

**Kenya**

## **PROCUREMENT POLICY**

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## Contents

1. OBJECTIVE .....	3
2. PURPOSE.....	4
2.1 Establishment of Procurement Governance.....	4
2.2 Framework for business to obtain a Local Purchase Order (LPO) .....	4
3. SCOPE.....	4
2.1 Prescriptions .....	5
2.2 Exclusions .....	5
4. PROCUREMENT POLICY APPLICATION AND RESPONSIBILITY .....	5
4.1 Responsibility .....	5
4.2 Application.....	5
4.3 Procurement Policy Update .....	5
5. CODE OF CONDUCT .....	6
5.1 Behavior .....	6
5.2 Conflict of Interest .....	6
5.3 Competition .....	6
5.4 Accepting Gifts from Vendors.....	7
5.5 Principles.....	7
6. PROCUREMENT METHODS .....	8
6.1 Small Purchase procurement: .....	8
6.2 General Procurement .....	8
6.3 Procurement by non-competitive proposal .....	9
7. PROCUREMENT GUIDELINES.....	9
7.1 Requirements .....	9
7.2 Identifying the need for procurement of a good or service.....	9
7.2.1 From a list of preferred suppliers.....	9
7.2.2 New supplier .....	10
7.3 Vendor Prequalification process .....	10
8. PROCUREMENT BY TENDERS;.....	12
8.1 Tender Box.....	12
8.3 Opening of tender.....	12
8.4 Tender Contracts.....	12
9. SPECIFIC GOODS AND SERVICES PROCUREMENT PROCEDURES .....	13
9.1 Stock Items: (Internal Requisition).....	13
9.2 Non-Stock Items (Capital Assets).....	14
9.3 Travel and Accommodation Services .....	15

10.	GENERATING A PURCHASE REQUISITION FORM (PRF) .....	15
10.1	Purchase Requisition Forms Required Information .....	15
10.2	Approval of PRF by Management .....	16
10.3	Processing of Local Purchase Order (LPO) .....	16
10.4	Delivery of Goods .....	16
10.5	Supplier Invoices .....	16
10.6	Payments to suppliers .....	17
11.	STORAGE AND INVENTORY CONTROL OF CONSUMABLES .....	17
11.1	Storage .....	17
11.2	Quarterly Stores Returns .....	17
11.3	Re-Order Levels .....	17

## **1. OBJECTIVE**

The objective of the procurement policy is to provide fundamental guidance to the business on best practice in conducting procurement for goods and services.

## **2. PURPOSE**

### **2.1 Establishment of Procurement Governance**

The purpose of the procurement policy is to establish procedures for the business for procurement of all goods and services and ensure that all goods and services procured are obtained in cost-effective prices, at the required specifications and quality and are delivered in time. This will be achieved through the following process;

- a) Procuring quality goods and services from reliable and well-established Suppliers
- b) Effective negotiations with the suppliers to obtain quantity discounts;
- c) Locating, evaluating, and developing economical and supply sources for the group through an elaborate vendor prequalification;
- d) Continuous investigations on new suppliers and market prices trend goods and services the business continuously requires;
- e) Procuring prudently by placing emphasis on competition and selection of vendors whose offers confirms to the terms and conditions as well as the technical requirements and specifications stated on purchase requisitions;
- f) Management of stock inventory to provide best service to users;
- g) Minimizing the value of stock held to avoid tying funds unnecessarily;
- h) Providing timely information to user department and the management on procurement status.

### **2.2 Framework for business to obtain a Local Purchase Order (LPO)**

The purpose of this document is to set up a framework for Sanlam Life Kenya to assist business in obtaining a LPO number to procure goods and services. This document will facilitate the procurement process ensuring that the administration department provides the business with a LPO number in a timely manner. This process will also enable management and the finance department to perform the following:

- a) Track the business expenditure and ensure that the business is not exceeding its approved budget.;
- b) Control the acquisition of goods and services;
- c) Ensure that only valid and needed goods and services are being incurred by the business.

## **3. SCOPE**

This part of the Policy and Procedure Manual covers the Procurement function. The procurement function involves the procurement by all business units of Sanlam Kenya PLC except Sanlam General Insurance Limited. The procedures outlined in this manual are applicable but not limited to the procurement of:

- a) Goods;
- b) Services;
- c) Works;
- d) Consultancies.

