

THE DEFENCE LOGISTICS SUPPORT CHAIN MANUAL

Volume 2 INVENTORY MANAGEMENT

Part 102 PROCUREMENT (Formerly Volume 11 Part 5 Chapter 7)

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SECTION 1 - INTRODUCTION

SUMMARY

7.1 The purpose of this chapter is to describe the accounting arrangements for procurement.

DEFINITION

7.2 Procurement covers the range of activities that commence once a decision to buy an item or items has been made, up until the moment those same item(s) are recorded as having been received.

KEY ACCOUNTING MATERIEL REQUIREMENTS

7.3 Once it is decided how the item(s) are to be purchased, it is an audit requirement that all activities associated with procurement are correctly authorised.

7.4 There must be an audit trail of cross-linked references, which will enable item(s) to be traced through each stage of the procurement process.

7.5 Vouchers and other accounting documents and records used in the procurement process, which may be electronic capture where authorised, such as order documentation, CRISP order record, requisition details, record of contracts placed and dues-in set up, all form part of the audit trail, and are to be retained for the periods laid down in Chapter 25.

7.6 There must always be visibility and correct authorisation for any amendment to the procurement process, i.e. Diversion Orders, and amendments to the point of delivery or quantities of an item.