

**PREMIUMTRUST BANK**

**CORPORATE SERVICES GROUP**

*(Procurement & Vendor Management)*

**STANDARD OPERATING PROCEDURE MANUAL**

## INTERNAL USE ONLY

### Document Review Page

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### INTRODUCTION

The Corporate Services Group provides critical internal support for the efficient functioning of PremiumTrust Bank's Head Office and branches. It is responsible for best practices in managing procurement, facilities, security, maintenance, fleet management, travels, and other support services.

- Procurement & Vendor Management
- Protocol, Fleet & Logistics
- Facility Management & Branch Development
- Security

### OBJECTIVES OF THE CORPORATE SERVICES GROUP

- Ensure efficient development/ implementation of a procurement plan and strategies to facilitate contractor/ supplier evaluation and selection.
- Maintain a database of approved contractors/ vendors/ suppliers.

- Manage the relationship between Premium Trust Bank and its various contractors/ suppliers including issue resolution, receipt of goods and invoice processing.
- Administer an efficient contract management system.
- Deploy leading procurement practices in its operations to ensure synergy, optimization and cost savings.
- Ensure efficient operational services to support business operations

**INTERNAL CUSTOMERS:** All units within the bank and branches

**EXTERNAL CUSTOMERS:** All vendors of the bank

## **PURPOSE AND APPLICABILITY**

**The procedures are specified and documented under the following broad functions:**

### **A. Procurement & Vendor Management**

- i. Procurement
- ii. Vendor Management
- iii. Insurance Management (Insurance Claims, Insurance Renewal)
- iv. Inventory and Store Management
- v. Asset Verification / Registration (Asset Disposal, Asset Transfer and Asset Tagging)
- vi. Archive Management
- vii. Petty Cash Management
- viii. General Administrative Services (Call Card Request, Telephone Allowance, DSTV Payment, Internal and External Meeting)

## **Procurement & Vendor Management**

### **i. Procurement:**

1. Receive approved purchase request
2. All procurement requests must be made using the standard requisition format, template, channel or system as defined and communicated to all staff. Only duly approved procurement requisitions from the Unit Head of a requesting unit/ appointed designate should be accepted for processing by the Corporate Service Group for execution.
3. Contact 3 or more approved vendors for price quotes/proposal.
4. Negotiate the cost if below N10,000,000
5. Costs above N10,000,000 to be negotiated by a Procurement Committee

6. Issue offer/award letter or purchase order based on negotiated and agreed cost-  
Group Head Corporate Services/Chief Legal Officer
7. Pay the vendor according to the agreed terms. If advance is being made it should not be more than 80%
8. Confirm the supply for completeness and adherence to terms of the purchase order/award letter/ contract.
9. Pay the balance of 20% due to vendor if applicable

**\*\*Please refer to the Procurement Policy for full details**

## **ii. Vendor Management**

1. Conduct yearly vendor renewal /onboarding by dispensing the relevant registration forms to prospective vendors.
2. Gather vendor details and select on pre-determined criteria.
3. All vendors must have PremiumTrust Bank accounts
4. Present list of qualified vendors to Vendor Management Committee and Managing Director for Vendor list concurrence.
5. Seek MD approval of the Vendor Management Committee approved list.
6. Ensure annual performance evaluation of approved vendors in collaboration with Operational risks / Compliance.

## **iii. Insurance Management - Insurance Renewal**

1. An insurance schedule shall be maintained which shall prompt the Responsible Officer at least one month to the insurance renewal date.
2. The schedule specifies asset categories and applicable insurance details including renewal dates per asset category (e.g., vehicle insurance, fire insurance etc.), details of assets insured in the previous year (insured value, number etc.) and applicable insurance premium per category. The schedule will be provided by  
FINCON
3. Insurer relationships shall be governed by vendor management policy

4. The details of assets to be insured shall be validated from the Fixed Asset Register (i.e., asset value, quantity etc.). Such information shall form the basis for computing the total premium due.
5. The applicable premium rates shall be determined using agreed computation guidelines.
6. The responsible officer may contact the insurance company to validate computation guidelines as required.
7. The Group Head Corporate Services shall conduct initial review and seek all approvals to proceed with payment of the premium.
8. All original insurance certificates should be filed in Corporate Services Group. Asset holders shall be given copies.
9. The responsible officer shall liaise with FINCON for identifying insurance adjustments due to addition or removal of fixed assets from the Fixed Asset Register.
10. Based on the time of the year during which the review is being done, a prorated premium amount shall be computed for necessary deduction or addition as appropriate, the Officer may liaise with the Insurer to validate the amount prior to filling the insurance review form.

