



MAASAI MARA UNIVERSITY

QUALITY MANAGEMENT SYSTEM BASED ON ISO 9001:2008

PROCUREMENT PROCEDURE MANUAL

MMU/PPM/PROC/2013

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PROCEDURE NUMBER 1: PROCUREMENT OF GOODS AND SERVICES

1.0 GENERAL

1.1 PURPOSE

The purpose of this procedure is to ensure efficient and effective procurement of goods, works and services according to the public procurement and disposal act

1.2 SCOPE

The procedure applies to Procurement of goods and services requested by the University.

1.3 REFERENCES

- a) Quality Manual – MMU/QM/MR/2013.
- b) Public Procurement and Disposal Act, 2005
- c) Public Procurement Disposal Regulations, 2006
- d) Public Procurement Manual
- e) Procurement Plan

1.4 TERMS AND DEFINITIONS

- a) DP (A&F) – Deputy Principal (Administration & Finance).
- b) CA – Chief Accountant.
- c) SPO– Senior Procurement Officer.
- d) PO– Procurement Officer.
- e) PA – Purchasing Assistants.
- f) RC – Revenue Cashier.
- g) TC – Tender Committee.
- h) HOD – Head of Department.
- i) RFQ – Request for Quotation.
- j) LPO – Local Purchase Order.
- k) LSO – Local Service Order.
- l) PC – Procurement Committee.
- m) EOI – Expression of Interest.
- n) TOR –Terms of Reference.
- o) APP – Annual Procurement Plan.

1.5 PRINCIPAL RESPONSIBILITY

The Senior Procurement Officer shall be responsible for the implementation and effective supervision of these procurement procedures.

2.0 METHOD

2.1 Procurement Planning

- 2.1.1 This shall start in March every year with the SPO requesting the various departments to submit their Annual Procurement Plans for the subsequent financial year within a defined timeframe.
- 2.1.2 The HODs shall forward their Annual Procurement Plans to the Procurement Department in a defined template
- 2.1.3 The SPO shall review the Annual Procurement Plans and ensure that they agree with approved Departmental budgets.
- 2.1.4 In the event that the Annual Procurement Plans do not agree with the approved departmental budgets, the SPO shall return them to the respective HODs for correction.
- 2.1.5 If the Annual Procurement Plans are adequate, the SPO shall then consolidate them into an aggregated Annual Procurement Plan.
- 2.1.6 The SPO shall ensure the Annual Procurement Plan is approved by the VC and authorized by the University Council at least a month before the beginning of the financial year.
- 2.1.7 Once authorized for use, the SPO shall circulate the Annual Procurement Plan to the respective HODs for implementation.

2.2 Prequalification of Suppliers

- 2.2.1 This shall start in March every year with the SPO preparing a list of categories of goods, works and services to be procured in consultation with the user departments.
- 2.2.2 After preparation of the list, the SPO shall forward the list to the DVC (A&F) for approval.
- 2.2.3 In approving the list, the DVC (A&F) shall consider the following:-
- a) Whether the list includes all the requirements of the various departments,
 - b) Whether it contains all the anticipated recurrent purchases to be made in the subsequent year,
 - c) Adherence to the University's approved budget, and
 - d) Whether it tallies with the previous year's list.
- 2.2.4 In the event of disapproval, the DVC (A&F) shall make recommendations and revert the list to the SPO for review and resubmission.