## **2.1 Prescriptions**

- a) This policy also sets out, but does not prescribe, the delegation of authority relating to the approval of procurement;
- b) This document does not prescribe the delegation of authority relating to the approval of Payment Requests (refer to Payment Request Policy).

## **2.2 Exclusions**

- a) Banking Services, recruitment of employees, casual and temporary workers, Legal services and graduate training and internship programs etc. are governed by other policies.

# **4. PROCUREMENT POLICY APPLICATION AND RESPONSIBILITY**

## **4.1 Responsibility**

- 4.1.1 The administration department has the responsibility to maintain an open and competitive process for procuring goods and services.
- 4.1.2 Bids, proposals, and quotations from competing vendors will be evaluated by procurement unit after which the contracts will be awarded.
- 4.1.3 Departmental end users where technicality is involved should compare prices between vendors even when the purchase amount does not require a formal bidding process.
- 4.1.4 In an open and competitive purchasing process, it is expected that information pertinent to the bidding process be kept confidential until the conclusion of the process.

## **4.2 Application**

- 4.2.1 The policy regulations shall apply to procurement of all goods and/or services by the Sanlam.
- 4.2.2 Any deviation from these guidelines for whatever reason must be authorized in writing by the staff in charge of Administration department.
- 4.2.3 All staff involved in the buying process, including managers and supervisors are responsible for reading and understanding these regulations and any amendments made to them.
- 4.2.4 Ignorance of any of these regulations will not be accepted as an excuse for failure to act appropriately upon any matter or comply with the regulations as stated in the policies herein.

## **4.3 Procurement Policy Update**

- 4.3.1 The procurement policy will be reviewed and updated as need arises, or if a change is triggered through Audit recommendations or reorganization within the group necessitating radical changes in processes, roles, and responsibilities.

## **5. CODE OF CONDUCT**

### **5.1 Behavior**

- 5.1.1 Being representatives of the group, it is expected that employees will conduct themselves in a professional and ethical manner, maintain high standards of integrity and use good judgment in all the dealings.
- 5.1.2 All employees are expected to be principled in their business interactions and to act in good faith inside and outside the group.
- 5.1.3 The group shall be governed by the code of conduct in performance, behaviour, and actions of all who are engaged in any aspect of procurement including but not limited to - purchasing goods and services, awarding contracts, and the administration and supervision of contracts.

### **5.2 Conflict of Interest**

- 5.2.1 Where apparent or real conflict of interest to a reasonable person would be involved, then in such a circumstance, no employee, officer, or any agent shall participate in such selection, award or administration of a bid or contract supported by the commitment of the group's funds.
- 5.2.2 Such a conflict would arise when the employee, officer, agent, or any member of his or her immediate family, his or her partner or an organization which employs or is about to employ any of the parties indicated herein, has a financial or any other interest in the firm selected for an award.
- 5.2.3 This information must be disclosed to the procurement services management.
- 5.2.4 Where there would be conflict of interest with the business of the organization. Such situations should be declared to the Group in accordance with the code of conduct of the group.

### **5.3 Competition**

- 5.3.1 All procurement transactions shall be conducted in a manner to provide open and free competition, to the maximum extent practical.
- 5.3.2 Non-competitive practices among contractors that may hinder, restrict, or eliminate competition should be avoided at all times.
- 5.3.3 Such practices include but are not limited to:
  - 5.3.3.1 Requiring unnecessary experience and excessive bonding
  - 5.3.3.2 Placing unreasonable requirements on firms for them to qualify to do business
  - 5.3.3.3 None competitive pricing practices between firms or between affiliated companies
  - 5.3.3.4 Specification of a brand name product instead of allowing an equal product to be offered with the description of other relevant requirements of the procurement.
  - 5.3.3.5 Arbitrary actions in the procurement process.

