

Procurement? ... Know the Rules

Step 1: The procurement process starts with a "Purchase Request Form (CBS-F-FIN-10)". This form is generated by the Requestor to get the necessary approval and submit to the nominated buyer (a list of nominated buyers are provided in the Procurement Procedure) the items he/she needs to order, their quantity, and the timeframe. The forms should have the necessary authorization to proceed with the purchase.

Step 2: Buyer checks/clarifies what is being requested, asks all the info that would help facilitate the process, and agrees on a reasonable delivery date. The buyer can choose to approve, reject, or flag the request for further discussion. The buyer obtains quotations if a new vendor is required or else chooses the appropriate vendor from the "Approved Vendor List". If anyone uses a non-approved vendor, they will have to get the vendor approved before finance releases payment.

If the vendor is a Non-Approved Vendor, the below listed steps have to be followed by the buyer:

1. The vendor has to be evaluated in accordance with "New Vendor Evaluation & Registration Form (CBS-F-PRC-01)".
2. The Buyer creates a list of vendors which satisfy the requirements as per Purchase request. Request for Information (RFI) is advised to be placed against a vendor to collect written information about the capabilities of the vendor to deliver certain goods/services.
3. Proceed for Request for Quotation (RFQ), which is basically to invite suppliers into a bidding process to bid on specific products or services. The Buyer should follow 3-quotation policy as much as possible and use "Vendor Comparison Form (CBS-F-PRC-03)" for comparison of vendors
4. Once approved, the details of the vendor is entered into Salesforce by the buyer. All employees can access the "Approved Vendor List" (AVL) in Salesforce.
5. Re-evaluation of vendors is conducted every year by the buyer using the "Vendor Re-Evaluation Form (CBS-F-PRC-02)" and is based on the vendor's ability to meet the criteria of CBS and other subsidiaries of TCG.

6. The respective buyer has to maintain all documents/forms or copies related to Vendor Evaluation, Registration, Comparison and Re-evaluation.

Step 3: The buyer after obtaining necessary approvals, submits the Purchase Request form to Finance department. Finance Department issue a "Local Purchase Order (CBS-F-FIN-06)" to the vendor, if required. The Purchase order is raised only if the amount is greater than AED 500, if the item is non-consumables or mandated by supplier.

Step 4: Once these steps in the purchase order are complete, the goods/services are delivered and inspected. Thereafter, the vendor issues an invoice to the buyer. The buyer submits the invoice along with "Approval of Payment Release Form (CBS-FIN-03)" to finance to proceed for payment release. All documents are filed by Finance Department.

Notes:

1. Requestor: The Requestor is an employee of CBS and other subsidiaries of TCG requesting for the item.
2. Buyer: is an employee of CBS and other subsidiaries of TCG responsible/nominated to purchase the item. The list of nominated buyers are available in the Procurement Procedure.
3. Purchase Order is to be initiated by Finance upon receiving completed and approved Purchase Request form from Buyer. (The key difference between Purchase Request Form and Purchase Order Form is that a purchase request is about permission and purchase orders are about purchasing).
4. Approval of Payment Release Form will be used only for Payment releases if the amount is greater than AED 2,000 or if the supplier has bank account registered in CBS system. For anything below this amount, petty cash voucher or IOU voucher will be used.
5. For further clarifications refer to Procurement Procedure and the above mentioned forms.
6. Link to all documents and forms related to Procurement:

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Production\\1.CORPORATE DEPARTMENT\\PROCUREMENT DOCUMENTS