- **Insurance Claims**

1. Receive claim requests. Confirm incident by physical inspection /documented evidence
2. After confirmation gather all the necessary documents for claims filing
3. Confirm that all necessary information/document has been collected
4. Gather cost of repair/replacement. Where necessary seek the assistance of a technical specialist in valuation of repair or part replacement cost
5. File claims
6. Follow through on insurer to get them to inspect. Agree claims payment with insurer
7. Obtain management Approval for payment
8. Ensure timely payment and effect repair/replacement. Update all records appropriately.
9. Procurement / Admin Officer to check files completeness and ensure claims are satisfactorily settled

**iv. Store Management**

1. Stock shall only be issued upon receipt of request after approval by Unit head or designate. Update to store inventory shall be done immediately after request is processed and item has been removed from store to be dispatched/ handed over to requesting staff/unit Storekeeper shall be responsible for allocating relevant costs to requesting unit.
2. The Group Head Corporate Services shall validate issuance schedule and supporting documents Stock count shall be carried out monthly by the Storekeeper, under supervision of a member of Internal Control unit / Compliance.  
A stock report shall be developed after every stock count exercise.
3. Stock report shall highlight stock balance, associated cost for each item, those approaching replenishment level, stock variances (if any) and reconciliation actions.
4. In case of discrepancy in stock reconciliation, Group Head Corporate Services and Head, Compliance shall be responsible for the necessary investigation and/or necessary resolution.
5. Where erroneous entries have been made, The Group Head Corporate Services will approve necessary adjustments/ update to inventory records on the system (store inventory).
6. To enable prompt stock replenishment, a re-order/threshold limit shall be defined for each store item/ category based on observed consumption rate and delivery timelines. Upon attainment of defined threshold, a re-order threshold will be reinitiated.

**v. Asset Verification / Registration (Asset Disposal, Asset Transfer) - Asset Disposal**

1. Disposal of Bank's Asset for items that have fully depreciated, redundant, obsolete, and damaged (irreparable) periodically.
2. Review and approve the list of items to be disposed
3. Authorize disposal of an asset after having considered pertinent details such as functionality, age, related maintenance expense, net book value, etc.
4. For assets that are fully depreciated, such list is communicated to Corporate Services to confirm useful life i.e. if they are still in use.
5. Disposal shall be by competitive bid. Participation at the bidding process shall be opened to ALL staff of the Bank (except otherwise approved by the MD)
6. Disposal process shall be monitored by Compliance
7. Related maintenance agreements if any must be cancelled on disposal of PPE.
8. Any participating staff in the bidding process for an item for disposal shall be deemed to have inspected the items before participating in the bid exercise. Bids shall be won using the 'highest bidder' basis system. That is, the highest bidder in the bidder in the bidding process wins the bid.
9. Result of the bid process shall be made public to enable all participants know the outcome of the bid process, with the top three bids declared.
10. Winner of the bid shall have 24 hours to redeem his/her bid after which it goes to the next highest bidder. Where a staff wins a bid for an item and later declines to pay for the item, such a staff shall be liable to a penalty surcharge of 10% of amount he/she bid for the item while the item shall now be awarded to the next highest bidder. Subsequent decline on the same item shall attract same penalty fee.
11. Within three working days of debiting the winning staff account, the inventory officer shall;
12. Prepare in favour of the winning staff, a sales receipt, document of change of ownership where applicable) and letter of authority to evacuate the disposal item from the Banks premises.
13. -The winning staff shall ensure that the item is evacuated from the Bank's premises within 72 hours of receipt of the letter of authority to evacuate.
14. Compliance shall supervise the entire process and ensure the disposal process is objective and in line with existing policies.

15. Ensure the disposal exercise is in conjunction with FINCON who will ensure that gains/losses arising from such disposal transaction are properly recognized in the books.

### **Asset Transfer**

1. Upon approval from both unit Head of the receiving and transferring unit, the Admin Officer will complete the PPE Movement Form (in duplicate) which must be signed by Group Head, Corporate Services.
2. The PPE Movement form shall contain the date of acquisition of the asset, when depreciation started, the last month of depreciation, asset tag number, asset code, etc.
3. The completed PPE Movement Form must be reviewed and signed off by FINCON before implementation.
4. The accounting impact of the transfer shall be reflected by FINCON in the Assets register in line with existing SOP.