## 5.4 Accepting Gifts from Vendors

- 5.4.1 The employees, officers or agents of the group should not accept or solicit money, credits, gifts, services, entertainment, or favours from current or prospecting suppliers on or off the work premises.
- 5.4.2 Gifts would include gift vouchers, pens, hats, t-shirts, mugs, calendars, bags, key chains, portfolios, supplier provided food, beverages, or entertainment in form of events like sporting, as well as items of greater value. Even if it is seemingly less value, such gratuities can give rise to or appearance of conflict of interest.
- 5.4.3 Employees should professionally inform vendors, potential vendors and others of this no-gift policy, and the reasons the company has adopted the policy.
- 5.4.4 Employees will request that vendors respect our company policy and not purchase and deliver any gift for our employees, a department, an office, or the company, at any time, for any reason.
- 5.4.5 Exemptions from the policy will be the following:**
  - 5.4.5.1 Gifts such as t-shirts, pens, trade show bags and all other items that employees obtain, as members of the public, at events such as conferences, training events, seminars, and trade shows, which are offered equally to all members of the public attending the event.
  - 5.4.5.2 Attendance at and food, beverages, and items provided at events, exhibitor trade show floor locations, press events, and parties funded by conference or event sponsors.
  - 5.4.5.3 Cards, thank you notes, certificates, or other written forms of thanks and recognition and end of year give-aways.
  - 5.4.5.4 Food, beverages, and moderately priced meals or tickets to local events that are supplied by and attended by current customers, partners, and vendors or suppliers in the interest of building positive business relationships.
  - 5.4.5.5 Moderately priced entertainment provided as part of a “working” meeting or session to benefit and advance positive working relationships and company interests. These activities are expected to be reciprocated by our company in turn.
- 5.4.6 Human Resources is the arbiter of the gift policy and will ensure consistent employee treatment across the company.

## 5.5 Principles

- 5.5.1 The following principles should be adhered to in the procurement of goods and services:
  - a) **Fairness** – There should be fair competition. All binders should be treated with fairness and ensure that they are all given the same level of information when preparing quotations and tenders.

- b) **Cost Effectiveness** - Quotations and tenders should be evaluated on competitive pricing, quality of the products / services and track record of the bidders.
- c) **Transparency** – Tender documents should provide all the necessary information for facilitation of submission of appropriate and competitive tenders.

## **6. PROCUREMENT METHODS**

The following procedures should be adopted according to the amounts and nature of the procurement of goods or services.

### **6.1 Small Purchase procurement:**

- 6.1.1 This is relatively simple and informal procurement of services, supplies or other items that do not cost more than kshs. 10,000 (Kenya shillings Ten thousand only).
- 6.1.2 Verbal request for quotations or through email will be obtained from any qualified supplier / contractor who has in the recent past, been fair in pricing and quality. One Quotation is sufficient for this purchase.

### **6.2 General Procurement**

- 6.2.1 After obtaining approval from the authorized officer, quotations should be sought from at least two suppliers including the successful tenderer in the last procurement exercise by the procurement/administration officer.
- 6.2.2 The quotations should be sought from the list of the group supplies who have been shortlisted after successfully going through the prequalification process. However, a new vendor on providing the required documents seeking prequalification may be listed on proof of ability to offer the service required at competitive prices.
- 6.2.3 The lowest quotation meeting the requirements should be accepted without compromising on quality.
- 6.2.4 Any procurement exceeding the amount qualifying for small purchase procurement must go through the General procurement.
- 6.2.5 Procurement of such services as accommodation (due to the nature of the service) falls under this category. Once the staff in charge of Admin is satisfied after a period of 3-6 months' service delivery, the group will then enter a contract / credit agreement with the service provider on receipt of the necessary prequalification documents.



### **6.3 Procurement by non-competitive proposal**

6.3.1 This is where procurement is from only one source, or after solicitation of several sources, competition is determined inadequate. This method may be used only:

- a) If the required item is available only from a single reliable known source;
- b) The urgency for the requirement will not permit a delay resulting from competitive solicitation;
- c) After solicitation of several sources, competition is determined inadequate.
- d) If there is an existing contractual agreement between the company and a specific service provider.

6.3.2 In such a case the person initiating the procurement must indicate why they are no alternative suppliers and no need for extra quotes.

## **7. PROCUREMENT GUIDELINES**

### **7.1 Requirements**

7.1.1 All procurement by the group shall comply with the requirements below:

- 7.1.1.1 The group shall avoid purchasing unnecessary items.
- 7.1.1.2 Where necessary, an analysis is made of lease and purchase alternatives to determine which would be the most economical and practical procurement.
- 7.1.2 The group shall make positive efforts to ensure utilization of small businesses, youth and women enterprises.
- 7.1.3 Contracts shall only be made with responsible contractors who possess the ability to successfully perform under the terms and conditions of the proposed procurement.
- 7.1.4 Matters such as contractor integrity, past performance record and financial and technical resources.