- 2.2.5 Upon approval, the SPO shall prepare tender documents and ensure that an advertisement of the same is placed in at least two newspapers of nationwide circulation. The SPO shall also liaise with the Manager ICT for placement of the same in the University website.
- 2.2.6 The PO shall issue tender documents to prospective suppliers on confirming payments and record the supplier's details in the tender sale register.
- 2.2.7 During the tender application period, the SPO shall request the VC to constitute an adhoc tender opening committee.
- 2.2.8 The SPO shall ensure the tender box is closed upon expiry of the deadline and opened by the tender opening committee in the presence of the suppliers.
- 2.2.9 After the opening, the SPO shall request the VC to appoint an adhoc technical evaluation committee.
- 2.2.10 After appointment, the SPO shall convene a meeting with the Technical Evaluation Committee to evaluate the tenders guided by the provisions in the advertisement.
- 2.2.11 The SPO shall forward a report of the Technical Evaluation Committee to the TC. For Consideration of award
- 2.2.12 The TC shall deliberate on the report from the Technical Evaluation Committee and approve the list of pre-qualified suppliers guided by the following:–
- a) Recommendations of the Technical Evaluation Committee,
 - b) Recommendations of the SPO,
 - c) Provisions of the Constitution of Kenya, 2010, and
 - d) Adherence to the PPDA and its regulations.
- 2.2.13 In the event of any anomaly, the TC shall refer the report back to the Technical Evaluation Committee with recommendations for amendment and resubmission.
- 2.2.14 Upon approval, the SPO shall as per the communication procedure number 1 in the Administration procedure manual notify both successful and unsuccessful suppliers. This shall be done within a month after the award of the tender prior to the start of the financial year.
- 2.2.15 The SPO shall facilitate resolution of any appeals from suppliers guided by the PPDA.
- 2.2.16 The SPO shall maintain a list of prequalified suppliers
- 2.3 Purchase notification**
- 2.3.1 The SPO shall receive a duly approved requests from the user department/stores clerks describing the goods or services needed

2.3.2 Upon receipt of the request, the SPO shall confirm whether the item was factored in the Annual Procurement Plan.

2.3.3 In the event that the item was not factored in the Procurement Plan, the SPO shall advise the user accordingly.

2.3.4 If the request is within the approved annual procurement plan, the SPO shall analyze it and make a decision on the method of procurement to be used.

2.4 Low Value Procurement

2.4.1 This method shall apply to procurements whose expenditure is below Kshs. 10,000.00 per item per procurement.

2.4.2 Upon receipt of authorized requests, the SPO shall instruct the PA to proceed as per the procedure on imprest management number 5 in the Finance Procedure Manual.

2.5 Request for Quotations

2.5.1 This method shall apply to procurements whose expenditure is below Kshs. 1,000,000.00

2.5.2 Upon receipt of such requests, the SPO shall prepare standard RFQ forms and distribute them to at least three suppliers.

2.5.3 After the quotation application period, the SPO shall ensure opening, evaluation and analysis as per the Public Procurement and Disposal Act and the specifications in the Quotation document.

2.5.4 After analysis, the Procurement Committee shall award procurements below Ksh. 500,000.00 whereas for procurements above Ksh. 500,000.00, the award shall be by the TC.

2.5.5 After the award, the SPO shall instruct the PA to raise a PRN describing the materials needed as per the recommendations of the PC/TC meeting.

2.5.6 The PA shall then forward the PRN to the HOD, who will sign and forward it to the CA for voting and signing.

2.5.7 Upon receipt of the dully signed PRN, the SPO shall instruct the PA to raise an L.P.O/LSO as appropriate

2.5.8 The PA shall prepare the LPO in four copies, one for the supplier, one for processing payment, one for goods received and the fourth is for purchasing department for progressing deliveries.

2.5.9 The PA shall forward the LPO/LSO for signature by the SPO, CA and DVC (A&F) before issuing it to the supplier

2.5.10 The PA shall ensure that the acknowledgement copy which is retained in purchasing department is signed by the supplier thus providing evidence that the order has been received and accepted by the supplier.

2.6 Tendering for Supply Of Goods & Services

2.6.1 Upon receipt of a dully approved request, the SPO shall prepare tender documents with specifications provided by the user.

2.6.2 The SPO shall seek approval to advertise the tender from the DVC (A&F), prepare and advertise for tenders in at least two dailies of country wide circulation.

2.6.3 As the prospective suppliers collect the tender documents, the SPO shall confirm payment of the prescribed fees, issue the supplier with the documents and record in the tender sale register.

2.6.4 During the tender application period, the SPO shall request the VC to appoint an adhoc tender opening and technical evaluation committees.

2.6.5 After expiry of the tender application period, the Tender Opening Committee shall open and forward minutes to the SPO who shall in turn forward them to the Chairperson, technical evaluation committee for technical evaluation.

2.6.6 The technical evaluation committee shall evaluate all bids basing on the set criteria and forward minutes to the SPO who shall forward the recommendations to the Tender Committee for consideration and award.

2.6.7 In awarding the tender, the TC shall be guided by the criteria in clause 2.3 above.

2.6.8 After the award, the SPO shall as per the communication procedure number 1 in the Administration Procedure Manual inform the successful and unsuccessful bidders of their fate.