### **Asset Tagging**

1. All New Assets would be assigned new tags at all locations. Assets not seen their current location would be reclassified in the Asset Register while assets yet to be tagged would be assigned tags and enlisted in Asset Register.
2. On acquisition of asset, an assign unique bar code to each asset or group of assets (where applicable).
3. The responsible officer in Corporate Services is to complete asset acquisition form with all information on asset, this includes, assets location, unit using the asset, description of asset and signs off.
4. Completed form is handed over to FINCON. FINCON hand over asset tag-barcode to admin officer and Corporate Services officer physically append tag to the acquired asset. FINCON update asset

## **vi. Archive Management**

1. **File/documents shall be moved to the archive once the Corporate Services Group** receives a formal request from the unit requesting.
2. The request must be approved by the head of the unit with a list showing the file/documents that will be moved.



3. The archivist shall confirm the list with a staff of the requesting unit.
4. The Group Head Corporate Services shall verify that the list matches the physical documents/files. The documented files are handed over to the outsourced Archive vendor. The vendor updates the catalogue
5. An approval from the head of the requesting unit, Head Compliance and Group Head, Corporate Services must be obtained before a file can be retrieved from the archive.
6. Upon retrieval by the archivist the file is handed over to a staff of the requesting unit who signs for it in a register.
7. When returned the staff signs in as returned in the register.
8. The archivist thereafter returns the file to the archive

**vii. Petty Cash Management**

1. A request is made for N250,000 cash advance for Petty cash.
2. The responsible officer fills a request form for Petty Cash. This form must be approved by the unit head and Group Head, Corporate Services.
3. Cash advance form is taken to FINOPS for payment. Payment is done by either crediting the Responsible Officer's salary account.
4. The total cash is withdrawn and secured in a safe kept in the store. Only the responsible officer should have access to this safe.
5. Application for petty cash by staff can be done by filling an Approval Expense form and properly approved. The limit that can be applied for is ten thousand naira (N10,000), otherwise it goes to FINOPS.
6. Approval expense form should be approved by the unit head, and Group Head, Corporate Services. This must be done before the officer can effect payment.
7. The officer fills in the details of the approval expense form on the schedule of petty cash maintained in soft copy, and also in the register kept for that purpose.
8. Cash is collected by the applicant, after which he signs on the front and back page of the expense approval form stating the amount of money collected.
9. The officer begins the process of Petty cash retirement as soon as it is exhausted.

10. Retirement Form must be signed by responsible Officer, checked by the unit head, and approved by Group Head, Corporate Services.

**viii. General Administrative Services (Call Card Request, Telephone Allowance, DSTV Payment, Internal and External Meeting)**

**- Call Card Request**

1. The People Management Group forwards the list of names, job titles, department, phone number, location and all relevant details for staff who need call cards to be printed.
2. The list is collated and sent to the approved vendor to print the call cards
3. The call cards printing process takes 5 – 6 working days
4. On delivery the officer ensures cards are handed over to the mail room for onward dispatch.

**- Telephone Allowance**

- Managers and above are given telephone allowance up to a certain amount.

This excludes Executive Directors. The monthly allowances are as follows:

S/N	GRADE	ALLOWANCE
1	General Manager	45,000.00
2	Deputy General Manager	40,000.00
3	Assistant General Manager	30,000.00
4	Senior Manager	25,000.00
5	Manager	20,000.00

- Staff below manager level are given GSM allowance on special approval of the line Executive Director.
- The responsible officer ensures Telephone allowance payment is processed.
  - Expense form is filled, stating amount of telephone allowance due to each eligible staff. This must be approved.

- The approved Expense Form is taken to FINCON and Audit for review.
- Expense form is taken to DOMOPS for processing of payment. DOMOPS either raises a cheque for the Telecom Company, credits staff account, or give a credit advice to purchase recharge cards. This depends on the form of payment agreement by Corporate Services Group.
- The approved telephone allowance will be credited directly with amount due to each staff
- The responsible officer must ensure that a schedule containing the name, department, level, telephone network, and approved amount is maintained.

- **DSTV Payment**

- DSTV payment is to be done for EXCO residences, their offices, the office reception, and the dealing room of Treasury Group.
- Payment is done annually.
- For directors' residents, a full package payment is done, while for their offices and the office reception a compact package is done. For the Dealing Room, a compact plus package payment is made.
- The responsible officer will ensure that DSTV subscription is paid when due.