### **7.2 Identifying the need for procurement of a good or service**

Once the need for procurement of a good or service has been identified by the business the procurement officer in the business identifies the service provider and obtains quotes for the good or service required. There are two types of suppliers from which goods and services can be procured.

#### **7.2.1 From a list of preferred suppliers**

A preferred supplier is one which is deemed to be the best supplier to procure a good or service based upon the quality of the good or service, price, efficiency of delivery, or the one Sanlam Life has identified it as being a key supplier with the necessary skills and expertise required to enable Sanlam Group to carry on its business and must be

recommended for inclusion in our preferred suppliers list by management (Refer 7.3 for the pre-qualification process). The vendor application form must be completed by the supplier and all necessary documentation must be provided to enable the administration department to load it on our procurement system as a preferred supplier. The PO can only request a quote from this supplier for the good or service to be procured once the supplier is loaded on the system. A list of the approved vendors is available on request from the administration department, will be reviewed on a regular basis and the updated list will be provided to all business units. Management must inform the administration department of any supplier that is no longer deemed to be a preferred supplier for removal.

### **7.2.2 New supplier**

Before procuring a good or service from a new supplier, the PO must first ensure that there are no suppliers that can provide the good or service requested from the list of preferred suppliers. He/she must obtain at least two different quotations from two suppliers, and the supplier with the lowest quote obtained must be used. In the event the lowest quote is not used, a draft motivation letter/email to the head of the administration department disclosing why another supplier is being chosen over the one with the lowest quote; the head of the administration department must approve the use of that supplier in writing before the PO can proceed further.

### **7.2.3 Contingency plan for service provision:**

This is a course of action designed to help Sanlam respond effectively to a significant future event that may or has a potential to disrupt service delivery. Below are measures to proactively prepare for any interruptions in supply of goods and services:

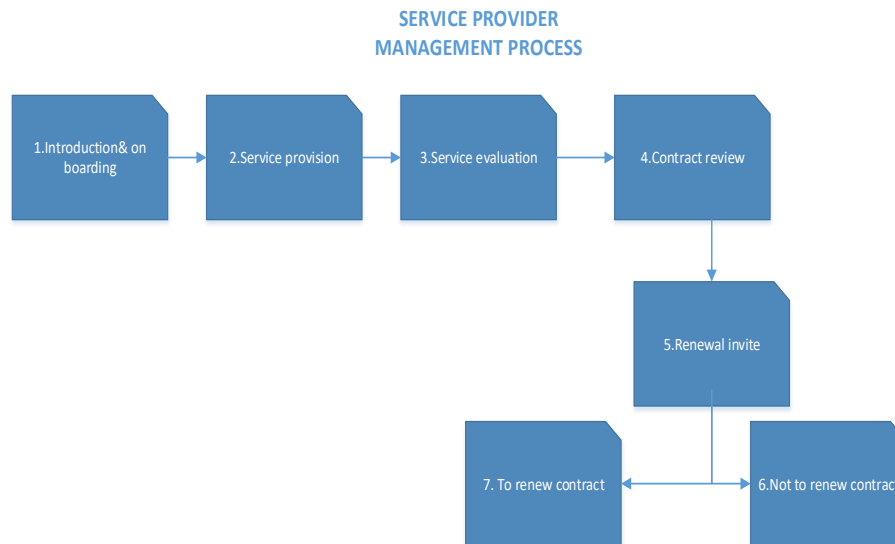
- 7.2.3 (a) Regular supplier monitoring. Frequent and constant service evaluation to analyse performance against cost and the level of service provided. This helps in identifying areas of weaknesses that would require immediate plan of action. This is done on day to day basis or as and when but at least once annually.
- 7.2.3 (b) Knowledge of suppliers contingency plan. – Supplier own arrangement in case of a likelihood of their service disruptions.

## **7.3 Vendor Prequalification process**

7.3.1 The vendor pre-qualification process is a set of activities that will assess vendors' eligibility to supply Sanlam with goods and services.

7.3.2 It is designed to ensure that Sanlam deals with financially stable competent and professional legal entities to supply it with goods and services.