2.6.9 The SPO shall ensure that the contract with the winning bidder is executed as per the procedure on Contract Administration number 3 in the Legal Services Procedure Manual.

2.7 Direct Procurement

2.7.1 The SPO shall seek approval of the TC/PC for use of this method basing on the requirements as outlined in the Public Procurement and Disposal act,2005

2.7.2 Upon approval, the SPO shall call for the bid/proposal from the preferred supplier.

2.7.3 Upon receipt of the bid/proposal, the SPO shall present to the TC/PC for consideration and award.

- 2.7.4 In the event that there is a need for negotiation with the supplier, the TC/PC shall appoint a negotiation team which shall present a report to committee through the SPO for approval.
- 2.7.5 Upon approval, the SPO shall ensure that the contract with the winning bidder is executed as per the procedure on Contract Administration number 3 in the Legal Services Procedure Manual.
- 2.8 Request for Proposal**
- 2.8.1 The SPO in liason with the user department shall prepare ToR tender document and submit them to the TC for approval.
- 2.8.2 In approving the ToR, the TC shall consider the following:-
- a) Adequacy and clarity of the information in the document, and
 - b) Adherence to the prescribed format.
- 2.8.3 In the event of disapproval, the TC shall make recommendations and return the ToR to the SPO for amendment and resubmission.
- 2.8.4 Upon approval, the SPO in consultation with the user shall prepare the advertisement notice of expression of interest and forward the same for approval by the DVC (A&F).
- 2.8.5 In approving the advertisement, the DVC (A&F) shall consider the following:-
- a) Availability of funds, and
 - b) Adherence to the Public Procurement and Disposal Act.
- 2.8.6 In the event of disapproval, the DVC (A&F) shall send the advertisement back to the SPO with comments for amendment and resubmission.
- 2.8.7 Upon approval, the SPO shall place the EOI notice in at least two widely read newspapers.
- 2.8.8 Opening, evaluation and award of the proposals shall be undertaken as the award of tenders in clause 2.3 above.
- 2.8.9 After the award, the SPO shall as per the communication procedure number 1 in the Administration Procedure Manual notify the bidders of their fate and ensure execution of the contract(s) as per the procedure on contract administration number 3 in the Legal Services Procedure Manual.

3.0 LIST OF APPLICABLE RECORDS

- 3.1 Tender committee minutes
- 3.2 Approved list of suppliers
- 3.3 Copies of letters of notification of award
- 3.4 Request for quotation forms
- 3.5 Tender registers
- 3.6 Technical evaluation report
- 3.7 Negotiation reports
- 3.8 Local purchase order
- 3.9 Local service orders

PROCEDURE NUMBER 2: RECEIVING AND STORAGE OF GOODS

1.0 GENERAL

1.1 PURPOSE

The purpose of this procedure is to ensure efficiency, timeliness, effectiveness in receiving and storing good received in the University's stores.

1.2 SCOPE

This procedure applies to the receiving, verification and storage of all goods received in the University's stores.

1.3 REFERENCES

- a) Quality Manual – MMU/QM/MR/2013.
- b) Public Procurement and Disposal Act, 2005.
- c) Public Procurement Disposal Regulations, 2006.
- d) Public Procurement Manual, 2009.

1.4 TERMS AND DEFINITIONS

- a) GRN – Goods Received Note.
- b) LPO – Local Purchase Order.
- c) SPO – Senior Procurement Officer.
- d) PO – Procurement Officer.

1.5 PRINCIPAL RESPONSIBILITY

The SPO shall be responsible for the implementation and effective supervision of this procedure

2.0 METHOD

2.1 This procedure shall start with the Storekeeper receiving goods from a supplier.

2.2 Upon receipt of the goods, the Storekeeper shall either:–

- a) Invite the user department to inspect the goods if the value of the goods does not exceed Kshs. 200,000.00, or
- b) Invite the inspection and acceptance committee to inspect the goods if the value is above Kshs. 200,000.00.

2.3 In verifying the goods received, the inspection team shall establish whether the goods received conform to the specifications in the LPO.

2.4 In the event that the goods do not meet the specifications, the inspection team shall reject them and in case of the inspection and acceptance committee record the reasons for the rejection in the inspection and acceptance form.

