

User Manual - Procurement Department

Purchase Requisition System v3.0

Your Role

As **Procurement Officer**, you execute approved requisitions.

Responsibilities

- Process MD-approved requisitions
- Request vendor quotes (3 quotes minimum)
- Conduct adjudication
- Create Purchase Orders
- Track deliveries
- Manage vendor relationships

Getting Started

Login

1. URL: <http://localhost:3000>
2. Username: james.phiri (or your username)
3. Password: password123

Dashboard

Key Metrics

- Requisitions in procurement
- POs issued this month
- Pending deliveries
- Vendor performance
- Quote comparisons needed

Processing Requisitions

Step 1: Receive MD-Approved Requisition

Requisitions reach you after:

- HOD approved
- Finance approved
- MD authorized

Step 2: Review Requirements

Check:

- Item specifications
- Quantities needed
- Delivery timeline
- Special requirements
- Budget allocated

Step 3: Request Vendor Quotes

Minimum 3 Quotes Required:

1. Click "Request Quotes"
2. Select vendors or add new
3. Send RFQ (Request for Quotation)
4. Set deadline (typically 5-7 days)
5. Track responses

RFQ Should Include:

- Item specifications
- Quantities
- Delivery location
- Delivery timeline
- Payment terms
- Quality requirements

Step 4: Upload Quotes

When quotes received:

1. Click "Upload Quotes"
2. For each quote:
 - Vendor name

- Quote date
- Quoted price
- Delivery terms
- Validity period
- Upload quote document (PDF)

3. Save all quotes

Required Information:

- Vendor company name
- Contact person
- Unit price
- Total price
- Delivery time
- Payment terms
- Warranty/guarantees

Step 5: Comparative Analysis

System auto-generates comparison:

Vendor	Price	Delivery	Quality	Total Score
Vendor A	K45,000	7 days	Good	85
Vendor B	K42,000	14 days	Excellent	90
Vendor C	K48,000	5 days	Good	80

Step 6: Adjudication

Select winning vendor:

1. Click "Adjudicate"
2. Select winning vendor
3. **Add justification (required)**
4. Submit decision

Adjudication Criteria:

- Price (40%)
- Quality (30%)
- Delivery time (20%)
- Vendor reputation (10%)

Justification Example:

```
Vendor B selected based on:
1. Competitive pricing (K42,000 vs K45,000 & K48,000)
2. Excellent quality rating
3. Proven track record (5 previous orders)
4. Acceptable delivery time (14 days)
5. 12-month warranty included
```

Price is K3,000 lower than Vendor A, and quality is superior. Delivery time meets requirement.

Step 7: Create Purchase Order

After adjudication:

1. Click "Create PO"
2. System auto-generates PO number
3. Review PO details:
 - Vendor information
 - Item details
 - Prices
 - Terms & conditions
4. Add special instructions
5. Click "Issue PO"

PO Includes:

- PO number (e.g., PO-2025-001)
- Date issued
- Requisition reference
- Vendor details
- Item descriptions
- Quantities and prices
- Delivery address
- Payment terms
- Company T&Cs

Step 8: Send to Vendor

1. Download PO PDF
2. Email to vendor
3. Confirm receipt
4. Get delivery commitment
5. Update system with ETA

Step 9: Track Delivery

1. Monitor delivery status
2. Update system:
 - Dispatched
 - In transit
 - Delivered
 - Received and inspected
3. Record actual delivery date
4. Note any issues

Step 10: Close Requisition

When delivery complete:

1. Click "Mark as Delivered"
2. Attach delivery note
3. Confirm quantities received
4. Note condition of goods
5. Click "Complete"
6. Status changes to "Completed"

Vendor Management

Adding New Vendors

1. Click "Vendors" → "Add Vendor"
2. Enter details:
 - Company name
 - Contact person
 - Email and phone
 - Address
 - Tax ID/Registration
 - Bank details
 - Product/service categories
3. Upload documents:
 - Tax clearance
 - Registration certificate
 - Insurance
4. Click "Save"

Vendor Database

Maintain information:

- Company profile
- Contact details
- Product categories
- Price history
- Performance ratings
- Compliance documents
- Payment history

Vendor Performance

Track and rate:

- Delivery timeliness
- Quality of goods
- Pricing competitiveness
- Customer service
- Compliance
- Reliability

Rating Scale: 1-5

- 5: Excellent
- 4: Good
- 3: Satisfactory
- 2: Poor
- 1: Unacceptable

Purchase Orders

PO Numbering

Format: **PO-YYYY-NNN**

- PO: Prefix
- YYYY: Year
- NNN: Sequential number

Example: PO-2025-001, PO-2025-002

PO Types

Standard PO:

- Regular purchases
- One-time delivery
- Fixed price

Blanket PO:

- Recurring items
- Multiple deliveries
- Fixed period

Contract PO:

