Procurement

* Purchase requisition
* Request for Quotation
* Purchase Order
* Suppliers
* Contracts

**Purchase requisition** to be created by the requestor, requestor may not know the supplier and the price, but should know what materials and service needed, quantity/timing, delivery time.

Based on his/her organization, approver need to be selected. Purchase requisition once created need to be routed to approver for the endorsement.

During selection of materials and services, originator could select mastered materials or services, and he/she can also select contract (its number) if known

Create PR >PR number (automatically generated)>Add PR header description>Item number (search if exist, or go next field description) > Item description (appears automatically if item number selected or add free text description>select UoM (Unit of Measure, eg EA, PACK, BOX, M) > add qty>add price if known>contract name, supplier name populated automatically if selected item in the contract>select supplier as recommendation or add in the name in free text in comments field>select approver>submit button

Purchase requisition field need to have currency field, attachment field/functionality to attach PDF, JPG and as per process need to be routed to approver based on threshold (DoFA – Delegation of Financial authority), eg if up to $500 goes to Farhad for approval, till $3000 to Rashad, $5000 Fakhri, $10000 Samira and above $10,000 to Rufat

For example, is PR value is $1000 and Farhad is selected as an approver, after his approval, it will go to Rashad for another approval

Cost center to be selected. It links to approver based on DoFA

**Request for Quotation:**

Once PR is approved and with the condition that material and service are not part of the contract, RFQ process could start.

Create RFQ>Automatic number assigned>PR selected>Vendor selected (if registered) =vendor name, contact e-mail (primary and secondary) populated, mail address and contact name>timeline for RFQ feedback input>minimum 3 fields for the suppliers for RFQ need to be available

If supplier not registered, all above information need to be inputted manually

If there is no Business to Business (B2B) platform is available for the customer and supplier, then response to RFQ received by e-mail.

Based on e-mail response to RFQ, it needs to be completed at RFQ window with all pricing and timeline data. If supplier is not registered the following process to follow prior placing PO.

Suppliers

If quotation (response to RFQ) received from non-registered supplier, registration process to be carried as per company process with the following minimum data inputted:

Supplier name (automatically generated)

Supplier legal name: Yousoubof International Energy trading LLC

Supplier trade name: Yousouboff

Mail contracts:

E-mails:

Phone numbers:

Compliance checked? Y/N

Supplier type: eg transactional, strategic

Payment terms

**Purchase Order**

* Completed RFQ selected (by number), all information autopopulated to PO template
* Incoterms (DDP, FCA, CIP, EXW) selected in PO field if item is not part of contract
* Payment condition (30, 45 days after delivery, prepayment or partial prepayment inputted if not autopopulated
* PO submitted for approval
* Based on cost center and approval threshold (DoFA) it will go relevant approver.

Contract

If the business regularly purchases certain items regularly based on consumption or the demand, building contract with one of the suppliers may add value.

Customer to follow competitive process for the standard items to ensure that delivery time, quality and price are competitive.

Once successful supplier selected to supply certain items, contract need to be established in the system as per the following process:

* Contract template selected (number autogenerated)
* Contract name to be inputted manually: eg supply of maintenance materials, or Provision of fabrication services
* Registered supplier selected
* Materials or services added (need to be mastered through Item Master)
* Item UoM to be validated
* Item price added
* Default lead times added
* Incoterms added
* Payment terms updated or inputted

Sales Mode

* Request to Supplier to quote
* Quote to Customer
* Sales Order
* Customers
* Sales contracts

Request to Quote (to suppliers)

Business requests supplier to provide quote for the materials and services. If the supplier is in the registered data base then name or number to be selected in the relevant field.

Required items to be selected from the item master data base or free texted. If the supplier is new name need to be free texted with all relevant information similar to Procurement mode.

If decision to be made to buy from non-registered supplier, then supplier could be registered.

Quotation to Customer

If request for quote to the supplier was sent and received purely for the trading purposes (buy to sell) then during Create need to be clicked in Quote to Customer window, Request for Quotation (Supplier) number selected and all data to be transferred to the Quote to Customer window.

Depending on business margin (10%, 15%, 20%) automatically to be added to every item and then VAT (17.5%, 18%, 20%) to added if the item for the sale within the country or economic zone. If item for the export/sales overseas then VAT could be excluded.

Eg RFQ (supplier) RFQS001 received from Supplier A, number SA001 with the following prices:

1. Biscuit, 1EA - $5
2. Croisant – 1EA - $5
3. VAT 18%

Total $11.8

Quotation to Customer QTS001 created, Customer BC001 selected (with 15% margin), and RFQS001 selected with the following prices in the same city/country:

1. Biscuit, 1EA - $5.75 ($5+15%)
2. Croisant – 1EA - $5.75 ($5+15%)

Subtotal = $11.5

VAT = $2.07

Total = $13.57

Sales Order

Once customer accepts quote and send Purchase Order, business can create Sales Order in the system with Terms and Condition.

To do that in the system Quotation to Customer to be selected in Sales Order window, all data replicated with additional payment, delivery and other contractual terms.

Sales Order to be submitted to the business Sales manager or other authority for the approval.

Once SO approved, it will be active in the system till delivery to the customer completes, invoice submitted and paid. After all steps finalized, status of Sales Order can change to CLOSED.

Sales Contracts:

To avoid repetitive Request to Quotes (Suppliers) Sales contract could be negotiation with fixed price for the items regularly sold.