- 7.3.3 Reasons for having this process is to ensure that Sanlam’s procurement process provides a fair chance to potential suppliers to compete in supplying the group with goods and services.
- 7.3.4 Administration department requests potential suppliers to fill out a supplier registration form and to provide documents to facilitate the pre-qualification process.
- 7.3.5 Once the relevant documents have been provided, the procurement team selects and approves the qualified suppliers and their information keyed in to the system.
- 7.3.6 Mandatory / Minimum requirements for vendor prequalification (ANNEXURE 1)
- Copy of PIN or VAT registration
  - Certificate of registration
  - Terms of payment (Will be strictly by EFT)



### **TENDERSURE**

In bid to enhance our service delivery, the business engaged QED SOLUTIONS LIMITED that specializes in providing innovative and cloud based eProcurement solution to perform vendor prequalification for our new suppliers. The process enables the business to have a pool of service providers offering different services at any time to enhance service delivery. This will reduce waiting period more so for unique services that are rarely found in the market, and that requires expertise.

The business in liaison with QED SOLUTIONS LIMITED advertises in the daily newspapers services that the business would like to have a variety of service providers for the purpose of providing efficiency in service delivery.

Any service provider who is willing to supply or offer service(s) advertised then applies through Tendersure and follows the procedures outlined. QED then performs the prequalification for the vendors that have applied based on the set-out criteria and forwards to Sanlam the selected service providers.

## **8. PROCUREMENT BY TENDERS;**

A tendering system will be used when procuring goods and/or services of such nature of contracts. Contract renewals do not require fresh tendering process, unless there is need to select a new service provider.

### **8.1 Tender Box**

- 8.1.1 All tenders must be submitted in the prescribed format and in sealed plain envelopes. Or via email to the procurement and administration team.
- 8.1.2 Tender boxes are provided at the head office and where necessary at other major offices of the Group.

### **8.2 Opening of tender**

- 8.2.1 The tender opening committee will be constituted 'as and when' the tenders are submitted, they will consist officers from Legal, Finance administration, Forensic, risk and any other department.
- 8.2.2 The staff in charge of Administration department will decide on tenders that require constitution of a committee and those that doesn't require, which are normal business operations

### **8.3 Tender Contracts**

- 8.3.1 For the purpose of reducing administrative costs and efforts associated with duplicating procurement of identical goods, long term contracts should be awarded through a tender process whenever possible.
- 8.3.2 These contracts could range between six months to one year. Once the contract has been awarded, and after either 6 months or one year has proved the reliability of the service provider, renewals can be done for a period deemed right by the staff in charge of Admin department but not exceeding a period of three years. Or when a service provider has been competitively engaged for a period in a service with Sanlam, until the Admin manager is satisfied of the services offered, the company can enter in a contractual agreement with the service provider to provide that specific service.
- 8.3.3 The admin manager/Legal manager must ensure that Sanlam interest is protected always in all contracts
- 8.3.4 The review and sign off of all contracts where all terms and conditions from both parties have been agreed upon by both parties shouldn't take more than ten (10) working days except where the same is practically unavoidable.

- 8.3.5 A cross functional team which should include the input of specialist knowledge should be formed for this purpose.
- 8.3.6 Some of the goods whose specifications can be standardized includes but not limited to the list below:

- a) Office consumables
- b) IT equipment, supplies and peripherals, consumables
- c) Office Equipment
- d) Travel service providers

#### **8.4 Contract sign off**

- 8.4.1 Any Contract that involves SLIL with a contract sum of Kes. 20M and above must be executed by the GCEO (where SLIL is required to make payments
- 8.4.2 Any Contract that involves SLIL with a contract sum of below Kes. 19,999,999.00/- must be executed by the CEO (where SLIL is required to make payments
- 8.4.3 Any of the above contracts that requires 2 signatories, the 2<sup>nd</sup> second signatory shall be the Company Secretary
- 8.6.4 Any contract that requires affixing of the Company's seal must be signed by the Company Secretary in addition to the GCEO or CEO's signature.
- 8.6.5 All contracts will be reviewed and signed off by the Legal manager. The sign off confirmation can be physical, digital or on email. The applicable timelines will be five (5) working days.

