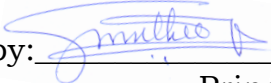
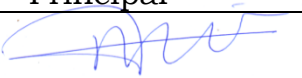

MERU NATIONAL POLYTECHNIC

QUALITY MANAGEMENT SYSTEM BASED ON ISO 9001:2015
PROCUREMENT PROCEDURES MANUAL
MNP/PM/PO/001

Authorized by:  Principal	Date: 16 TH JUNE 2016
Issued by:  Management Representative	Date: 16 TH JUNE 2016



**PROCUREMENT PROCEDURES
MANUAL**

Doc No: MNP/PM/PO/001

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DOCUMENT VERSION CONTROL SHEET

Issue No.	Issue Date	Description of Change	Authored / Revised by	Approved By
Issue 1 Version 0	13-May-2011	Document creation	PO	Principal
Issue 2 Version 0	16-June- 2016	Overhaul of the Procedure Manual to meet the requirements of ISO 9001:2015	PO	Principal



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PROCEDURE 1: PROCUREMENT PLANNING

1.0 GENERAL

1.1 PURPOSE

The purpose of this procedure is to ensure consistency and effectiveness in procurement budgeting.

1.2 SCOPE

This procedure applies to the preparation of the Polytechnic's Procurement plan.

1.3 REFERENCES

- a) Public Procurement and Disposal Act 2015
- b) Public Procurement and Disposal regulations 2006

1.4 TERMS AND DEFINITIONS

Refer to list of terms and definition

1.5 PRINCIPAL RESPONSIBILITY

The PO shall ensure adherence to this procedure.

1.6 INTERFACES

- a) Principal- Authorisation
- b) HODS - To forward departmental procurement plans
- c) FO - Advice on vote head budgetary allocation
- d) DP - To chair the meetings

1.7 PERFORMANCE TARGETS

The performance shall be measure through the overall performance of the Department based on:

PERFORMANCE TARGET	MONITORING AND MEASUREMENT
Receipt of departmental procurement plans in May each year	Number of departments that have submitted in time
Complete and approved procurement plan by July each year	Implementation and compliance to the procurement plan through the procurement plan checklist
Submission of the Procurement Plan to PPRA in the second week of August each year	Time/date of submission



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1.8 RESOURCES

The resources to be used in the process are listed below:

- a) Personnel
- b) Finances
- c) Stationery
- d) Computer hardware and software

1.9 INPUTS AND OUTPUTS

INPUTS	OUTPUTS
Requests to department	Detailed departmental plan/budget
Personnel	Compiled plan
Finances	Annual plan
Stationery	
Computer hardware and software	Updated MIS

2.0 METHOD

- 2.1 This procedure shall start at least a month to end of the financial year with the PO as per the internal communication procedure 1 in the Administration Procedures Manual requesting all HODs to forward their departmental requirements for the subsequent financial year by a deadline date.
- 2.2 On receipt of the communication, the HODs shall in consultation with the departmental staff determine their requirements guided by the following factors among others:-
 - a) Number of trainees for the academic departments,
 - b) Departmental budgets,
 - c) Current departmental consumption, and
 - d) Perceived departmental growth.
- 2.3 The HODs shall then forward the departmental requirements to the PO for evaluation.
- 2.4 Upon receipt of the departmental requirements, the PO shall as per the meetings procedure in the Administration Manual convene a



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Procurement Committee Meeting to analyze the requirements, approve them and deliberate on the mode of procurement guided by the PPDA.

2.5 In approving the departmental requirements, the committee shall consider:-

- a) Current departmental budgetary allocations, and
- b) Current departmental consumption.

2.6 The chairperson to the procurement committee shall forward the approved departmental requirements to the Principal for authorization.

2.7 In authorizing the departmental requirements, the Principal shall consider the criteria in 2.5 above.

2.8 In the event that the Principal raises any issues, he/she shall advise the procurement committee as appropriate.

2.9 Upon authorization, the PO shall serve all the user departments with copies of the approved requirements which shall form the basis of departmental purchase requisitions and maintain a copy of the same.

3.0 LIST OF APPLICABLE RECORDS

3.1 Evidence of communication to HODs.

3.2 Evidence of meetings.

3.3 List of approved departmental requirements.



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PROCEDURE 2: REQUISITION AND ISSUANCE OF STORES

1.0 GENERAL

1.1 PURPOSE

The purpose of this procedure is to ensure effectiveness and consistency in requesting and issuance of stores.

1.2 SCOPE

This procedure applies to the requisition and issuance of all stores in the polytechnic.

