

Procurement Policy for RASTA

Title, Commencement and Application

- These rules may be called "RASTA Procurement Policy"
- They shall be come into force with effect from 1st May 12

Definition

- "RASTA" means **Regulatory Association for Social & Territorial Assist**
- "Organization" means **Regulatory Association for Social & Territorial Assist (RASTA)**.
- "Secretary" means secretary of RASTA.
- "Board" means Board of Trusty of RASTA.
- "Management" means the board or any other officer authorized by the board.

Purpose

The purchase of goods and services is necessary for the smooth operation of the organization. The aim of the internal control system for the supplying of goods and services is to ensure orders are handled by individuals having skills in evaluating what purchases are required from suppliers offering the best deals, to ensure purchases made do not exceed the budget provided and to ensure purchased goods and services conform with the quantity and price specified in the order.

Committee

There shall be a purchasing/procurement committee, comprises of Secretary, Accountant and Project Coordinator, that will decide and finalise the need and budget provision for procurement of goods/things.

Methodology

Organisation shall follow certain methods in purchasing goods, equipment and services required for the needs of the organization or its projects. Use of competitive bidding shall be a priority practice. The first criterion in choosing a supplier shall be the lowest bid. However, if a supplier does not provide the required level of service or an adequate guarantee, then other criteria shall also be considered. Organisation shall specify in the purchase file the reasons the lowest bid was not chosen.

- For purchases under Rs. 5000.00, a price survey by telephone of two suppliers will be sufficient for determining the supplier.
- For purchases above Rs.5000.00, a quotation/invoice shall be obtained from three local suppliers.

Purchases from a sole source shall be explained in the purchase file. For all purchases of capital good, and goods purchased in bulk like stationary and other supplies, three quotations should be obtained.



Then the final supplier is decided upon. However justification should be given in case the lowest of quotes is not selected. Quotations should be attached with the relevant vouchers while submitting the same for checking.

The purchase file shall contain all the documents pertaining to each transaction, i.e. the purchase requisition, quotations, contact information of suppliers purchase contracts or orders, invoices, delivery slips and any other pertinent documents.

Control objectives

The control objectives here will be to ensure that:

- All purchases are duly authorized and approved before the goods and services are ordered.
- All goods received or services rendered are according to specification and in quantities requested for.
- Liability for all purchases is accurately reflected in the books of account and that suppliers are paid only in accordance with the agreed terms.
- Goods ordered are actually received into stores as may be appropriate and relevant accounting records updated accordingly.

Purchases

Employees making purchases as part of the project activity or organizational work shall follow these mechanisms:

- a. Requisition form – the employee requesting a purchase fills this form, has it approved by the Secretary and sends it to finance division.
- b. Order form – the finance division issues the order form, after it is signed by the Secretary. The concerned employee or the finance division will make the purchase successful on the basis of the order form.
- c. Delivery slip – After the purchase has been made, a delivery slip will be issued by the finance division for the supplier, who will sign it and give it back to the finance division.

