# TABLE OF CONTENT

<table>
<thead>
<tr>
<th>Procedure Number</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>PROCUREMENT</td>
<td>3</td>
</tr>
<tr>
<td>2</td>
<td>DISPOSAL</td>
<td>8</td>
</tr>
<tr>
<td>3</td>
<td>WAREHOUSING</td>
<td>10</td>
</tr>
</tbody>
</table>
PROCEDURE NUMBER 1: PROCUREMENT

1.0 GENERAL

1.1 PURPOSE:
To ensure effectiveness and efficiency in acquisition of goods and services for user departments within KEFRI.

1.2 SCOPE:
This procedure shall apply in all centers of KEFRI.

1.3 REFERENCE
a) KEFRI Supplies Manual
b) ISO 9001:2008
c) Public Procurement and Disposal Act, 2005
d) Public Procurement and Disposal Regulations, 2006
e) Public Procurement Oversight Authority Public Procurement and Disposal Manual, 2009

1.4 TERMS DEFINITIONS AND ACRONYMS
a) KEFRI- Kenya Forestry Research Institute
b) HOD – Head of Department
c) S11- Counter Requisitions and Issue Voucher
d) LPO- Local Purchase Order
e) PPOA- Public Procurement Oversight Authority
f) PR- Purchase Requisition
g) SDDF&A-Senior Deputy Director, Finance and Administration
h) APP- Annual Procurement Plan.
i) HOS – Head of Section
j) SCA – Supply Chain Assistant
k) LSO – Local Service Order
l) GRN – Goods Receipt Note
m) SRN – Service Received Note

1.5 PRINCIPAL RESPONSIBILITY
The HOD, Supply Chain Management shall ensure adherence to this procedure.
2.0 METHOD

2.1 General

2.1.1 The following shall constitute the process of purchasing

a) Prequalification of suppliers for goods and services
b) Preparation of Annual Procurement Plan
c) Receiving S11 and generation of PR
d) Raising and analyzing quotations to determine as per PPOA manual
e) Raising and dispatch of LPO/LSO
f) Advertisement of tenders
g) Properly maintaining relevant documentation
h) Re-evaluation of Suppliers
i) Market survey
j) Facilitate supplier payment

2.1.2 Each of these activities shall be adhered to as prescribed below

2.2 Prequalification of suppliers for goods and services

2.2.1 The HOD shall in line with the PPDA advertise for prequalification in the various categories of goods, services and works in two popular, widely circulated newspapers and ensure upload of the same on the KEFRI website in April.

2.2.2 The HOD shall ensure receipt and opening of submissions within the allowed period and after the deadline and forward the submissions to the Tender Committee within three days to evaluate responses.

2.2.3 The HOD shall ensure the following established criteria for evaluation is followed in evaluating suppliers:

a) Conformity to statutory requirements
b) Conformity to mandatory requirements
c) Conformity to minimum requirements that are essential to successful completion of works and supply of goods/services as per PPOA
d) The committee members shall be independent in their evaluation and meet to agree whether the proposals meet the mandatory requirements
e) The committee shall indicate which parts of the proposal were considered in arriving at the final score
f) The members shall finally sign the document as evidence of their agreement and mark them approved as applicable
2.2.4 The HOD shall forward the list of both the successful and unsuccessful bidders to the Tender Committee for approval and communicate to both the successful and unsuccessful bidders as per PPOA manual

2.3 Preparation of Annual Procurement Plan (APP)

2.3.1 At the beginning of the fourth quarter of the financial year, the HOD shall direct departments, divisions and units and regional centres to submit their respective procurement plans for the subsequent year in a prescribed format by beginning May.

2.3.2 Upon receipt of APPs from departments, divisions, units and regional centres, the HOD shall ensure their consolidation into institutional APP

2.3.3 The HOD shall submit the institutional APP to the Director and where applicable to the Board of Management for approval before the start of the subsequent financial year.

2.3.4 Upon approval, the HOD shall ensure circulation of the approved plan to the head of the various divisions and thematic areas for implementation

2.4 Receiving of S11 and generation of PR

2.4.1 Upon receipt of the S11 from the departments, the HOD shall ensure they are
   a) All duly approved by the respective heads
   b) Received and date stamped, and
   c) Verified at the Stock Control section by the HOS

2.4.2 Upon verification, the HOS in charge of Stock Control shall authorize the PR preparation in triplicate.

2.4.3 The PR shall be approved for purchase by the HOD.

2.4.4 The original copy of the S11 and duplicate copy of PR shall be maintained by the stock control section as record.

2.4.5 Dully approved PR together with the duplicate copy of the S11 shall be registered and forwarded to the purchasing section to initiate the process of procurement.