1.3 REFERENCES

1.4 TERMS AND DEFINITIONS

Refer to list of terms and definition

1.5 PRINCIPAL RESPONSIBILITY

The PO shall ensure adherence to this procedure.

1.6 INTERFACES

- a) User – Fills the requisition form/Issued with requested items
- b) DP - Authorisation
- c) Principal - Authorisation
- d) HODS - Authorisation

1.7 PERFORMANCE TARGETS

The performance shall be measured through the overall performance based on

PERFORMANCE TARGET	MONITORING AND MEASUREMENT
Timely issuance of stores	Review of the ledgers
Accurate stock levels	Analysis of stock balances

1.8 RESOURCES

The resources to be used in the process are listed below:

- a) Ledger book
- b) Materials
- c) Personnel



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d) Finances

1.9 INPUTS AND OUTPUTS

INPUTS	OUTPUTS
Materials	Accurate stock level Signed ledger
Ledger book	
Personnel	
Finances	

2.0 METHOD

- 2.1 This procedure shall start with user identifying an item(s) of need and filling a stores requisition form.
- 2.2 The user shall then forward the filled in stores requisition form to the respective HOD or any other authorised person for approval.
- 2.3 In approving the stores requisition, the HOD or the authorised person shall consider:-
 - a) Reason for requesting,
 - b) Quantity of item(s) requested,
 - c) Approved departmental requirements, and
 - d) Relevance of the requested item(s) to the department.
- 2.4 In the event of disapproval, the HOD shall advise the user accordingly.
- 2.5 Upon approval, the user shall submit the approved stores requisition form to the Store Keeper.
- 2.6 On receipt of the requisition, the Store Keeper shall verify whether the stores requisition form is duly filled.
- 2.7 In the event that the requisition form is not duly filled, the Store Keeper shall advise the user as appropriate.
- 2.8 If the requisition is duly filled the Store Keeper shall verify whether the requested item(s) are in the store.
- 2.9 In the event that items are not in the store, the Store Keeper shall as per the purchasing procedure in this manual acquire the item(s).



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2.10 In case the items are in the store, the Store Keeper shall issue requested item(s), record them in their ledger and where applicable in S2 ledger book.

3.0 LIST OF APPLICABLE RECORDS

- 3.1 Stores requisition forms.
- 3.2 Stores' ledgers (S2).



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PROCEDURE 3: PURCHASING

1.0 GENERAL

1.1 PURPOSE

The purpose of this procedure is to ensure transparency, efficiency and consistency purchasing of goods, works and service by the Polytechnic.

1.2 SCOPE

This procedure applies to the purchasing of goods, works and service by the Polytechnic.

1.3 REFERENCES

- a) Public Procurement and Disposal Act 2005
- b) Public Procurement and Disposal regulations 2006

1.4 TERMS AND DEFINITIONS

Refer to list of terms and definition

1.5 PRINCIPAL RESPONSIBILITY

The PO shall ensure adherence to this procedure.

1.6 INTERFACES

- a) DP - Chairing procurement meetings
- b) FO - To verify requisitions
- c) Users - To make the requisitions
- d) Principal - To authorise LPOs, LSOs and Cash requisition forms.

1.7 PERFORMANCE TARGETS

The performance shall be measured through the overall performance of the department based on:

PERFORMANCE TARGETS	MONITORING AND MEASUREMENT
Lead – times	Analysis of requisitions and deliveries
100% compliance	Reports to PPDA



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1.8 RESOURCES

The resources to be used in process are listed below

- a) Personnel
- b) Stationery
- c) Finances

1.9 INPUTS AND OUTPUTS

INPUTS	OUTPUTS
personnel	Goods
Stationery	Services
Finances	Compliance report

2.0 METHOD

2.1 Selection and evaluation of suppliers

2.1.1 Evaluation and selection of suppliers shall be done as per the Public Procurement and Disposal Act 2015 and Public Procurement and Disposal regulations 2006 by the tender committee.

2.1.2 The PO shall maintain a list of all Pre-qualified suppliers.

2.2 Purchasing of Goods and Services

2.2.1 This shall start with the user identifying a need to purchase the required item.

2.2.2 The user shall then fill a purchase requisition and forward it to the PO for approval.

2.2.3 In approving the purchase requisition, the PO shall consider the following:-

- a) Department budgetary allocation, and
- b) Quantity required.

2.2.4 In the event of disapproval, the PO shall advise the user as appropriate.

2.2.5 Upon approval, the PO shall forward the purchase requisition to the Principal for authorization.

2.2.6 In authorizing the purchase, the Principal shall consider the following:-

- a) Criteria in 2.2.3 above, and



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b) Availability of funds.