- 2.5 If the goods supplied conform to the specifications, the inspection team shall sign the inspection and acceptance form and/or the delivery note as evidence of acceptance.
- 2.6 Upon receiving the goods, the Storekeeper shall store the goods in the respective stores, raise a GRN and post the goods in the respective bin cards and ledger cards.
- 2.7 The Storekeeper shall then forward the GRN together with the invoice, LPO and the inspection and acceptance form to the SPO for authorization of payment.
- 2.8 In authorizing for payment, the SPO shall ascertain the consistency in the information in the all the documents and their completeness.
- 2.9 In the event of any anomaly, the SPO shall seek clarification from the Storekeeper and ensure that documents are amended accordingly.
- 2.10 If the documents are adequate, the SPO shall authorize the payment and forward the documents to the Credit Accountant for payment and the procedure shall be deemed complete.

3.0 LIST OF APPLICABLE RECORDS

- 3.1 Evidence of communication.
- 3.2 Delivery Note.
- 3.3 Inspection and acceptance forms.
- 3.4 GRNs.
- 3.5 Ledger cards.
- 3.6 Bin Cards.

PROCEDURE NUMBER 3: ISSUANCE OF GOODS FROM THE STORE

1.0 GENERAL

1.1 PURPOSE

The purpose of this procedure is to ensure effectiveness, timeliness and consistency in issuance of goods from the store.

1.2 SCOPE

This procedure applies to the requesting and actual issuance of goods from all NUC stores.

1.3 REFERENCES

- a) Quality Manual – MMU/QM/MR/2013.
- b) The Public Procurement Manual, 2009.

1.4 TERMS AND DEFINITIONS

- a) SRN – Stores Requisition Note.
- b) HoD – Head of Department.
- c) SPO – Senior Procurement Officer.

1.5 PRINCIPAL RESPONSIBILITY

The SPO shall be responsible for the implementation and maintenance of this procedure.

2.0 METHOD

2.1 Issuance of stockable materials

- 2.1.1 This shall start with the Storekeeper receiving a duly signed SRN from a user.
- 2.1.2 Upon receipt of a SRN, the Storekeeper shall confirm whether the goods requested for are in stock.
- 2.1.3 In the event that the goods are not in stock, the Storekeeper shall inform the requesting user and initiate the purchase of the requested goods.
- 2.1.4 If the goods are in the store, the Storekeeper shall cost them and return the SRN to the user for commitment in the vote book in the Accounts Office.
- 2.1.5 Upon receipt of the duly committed SRN, the Storekeeper shall release the goods, sign the SRN and ensure that the user acknowledges receipt of the goods by also signing the SRN.
- 2.1.6 The Storekeeper shall then update the respective bin cards and ledger cards.

2.2 Issuance of permanent stores

- 2.2.1 This shall start after the acceptance of stores by the user department/inspection and acceptance committee with the Storekeeper issuing the stores to the respective user.
- 2.2.2 During issuance, the Storekeeper shall fill the inventory forms and ensure that they are signed by the respective HoD/ Head of Section.
- 2.2.3 After issuance, the Storekeeper shall post the details of the stores in the ledger cards.

3.0 LIST OF APPLICABLE RECORDS

- 3.1 SRNs.
- 3.2 Bin cards.
- 3.3 Ledger cards.
- 3.4 Inventory forms.

PROCEDURE NUMBER 4: STOCK TAKING

1.0 GENERAL

1.1 PURPOSE

The purpose of this procedure is to ensure effectiveness, timeliness, accuracy and transparency in stock taking.

1.2 SCOPE

This procedure applies to the planning, execution of stock taking, reporting results and adjustment of stock records.

1.3 REFERENCES

- a) Quality Manual – MMU/QM/MR/2013.
- b) Public Procurement and Disposal Act, 2005
- c) Public Procurement Disposal Regulations, 2006
- d) Current Public Procurement Manual.

1.4 TERMS AND DEFINITIONS

- a) SPO – Senior Procurement Officer.