2.4.6 A triplicate copy of the PR shall be given to warehouse to anticipate receipt of goods /services and works as shall be applicable. The requesting officer details shall be captured in a register and records maintained

2.4.7 The process of receiving S11 to the dispatch of the Purchase Requisition shall be undertaken within one day
2.5 Raising and analyzing quotations to determine the thresholds as per PPOA

2.5.1 Quotations shall be raised to the prequalified suppliers indicating the quotation number, specifications of goods or services required, the expected date of submission and the quantities.

2.5.2 The quotations shall be approved by HOD before circulation.

2.5.3 The HOS in charge of Purchasing shall, ensure circulation and shall maintain a register of all quotations sent out.

2.5.4 The quotations shall be opened on the date and time stipulated on each quotation.

2.5.5 A SCA shall be appointed to participate in the opening of the quotations and shall ensure that all parties involved in the opening sign all received quotations and keep record of the same.

2.5.6 Late quotations shall not be opened and shall be marked “LATE” and filed.

2.5.7 Analyses of the quotations shall be carried out at the purchasing section as per applicable PPOA manuals.

2.5.8 The HOD shall ensure that all the quotations/tenders are forwarded to the procurement/tender committees based on thresholds for approval.

2.6 Raising and dispatch of LPO's/LSO's

2.6.1 Upon receipt of approval in 2.5.8, the HOD shall instruct the HOS in charge of purchasing to raise LPOs/LSOs accordingly.

2.6.2 The HOS in charge of purchasing shall ensure that LPO's/LSO's are approved, committed in the Finance division, dispatched to the winning bidders within two day of approval by Tender/Procurement Committee. Records of the date and mode of dispatch to suppliers shall be maintained.

2.6.3 The HOS in charge of purchasing shall indicate the date of delivery of the procured goods and services on the LPO.

2.7 Re-evaluation of Suppliers

The HOD shall ensure re-evaluation of suppliers twice per year to establish trends in their performance to inform future procurement decisions with various suppliers.

2.8 Market Surveys

2.8.1 The HOD shall on annual basis constitute a market survey team and commission them to carry out market survey on-a-need-be basis to inform decisions in the procurement of goods and services as may be required on the prevailing market trends of particular procurement cases.

2.8.2 The market survey team shall forward the report to the tender/procurement committee within one week of the survey.

2.9 Supplier payment
2.9.1 Upon receipt of supplier invoices and GRNs/SRNs, the HOS-purchasing shall ensure that they are forwarded, in a register within one day to finance department for payment process to commence.

2.10 Maintaining the relevant documentation

The HOS of purchasing shall ensure that relevant documentations in purchasing section are maintained in accordance with the record control procedure.

3.0 APPLICABLE RECORDS

3.1 LPO
3.2 PR
3.3 LSO
3.4 GRN
3.5 SRN
3.6 List of prequalified suppliers
3.7 Market survey report
3.8 Results of supplier evaluation
3.9 Analysis of quotations
PROCEDURE NUMBER 2: WAREHOUSING

1.0 GENERAL

1.1 PURPOSE:

   To ensure effectiveness and consistence in storage of procured goods within KEFRI

1.2 SCOPE:

   This procedure shall apply within KEFRI.

1.3 REFERENCE

   a) KEFRI supplies manual
   b) ISO 9001:2008
   c) Public Procurement and Disposal General Manual, 2009

1.4 TERMS DEFINITIONS AND ACRONYMS

   a) KEFRI- Kenya Forestry Research Institute
   b) HOD – HOD, Supplies Chain Management
   c) RN - Return Note
   d) GRN – Goods Received Note
   e) S11 – Issue Note
   f) DN- Delivery Note
   g) SCA – Supplies Chain Assistant
   h) S3 - Stores ledger and stock control card

1.5 PRINCIPAL RESPONSIBILITY

   The HOD, Supplies Chain Management shall ensure adherence to this procedure.

2.0 METHOD

2.1 General

   2.1.1 The following shall constitute the process of warehousing

      a) Receiving and issuing of supplies.
      b) Quality control or verification.
      c) Storage of goods and stock control.
      d) Maintaining relevant documentation.