### **9. SPECIFIC GOODS AND SERVICES PROCUREMENT PROCEDURES**

#### **9.1 Stock Items: (Internal Requisition)**

- 9.1.1 User forward their items requirement to the Administration department through the internal requisition in the workflow, duly approved by the line manager / departmental manager.
- 9.1.2 The Administration department receives the requisition and issues items to the respective unit / department.
- 9.1.3 The respective unit receives the items and acknowledges receipt by signing the stores issue Voucher.
- 9.1.4 The voucher will also be signed by the officer issuing the goods.
- 9.1.5 If the items are out of stock, the Administration department starts the sourcing process of prequalified suppliers for the intended purchases.

9.1.6 For Internal requisitions, the issuance to the departments follows every second and forth working day of the week for proper management. This is except for proved emergency requirements.

## 9.2 Non-Stock Items (Capital Assets)

9.2.1 Capital Assets refer to assets such as computers, phones/iPad, Office equipment, Furniture & Fittings and Motor vehicles which will be capitalised and recorded into the asset register.

9.2.2 Office supplies such as staplers, paper punch, digital calculators, sharpeners, staple remover e.t.c are not considered capital items.

9.2.3 Capital assets are not perishable goods or consumables.

9.2.4 Services such as building/construction, consultancy, and all contracts other than routine service/maintenance contracts will be considered as capital expenditure.

9.2.5 Any major electrical, plumbing, or partitioning work will also be considered to be of a capital nature.

9.2.6 Purchase of any capital asset must be approved by the CEO or can be delegated to the Head of Finance

9.2.7 Where the value of the capital asset is not significant, the GCFO may delegate his approval to the Head of Finance.

9.2.8 **Approval Limits:** refer to 10.2.5 of this document.

9.2.9 Administration department through the Capital Expenditure (CAPEX) process in the work flow which involves the approval of the Capital Expenditure request.

9.2.10 The users forward their requirements to the line manager for approval in the workflow.

9.2.11 The capital expenditure form to include:

- a) Source department;
- b) Type of Asset to be purchased;
- c) Description of the Asset;
- d) Value of the Asset;
- e) Proposed supplier(s);
- f) Available budget;
- g) If no budget, reason for the purchase.

9.2.12 The Line manager approves confirming budget availability.

9.2.13 If no budget for the Capital, Item, the process moves to the Head of finance / GCFO for approval to incur the expenditure.

9.2.14 The request moves to respective department for expert specifications for action.

9.2.15 Administration requests for quotes.

9.2.16 The selected vendor is confirmed and approved by the Administration Manager.

9.2.17 Finance and accounts attaches the account to be spend.

- 9.2.18 Approval by GCFO / Head of Finance for funds commitment
- 9.2.19 LPO is issued (refer 10.3 for process).
- 9.2.20 It is the responsibility of the user to ensure the form is fully approved before it is forwarded to Administration department.
- 9.2.21 Approvals:
  - a) Finance Approval – Confirm Budget Available;
  - b) Technical Approval – Does the Asset meet the required company standards;
  - c) Departmental Approval;
  - d) CEO Approval (for the respective business unit);
    - 9.2.21.1 For Cell Phone/ Tablets purchase, reference should be made on the HR guidelines on staff phone/ Tablets benefit.
    - 9.2.21.2 For Computer Purchase, reference should be made to the IT computer specifications guidelines.

### **9.3 Travel and Accommodation Services**

- 9.3.1 This includes booking of flights, car hire and accommodation.
- 9.3.2 The user forwards their requirements to the administration department through complete travel and accommodation requisition form or email indicating the nature of travel
- 9.3.3 Once the complete document has been submitted to Administration department, the process for bookings is initiated and confirmation will be made to the service providers through LPO and the relevant documents / service provided to the officer.
- 9.3.4 The turnaround time for this process is one working day (from the moment the approved document/email is presented to Administration department.
- 9.3.5 The process to secure these services will only commence after the completion of the travel and accommodation requisition approval.
- 9.3.6 For staff travelling to the same direction within the same time, the department will look at the most convenient, cost effective means of Travel without inconveniencing any of the parties involved.
- 9.3.7 This therefore implies that in such circumstances, the officers travelling will most likely travel using the same means as long as everyone's needs are accommodated.