2.2.7 In the event the purchase requisition is not authorized, the Principal shall make recommendations to the PO for amendment and resubmission.

2.2.8 Upon authorization, the PO shall use any of the following ways to acquire the supplies:-

- a) Direct purchases for low value goods i.e. goods worth Kshs. 10,000.00 and below or
- b) Request for quotation from the prequalified suppliers.
- c) Use of open tenders for goods worth more Ksh.3,000,000.00.

2.2.9 After determining the method and the source, the PO shall prepare an LPO/LSO and submit it to the Principal for authorization and approval.

2.2.10 Upon authorization, the PO shall serve the respective supplier with the LPO/LSO to supply the stores.

2.2.11 On receipt of the stores, the store keeper shall convene the inspection and acceptance committee to verify the purchased supplies.

2.2.12 In verifying the supplies, the committee shall ascertain that the supplies conform to the specifications given in the LPO/LSO.

2.2.13 In the event of nonconformity, the committee shall reject nonconforming supplies, and advise the supplier appropriately.

2.2.14 If the purchased supplies meet the purchase requirements, the store keeper shall receive the supplies, sign the delivery note and retain the original.

2.2.15 The storekeeper shall store the supplies appropriately and record them in the stores' ledger.

2.2.16 The HOD of the consumer department shall ensure that the works or services are delivered in accordance to the LSO and the signed contract as applicable.



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2.2.17 In the event of any anomalies, the HOD shall as per the internal communication procedure number 1 in the Administration Procedures Manual inform the Chairperson of the Procurement committee with recommendations.

2.2.18 Upon successful completion of the works or service delivery, the HOD in liaison with the Chairperson of the Procurement committee shall ensure that a completion certificate is issued by the supplier and the payment documents are signed.

2.3 Monitoring of performance and Re-evaluation of suppliers

2.3.1 Once suppliers have been engaged ,the P.O shall ensure monitoring of performance of suppliers

2.3.2 To ensure effective monitoring, the PO shall issue user departments with Supplier Monitoring f

2.3.3 Forms on a monthly basis, analyse the findings and prepare monthly monitoring reports which shall be presented to the evaluation committee

2.3.4 The evaluation committee shall re-evaluate suppliers semi-annually to establish their continuing capability to supply goods, works and services that meet requirements based on the monthly monitoring reports .

2.3.5 The criteria for monitoring and re-evaluation shall be as follows:-

- a) Conformity to specifications for supplied goods, works and services.
- b) Timeliness in delivery.
- c) Cost of goods, works and services.
- d) Quality of supplied goods, works and services
- e) Recommendations from the inspection and acceptance committee and user/consumer departments.

2.3.6 After the re-evaluation, the PO shall forward the recommendations of the evaluation committee to the Chairperson Procurement committee for action.



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2.3.7 On receipt of the recommendations, the Chairperson Procurement committee shall as per the meetings procedure in the Administration Procedures Manual convene a meeting with the procurement committee to deliberate on the recommendations.

2.3.8 The PO shall ensure that the actions arrived at by the procurement committee are implemented.

3.0 LIST OF APPLICABLE RECORDS

3.1 Stores' ledgers.

3.2 Purchase requisition.

3.3 Goods return notes.

3.4 Delivery notes.

3.5 LPO/LSO

3.6 Evidence of meetings.



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PROCEDURE 4: DISPOSAL OF IDLE ASSETS

1.0 GENERAL

1.1 PURPOSE

The purpose of this procedure is to ensure transparency, accountability and consistency in the disposal of idle assets in the Polytechnic.

1.2 SCOPE

This procedure applies to the disposal of idle assets in the Polytechnic.

1.3 REFERENCES

Public Procurement and Disposal Act 2005

1.4 TERMS AND DEFINITIONS

Refer to list of terms and definition

1.5 PRINCIPAL RESPONSIBILITY

The Principal shall ensure adherence to this procedure.