- Long-term agreements
- Scheduled deliveries
- Volume discounts

PO Status Tracking

Status	Meaning
Draft	PO created, not issued
Issued	Sent to vendor
Acknowledged	Vendor confirmed
In Progress	Being prepared
Dispatched	Shipped
Delivered	Received
Completed	Closed
Cancelled	Cancelled

Quote Management

Quote Comparison Rules

Minimum Requirements:

- At least 3 quotes
- Quotes from registered vendors
- Quotes within 30 days validity
- Complete specifications
- Total cost comparison

Exceptions (MD approval needed):

- Single source items
- Emergency purchases
- Proprietary products
- Below K5,000 value

Evaluating Quotes

Price Analysis:

- Compare unit prices
- Check total costs
- Consider shipping
- Include taxes
- Factor warranties

Non-Price Factors:

- Quality certifications
- Delivery time
- Payment terms
- After-sales support
- Vendor reputation

Example Evaluation:

Quote Analysis: Office Furniture

Vendor A: K45,000

- + Lowest price
- + Fast delivery (7 days)
- No warranty
- Unknown quality

Vendor B: K52,000

- + 5-year warranty
- + Proven quality
- + Good reputation
- Highest price
- 14-day delivery

Vendor C: K48,000

- + 2-year warranty
- + Moderate price
- + 10-day delivery
- Average quality

Recommendation: Vendor B

Justification: Marginally higher price offset by superior warranty and proven quality. Long-term value better despite higher initial cost.

Delivery Management

Receiving Goods

Delivery Checklist:

1. Verify PO number
2. Count quantities
3. Check condition
4. Inspect quality
5. Match to specifications
6. Sign delivery note
7. Update system

If Issues Found:

- Partial delivery: Note shortfall
- Damaged goods: Photo evidence
- Wrong items: Document discrepancy
- Quality issues: Inspection report

Handling Discrepancies

Damaged Goods:

1. Reject delivery or accept with note
2. Photo documentation
3. Contact vendor immediately
4. File claim if insured
5. Request replacement

Short Delivery:

1. Accept partial delivery
2. Note shortfall on delivery note
3. Update PO status to "Partial"
4. Follow up with vendor
5. Set new ETA for balance

Reporting

Procurement Reports

Monthly Reports:

- POs issued
- Total spend
- Vendor performance
- Delivery performance
- Quote analysis
- Cost savings

Generate Reports:

1. Click "Procurement Reports"
2. Select type
3. Set date range
4. Export to Excel/PDF

Key Performance Indicators

Monitor:

- Average procurement cycle time
- On-time delivery rate
- Cost savings achieved
- Vendor performance scores
- Quote turnaround time
- PO accuracy rate

Targets:

- Cycle time: < 10 business days
- On-time delivery: > 90%
- Cost savings: 5-10% annually
- Vendor rating: > 4.0 average

Emergency Procurement

Fast-Track Process

For critical/emergency:

1. Verify Emergency Status

- MD authorized
- Business continuity risk
- No alternatives

2. Expedited Quotes

- Request same-day quotes
- Accept phone/email quotes
- Minimum 2 quotes (if time permits)

3. Quick Adjudication

- Same-day selection
- Document justification
- Get MD confirmation

4. Immediate PO

- Issue PO same day
- Expedited delivery
- Premium costs authorized

5. Post-Event Review

- Document process
- Lessons learned
- Improve procedures

Compliance

Procurement Policies

Must Follow:

- 3-quote minimum (except exceptions)
- Registered vendors only
- Documented adjudication
- Proper PO issuance
- Delivery verification
- Payment authorization

Prohibited:

- Splitting orders to avoid approvals
- Favoritism
- Conflicts of interest
- Undisclosed commissions
- Backdating documents

Audit Trail

System automatically records:

- Quote requests sent
- Quotes received
- Adjudication decisions
- PO creation and changes
- Delivery updates
- All user actions

Tips for Efficient Procurement

Speed Up Process

1. **Maintain Vendor Database** - Pre-approved vendors
2. **Standard Templates** - RFQ and PO templates
3. **Regular Communication** - Update stakeholders
4. **Batch Processing** - Group similar items
5. **Automate Where Possible** - Use system features

Build Vendor Relationships

- Regular communication
- Prompt payments
- Fair treatment
- Feedback sharing
- Long-term partnerships
- Volume commitments

Contact Information

Internal:

- Finance: Extension XXXX (payment queries)
- Warehouse: Extension XXXX (delivery coordination)
- MD Office: Extension XXXX (approvals)

External:

- Vendor inquiries: procurement@company.com
- General: +260-XXX-XXXX

Quick Reference

Your Stage in Workflow

Initiator → HOD → Finance → **MD** → YOU (Procurement) → PO → Delivery

Key Tasks

1. Request 3 quotes
2. Upload quotes
3. Adjudicate
4. Create PO
5. Track delivery
6. Close requisition

Timeframes

- Request quotes: Within 1 day
- Vendor response: 5-7 days
- Adjudication: Within 2 days
- PO issuance: Same day
- Delivery tracking: Daily updates

End of Procurement Manual