## **10. GENERATING A PURCHASE REQUISITION FORM (PRF)**

### **10.1 Purchase Requisition Forms Required Information**

- 10.1.1 The Purchase Requisition form - PRF is the document which all goods and services are ordered through, this is provided through the EDMS.
- 10.1.2 The requisitioner fills the form online in the EDM system then forwards for approval through his/her line manager, finance recommender and then Finance Manager

## **10.2 Approval of PRF by Management**

- 10.2.1 The Line manager approves the requisition based on requireable needs then forwards the requisition to the financial recommender.
- 10.2.2 The financial recommender has no approval rights but confirms to the Finance manager on the availability of budgets or not. Then forwards the requisition to the Finance manager.
- 10.2.3 The Finance manager then can approve, reject or return the requisition to the line manager for amendments. When approved, the requisition moves to the approved requisitions for PO processing.
- 10.2.4 For requisitions already approved on email by HODs or HOF, the same can be uploaded on EDMS by an admin staff and then follow EDMS approval process.
- 10.2.5 Any capital or expense expenditure amount exceeding 5Million must be approved by the CFO or Principal Officer or the GCEO. The approval can be granted on email or sign off, whichever is practically possible.

## **10.3 Processing of Local Purchase Order (LPO)**

- 10.3.1 Once the PRF has been properly completed the Procurement Officer(PO) can now submit the PRR to the administration department for processing.
  - a) The turnaround time for the administration department to generate a LPO will be 24 hours;
  - b) It is the responsibility of the PO to follow up and obtain full LPO approval as per Accpac access rights.
- 10.3.2 If a good or service is no longer required, and thus the LPO issued needs to be cancelled, the head of administration will do the cancellation in the system in liaison with the finance department

## **10.4 Delivery of Goods**

- 10.4.1 Once the LPO has been approved and forwarded to the supplier, the goods and/or services must be delivered within the stipulated period.
- 10.4.2 All goods and service must be delivered to the required standards (quantity and quality) and as per the specifications given on the LPO.
- 10.4.3 The Administration Assistant or the Administration Manager should take delivery of goods and certify that they are as per required standards.

## **10.5 Supplier Invoices**

- 10.5.1 Once goods and services have been delivered and accepted the supplier can then prepare their invoice for payment.
- 10.5.2 Once an invoice is received, the Admin. Assistant must attach all supporting documents covering all the processes above and forward the same to the Accounts Payable Department for processing through EDMS.



10.5.3 The invoice should have the following documents attached and in the order indicated:

- a) Delivery Note, or confirmation
- b) Local Purchase Order;
- c) Supporting Quotations;

#### **10.6 Payments to suppliers**

10.6.1 The payment process begins with the presentation of the invoice to the procurement department.

10.6.2 The invoice is attached with all approved and relevant documentation.

10.6.3 Once the documents have been conformed to be complete, they are forwarded to finance through EDMS for payment.

10.6.4 Refer the Payments process policy and procedure document for a detailed payment process.

### **11. STORAGE AND INVENTORY CONTROL OF CONSUMABLES**

#### **11.1 Storage**

11.1.1 The Company will maintain a store for keeping stationery, office supplies and other such equipment.

11.1.2 The store must be a secure place that is under lock and key and with limited access.

11.1.3 The authorized personnel are the Store Keeper, the Administration Assistant, and the Administration Manager. T

11.1.4 The stores may only be accessed during official working hours.

11.1.5 Access to the stores on weekends and outside working hours must be obtained from the Administration Manager.

11.1.6 The store will be open every second and fourth working day of the week between 14.00 and 16.30 pm.

#### **11.2 Quarterly Stores Returns**

11.2.1 The Administration Assistant in conjunction with the administration Manager must make quarterly returns in the prescribed format.

11.2.2 The returns will indicate the balances at the close of the quarter.

#### **11.3 Re-Order Levels**

11.3.1 These must be generated by the system for each item normally purchased by the Group and kept in the stores.

11.3.2 The re-order level will indicate the minimum stocks that should be maintained at the store for an item at any given time.

11.3.3 This ensures that the Stores does not run out of supplies and is able to service orders from customers without delay.

11.3.4 The reorder levels must be agreed on with the administration manager.

**ANNEXURE 1**

<b>Document</b>	<b>Whether Mandatory or Not</b>
Audited Financial Statements	Not Mandatory
Copy of PIN or VAT Registration	<b>Mandatory</b>
Certificate of Registration	<b>Mandatory</b>
Terms of Payment (will be strictly by EFT)	<b>Mandatory</b>

	<b>Position</b>
Reviewed by	Finance and Administration Officer
Authorized by	Head of Finance