**ADDENDUM**

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**PROCESS BREAKDOWN STRUCTURE**

|  |  |
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| Level1 | 1.0 Purchase Request |
| Level2 | * 1. Completing entire form   2. Nominate a vendor   3. Approval by supervisors   4. The check of completeness of the purchase request by Central Purchasing Department |
| Level3 | * + 1. Purchase order is generated     2. Fax is generated and sent to the vendor     3. Copy of the purchase order is sent to Account Payable Office     4. A clerk select the corresponding purchase order in the enterprise system     5. The clerk checks the quantity and quality and also generate a document called good receipt form |
| Level4 | 1.2.1 The vendor sent the invoice directly to the Account Payable Office.  1.2.2 Three-way matching is being done by the vendor 1.2.3 Bank transfer is triggered and payment notice is sent to the vendor.  1.2.4 Vendors can be contacted by phone, email or postal mail when the payment bounce back. |

**TABLE OF ACTIVITIES**

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| **INPUT** | **ACTIVITY** | **DESCRIBE** | **OUTPUT** | **ACTOR** |
|  | 1.1Request quotations | Send out a list of goods required, quotation | Quotation Documents | Vendors(Suppliers) |
| Purchase Request form | 1.2 Fill and Sign a purchase request form | Information goods, quantity, delivery date and cost. |  | Employee |
|  | 1.3 Nominate a specific vendor | Selection of qualifying vendor |  | Employee |
|  | 1.4 Attach quote to purchase request |  |  | Employee |
|  | 1.5 Hand deliver the form | Hand deliver if is urgent |  | Employee |
|  | 1.6 Financial approval |  |  | One supervisor |
|  | 1.7Conformance approval | Purchase Request is signed by two supervisors |  | Supervisors two |
|  | 1.8 Collects the Purchase request | Collecting takes five days |  | Employee |
| Purchase Request | 1.9 Minor modifications |  | approval of purchase request | Employee |
|  | 1.10 The return of Purchase Request | Is returned to the employee who initiated the purchase requisition |  | Supervisors |
|  | 1.11Form collected | Purchase Request form collected after being approved |  | The purchase department |
|  | 1.12 Cross check of the purchase request | By checking the completeness of purchase request |  | Central Purchasing Department |
| Quotes and other information | 1.13 Entering Purchase Request into the Enterprise system | Only if it is approved |  | The purchasing department |
| Quotes or the list of vendors | 1.14 Selection of vendor at the purchasing Department | Only if the vendors has not nominated by the employee | Permanent vendor | A Clerk |
|  | 1.15Updated quote is requested | If initial quote attached to the request has expired in the meantime |  | Vendor |
|  | 1.16 Preference is given to other vendors who are registered | Only when the quote is not recorded in the Company’s Enterprise system |  | Purchasing Department |
|  | 1.17 Addition of new vendor | Only if Vendors offer high prices than the one submitted |  | Purchasing Department |
|  | 1.18 Generating a purchase order | It is automatically generated when vendor is selected | Purchase order | Enterprise system |
| Purchase order | 1.19 Fax generated | Fax generated and sent to the vendor | Fax | Enterprise system |
|  | 1.20 Transfer of a copy of Purchase request | It is sent to the Account Payable Office using Accounting system without integrated with the enterprise system |  | Enterprise system |
| Purchase order | 1.21 Delivery of goods | Goods delivered to the Goods Receipt Department |  | Vendor |
| Purchase orders | 1.22 Selection of the corresponding purchase order | It is select when good is received |  | Clerk in Goods Receipt Department |
| Purchase order and delivery note | 1.23 Inspection and Verification of goods | Checks of the quantity and quality of goods | Inspection report | Clerk |
| Purchase order | 1.24 Generation of a Goods Receipt Form | A good receipt form is generated from purchase order stored in the enterprise system | Goods Receipt Form | Clerk |
|  | 1.25 Transfer of goods within the Department | Goods are forwarded to the employee who initiated the purchase requisition |  | Clerk |
|  | 1.26 Delivery of print out of the goods receipt form | It is sent to the Accounts Payable Office |  | Good Receipt Department |
|  | 1.27 The return of goods to the vendor | Only if there are issues with the goods |  | Good Receipt Department |
|  | 1.28Sending a paper-based note | Only if there are issues with the goods |  | Good Receipt Department |
|  | 1.29 Sending of an Invoice | The invoice is directly sent to the Accounts Payable Office |  | Vendor |
| Purchase order, goods receipt and invoice | 1.30 Three-way matching task is performed | They compares the purchase order, the goods receipt and the invoice at the Accounts Payable Office |  | Clerk |
| Purchase order | 1.31 Investigation | Investigation only if there are any discrepancies |  | Clerk |
| Purchase request, Invoice and Good Receipt form | 1.32 Payment Process | They is delay in payment process that the discount for paying in a certain period expires |  | Accounts Payable Office |
| Payment notice | 1.33 A prove of Payment is sent | Bank transfer is triggered and payment notice is sent to the vendor |  | Accounts Payable Office |
| Bank account number and name | 1.34 Indication of a bank account number in the invoice | Explicitly indicate they want the transfer to occur |  | Vendor |
| Payment details | 1.35 Payment Bounce back | Only if the bank account number and name indicated in the invoice differs from the one recorded in the vendor database |  | Accounts Payable Office |
| Email address, phone number or postal address | 1.36 Contacting the vendor | Contact the vendor by email, phone or postal mail only if payment bounce back | Updated payment information | Accounts Payable Office |
| Bank details | 1.37 Re-Attempting of the transfer | Only if new bank details are given |  | Accounts Payable Office |
| Email address, phone number or postal address | 1.38Contacting the vendor again | Only if the issue is not resolved to trace the cause of the bounced payment |  | Accounts Payable Office |