF COOPERATIVE SHOP

- a. The Shop Supervisor writes a proposal or application to stock the Cooperative shop with consumables indicating the quantity (ies) of items, the price per unit of items (unit price), the Cooperative price and the profit margin for the entire transaction (from the market survey conducted).
- b. Application is forwarded to HOU (Consumer / Investment).
- c. HOU (Consumer/ Investment) makes input and recommends to the President Cooperative for approval.
- d. The President directs HOU (F&A) Cooperative to release funds for purchase of the items to be stocked.
- e. HOU (F&A) Cooperative releases funds to HOU (Consumer / Investment) for stocking and a copy of proposal / list of items purchased is maintained.

6.13 PROCEDURE FOR CONDUCTING MARKET SURVEY

- a. The Shop Supervisor makes a proposal for stocking of the Shop and forward to HOU (Consumer / Investment).
- b. HOU (Consumer / Investment) directs the SO (Consumer / Investment) in company of some shop attendance to carry out market survey on the items requested by the Shop supervisor.
- c. Report of market survey is submitted to HOU (Consumer / Investment) for selection of supplier(s) based on their price list.
- d. If there is any observation in respect of the market survey conducted, the attention of the President is drawn.
- e. Report is thereafter forwarded to the President for approval which is also maintained / documented.

6.14 PROCEDURES FOR STOCK TAKING.

- a. The President may direct or HOU (Consumer / Investment) may recommend to the President the need for stock taking in the Shop and Cooperative stores attaching the schedule for the conduct of the exercise.
- b. President approves and direct HOU (Consumer / Investment) to comply,
- c. HOU (Consumer / Investment) write and request for the release of 2 or more Store Verification Officers (SVOs) to conduct the stock take.
- d. SVOs submit report to the President through the HOU (Consumer / Investment) and thereafter report of the stock taking conducted is forwarded to the President while a copy is maintained in the appropriate file for record keeping.

6.15 PROCEDURE FOR SUPPLY OF PRODUCTS BY VENDORS

- a. Vendors submit proposals and quotation to HOU(Consumer & investment)
- b. Vendors are invited by HOU (Consumer / Investment) to provide samples of items to be supplied.
- c. Proposals are forwarded to the President for approval
- d. President invites HOU (Consumer & investment) for discussion or uprightly gives approval.
- e. President gives contract award letter to the vendor for supply.
- f. Records maintained are Vendor's proposals and copies of award of contract.

6.16 PROCEDURE FOR CFC (CHEQUE FOR CASH)

- a. Staff filled an application form stating the amount needed.
- b. List of applicants is forwarded to CC Salary in F&A Department for recommendation.
- c. Recommended list is submitted to the President for approval.
- d. President approves and directs F&A (Cooperative) for payment and list of CFC beneficiaries is maintained.

6.17 PROCEDURE FOR OBTAINING BANK STATEMENT OF ACCOUNT.

- a. HOU (F&A) Cooperative applies for bank statement to the bank manager.
- b. Application is endorsed by the President and one other signatory.
- c. Endorsed application is then submitted to the bank.
- d. Bank issues statement of account and are thereafter documented appropriately.

7.0 CONCLUSION

This SOP will no doubt streamlined the processes and procedures of conducting the various activities of Staff Cooperative thereby allowing process owners to operate within the confines of their Job functions and responsibilities and at the same time avoiding conflicting roles and non-adherence to chains of Command. However, the SOP is subject to continuous review to meet up with the dynamics of operating environment.