1.5 PRINCIPAL RESPONSIBILITY

The Senior Procurement Officer shall be responsible for the implementation and effective supervision of this procedure

2.0 METHOD

- 2.1 This procedure shall start during the last week of the Financial Year with the SPO appointing a stock taking team guided by the provisions of the Public Procurement and Disposal Act.
- 2.2 Upon appointment, the SPO shall as per the communication procedure number 1 in the Administration Procedure Manual inform the team of the appointment. At the same time, the SPO shall issue the team with the stock taking instructions.
- 2.3 The SPO shall issue the respective store keepers with stock sheets and request them to fill them before the stock taking exercise.
- 2.4 Prior to the stock taking exercise, the SPO shall as per the communication procedure number 1 in the Administration Procedure Manual inform all the users of the closure of the stores during the exercise.
- 2.5 On the last working day of the financial year, the SPO shall ensure that the stock taking team undertakes the exercise as per the instruction and address any issues arising.

- 2.6 During the exercise, the respective storekeepers shall assist the stock takers to locate and identify the stores.
- 2.7 The stock taking team shall verify the physical stores and complete the stock sheets appropriately.
- 2.8 At the end of the stock taking exercise, the Stock taking team leader shall collect all stock sheets and forward them to the SPO.
- 2.9 The Stock taking team leader shall ensure that a stock taking report is prepared and submitted to the SPO who shall upon receipt ensure that all issues are addressed.
- 2.10 The SPO shall forward a copy of the report to the CA for inclusion in the final accounts.

3.0 LIST OF APPLICABLE RECORDS

- 3.1 Evidence of communication.
- 3.2 Stock sheets
- 3.3 Stock taking report.

PROCEDURE NUMBER 5: DISPOSAL OF ASSETS

1.0 GENERAL

1.1 PURPOSE

The purpose of this procedure is to ensure effectiveness, efficiency, transparency and consistency in the disposal of assets.

1.2 SCOPE

This process applies to disposal of all unserviceable, surplus and obsolete stores and equipment.

1.3 REFERENCES

- a) Quality Manual – MMU/QM/MR/2013.
- b) Public Procurement and Disposal Act, 2005
- c) Public Procurement Disposal Regulations, 2006
- d) Current Public Procurement Manual.

1.4 TERMS AND DEFINITIONS

- a) SPO – Senior Procurement Officer

1.5 PRINCIPAL RESPONSIBILITY

The Senior Procurement Officer shall be responsible for the implementation and effective supervision of this procedure

2.0 METHOD

2.1 This shall start with the SPO either:–

- a) Requesting the HODs/HOSs in April each year to submit lists of items they wish to dispose, or
- b) Receiving a request to dispose an asset from a user department/section.

2.2 In the event of 2.1 (b), the SPO shall file the request in the disposal file awaiting the scheduled disposal.

2.3 In case of 2.1 (a), the HODs shall in consultation with the departmental staff identify assets they wish to dispose, fill the Board of Survey form and forward them to the SPO within the determine timeframe.

2.4 Upon receipt of the forms, the SPO shall compile them into one consolidated list.

2.5 After consolidation, the SPO shall forward the list to the VC seeking authority to convene a Disposal Committee.

2.6 Once the authority is granted, the SPO shall in consultation with the Disposal Committee Chairperson convene a meeting with the Committee.

- 2.7 The meeting shall conduct a physical review of the condition of the assets and form an opinion whether the disposal is viable.
- 2.8 The committee shall also determine the most appropriate method of disposal to be used in disposing the identified assets.
- 2.9 After the meeting, the SPO shall forward the recommendations of the committee to the VC for approval.
- 2.10 In approving the recommendations of the disposal committee, the VC shall consider the following:–
 - a) Adherence to the provisions of the Public Procurement and Disposal Act, and
 - b) Justification for the disposal and the method(s) to be used.
- 2.11 In the event of disapproval, the VC shall make recommendations to the disposal committee for consideration and resubmission.
- 2.12 Upon approval, the SPO shall ensure that the assets are disposed as per the provisions of the Public Procurement and Disposal Act and maintain the appropriate records.
- 2.13 After the disposal, the SPO shall ensure that the appropriate ledgers/bin cards are updated accordingly.

3.0 LIST OF APPLICABLE RECORDS

- 3.1 Evidence of communication.
- 3.2 Consolidated list of identified Assets
- 3.3 Minutes of the disposal committee
- 3.4 Evidence of disposal as provided in the Public Procurement and Disposal Act.