1.6 INTERFACES

a) Inventory holders

To provide a list of idle/obsolete assets.

b) Principal

- i. Appoint disposal committee
- ii. To authorise the process

1.7 PERFORMANCE TARGETS

The performance shall be measured through the overall performance of the department based on:

PERFORMANCE TARGETS	MONITORING AND MEASUREMENT
100% compliance to the PPDA	-Feedback from PPDA - Review of disposal report

1.8 RESOURCES

The resources to be used for the process are listed below

- a) Personnel
- b) List of idle/obsolete assets



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c) Disposal plan

1.9 INPUTS AND OUTPUTS

INPUTS	OUTPUTS
Personnel	Decision to dispose through minutes
Disposal plan	Executed plan
List of idle/ obsolete assets	List of disposed items and associated funds/income

2.0 METHOD

2.1 This procedure shall start with the PO either:-

- a) As per the internal communication procedure in the Administration Procedures Manual requesting all inventory holders to submit a list of idle assets at the end of the calendar year; or
- b) Receiving a list of idle/obsolete assets from inventory holders

2.2 Upon receipt of the information, the inventory holders shall in consultation with the departmental staff identify any idle assets in the department, and forward the list to the PO.

2.3 Upon 2.2 or in case of 2.1 b) above, the PO shall as per the meetings procedure in the Administration Procedures Manual convene a meeting with the disposal committee to approve the list of the identified assets and deliberate on the mode of disposal.

2.4 In approving the list, the committee shall consider the following:-

- a) The salvage value against the cost of servicing,
- b) Useful life of the asset,
- c) Whether the item(s) are in surplus, and
- d) Whether the assets can be utilized by other departments.

2.5 The committee shall then determine the most suitable mode of disposal guided by the PPDA 2015 and its regulations of 2006.

2.6 The PO shall forward a report on the recommendations from the disposal committee to the Principal for approval.



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- 2.7 In approving the disposal, the Principal shall be guided by the minutes of the disposal committee, the PPDA 2015 and its regulations of 2006.
- 2.8 In the event the Principal disapproves the disposal, he/she shall give reasons thereof and advise the disposal committee accordingly.
- 2.9 Upon approval, the disposal committee shall dispose off the assets in accordance with the provision of the PPDA (2015) and its regulations of 2006.
- 2.10 The PO shall maintain records of all disposals done and ensure that the stores records are updated after every disposal.

3.0 LIST OF APPLICABLE RECORDS

- 3.1 Evidence of communication to departments.
- 3.2 List of Idle/Obsolete assets
- 3.3 Evidence of disposal.



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PROCEDURE 5: STOCKTAKING

1.0 GENERAL

1.1 PURPOSE

The purpose of this procedure is to ensure transparency, accountability and consistency in stocktaking in the Polytechnic.

1.2 SCOPE

This procedure applies to all stocktaking in the Polytechnic.

1.3 REFERENCES

1.4 TERMS AND DEFINITIONS

Refer to list of terms and definition

1.5 PRINCIPAL RESPONSIBILITY

The PO shall ensure adherence to this procedure.

1.6 INTERFACES

- a) Inventory holders - To be available according to the prepared schedule
- b) Principal - To authorise
- c) FO - To charge for the lost items

1.7 PERFORMANCE TARGETS

The performance shall be measured through the overall performance of the department based on:

PERFORMANCE TARGETS	MONITORING AND MEASUREMENT
100% coverage	-Time table/program -Analysis of report

1.8 RESOURCES

The resources to be used for the process are listed below

- a) Stock taking check list
- b) Inventory book
- c) Personnel



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1.9 INPUTS AND OUTPUTS

INPUTS	OUTPUTS
Personnel	Carry out the stock taking
Inventory book	List of the actual assets
Stock taking list	Stock taking report

2.0 METHOD

- 2.1 This procedure shall start at least 3 months to the end of the financial year with the PO preparing a stock taking schedule.
- 2.2 In preparation of the schedule, the PO shall consider the Polytechnic's term dates.
- 2.3 Upon preparation, the PO shall forward the schedule to the DP for approval guided by the Polytechnic's schedule of activities.
- 2.4 In the event the schedule is not satisfactory, the DP shall advise the PO as appropriate.
- 2.5 Upon approval, the PO shall and as per the internal communication procedure number 1 in the Administration Procedures Manual notify all the HODs of the stocktaking.
- 2.6 The PO and Store Keeper shall then verify all the receipt records in inventory book/item ledger and prepare a check list.
- 2.7 On the scheduled date(s), the PO shall conduct a physical count of all equipment and materials against the inventory book and fill a stocktaking checklist.
- 2.8 In the event of any anomaly, the PO shall advise Store Keeper accordingly.
- 2.9 In the event of nonconformity, PO shall advise the responsible HOD accordingly.
- 2.10 On concluding the exercise, the PO shall prepare a report (on each store), and submit it to the Principal through the DP with appropriate recommendations and this procedure shall be considered complete.

3.0 LIST OF APPLICABLE RECORDS

- 3.1 Stock taking schedule.
- 3.2 Communication to HODs.



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3.3 Stocktaking checklist.

3.4 Stock taking report.