   2.1.2 Each of these activities shall be adhered to as prescribed below
2.2 Receiving and issuing of supplies

2.2.1 Goods shall be delivered, inspected, accepted and received in stores accompanied by a DN and shall adhere to Chapter 10 of the PPOA Public Procurement and Disposal General Manual (March, 2009)

2.2.2 A GRN shall only be raised upon acceptance of the goods and endorsed by HOS Warehouse.

2.2.3 The HOS in charge of warehouse shall retain the original copy of the GRN and copy of invoice and, ensure the remaining copies of the GRN are passed on to stock control section in a register within one day.

2.2.4 The HOS stock control upon receipt of the three copies of the GRN and the invoice shall ensure the posting of relevant item information into the S3 cards, indicate on the GRN copies the serial numbers of the respective S3 cards and retain the duplicate copy of the GRN at stock control. Thereafter pass on the triplicate and quadruplicate copies of the GRN and the invoice to the purchasing section in a register.

2.2.5 Upon acceptance of good in the store, the HOS warehouse shall ensure they are posted into the bin cards and the end users notified through a notification form within one day of receipt of the goods.

2.2.6 Goods shall be issued from the store within one day upon receipt of a duly authorized S11 form from respective the user.

2.2.7 Upon issuance of goods from the warehouse, the HOS warehouse shall retain the duplicate copy of the S11 form, as record and pass on the original copy to stock control section in a register.

2.2.8 The HOS stock control shall post out the issued quantities from the S3 using the original S11and file the S11 in stock control as record.

2.3 Quality control or verification

2.3.1 There shall be an Inspection and Acceptance Committee which shall be appointed with the guidance of Chapter 10.2 of the PPOA Public Procurement and Disposal General Manual (March, 2009)

2.3.2 For goods/services of a technical nature, the end user of the goods/services and a technical person shall be incorporated when carrying out inspection before acceptance.
2.3.3 A RN shall be raised by the HOS in charge of warehouse within one day, giving reasons for rejection of the deliveries.

2.3.4 A gate pass shall be raised to facilitate exit of rejected goods from KEFRI premises.

2.4 **Storage of goods and stock control**

2.4.1 The HOS in charge of the warehouse shall ensure goods are kept in clean and secure stores.

2.4.2 The HOS in charge of the stock control shall ensure the stores ledger and stock control cards are updated and securely kept.

2.5 **Maintaining relevant documentation**

The HOS in charge of the warehouse and stock control shall ensure that all relevant records are kept in line with the record control procedure.

### 3.0 APPLICABLE RECORDS

3.1 Return Note – (warehouse)

3.2 GRN - (warehouse- original copy and stock control - duplicate copy)

3.3 Gate Pass – (Warehouse)

3.4 S11- (original – stock control and duplicate copy – warehouse)

3.5 DN – (Warehouse)

3.6 Bin cards – (Warehouse)

3.7 S3 card – Stores ledger and stock control card

3.8 Consignment notes – (Warehouse)

3.9 Copies of invoices – (Warehouse)

3.10 PR – (Stock control and Warehouse)

3.11 Goods inspection records

3.12 Goods issuance records
PROCEDURE NUMBER 3: DISPOSAL

1.0 GENERAL

1.1 PURPOSE:
To ensure effectiveness and efficiency in disposal of unserviceable, obsolete or surplus stores and equipment within KEFRI.

1.2 SCOPE:
This procedure shall apply within KEFRI.

1.3 REFERENCE
f) KEFRI supplies manual
gh) ISO 9001:2008
hi) Public Procurement and Disposal Act, 2005
ij) Public Procurement and Disposal Regulations, 2006
jk) Public Procurement and Disposal General Manual, 2009

1.4 TERMS DEFINITIONS AND ACRONYMS
a) KEFRI - Kenya Forestry Research Institute
b) HOD – HOD, Supplies Chain Management
c) PPOA - Public Procurement Oversight Authority
d) FO58 - Authority form from the ministry
e) EoI - Expression of interest
f) PS - Principal Secretary

1.5 PRINCIPAL RESPONSIBILITY
HOD, Supply Chain Management, shall ensure adherence to this procedure.

2.0 METHOD

2.1 General

2.1.1 The following shall constitute the process of disposal
a) Composition of a disposal committee
b) Establishment of a method of disposal
c) Setting rules of disposal
d) Maintaining relevant documentation

2.1.2 Each of these activities shall be adhered to as prescribed below;
2.2 Composition of a disposal committee
The procedure for the composing of the Disposal Committee shall be guided by Section 128(1) of the Public Procurement and Disposal Act, 2005 and Regulation No. 92 of the Public Procurement and Disposal Regulations, 2006.

2.3 Establishment of a method of disposal
2.3.1 While establishing a method for disposal, the disposal committee shall be guided by, section 129 of the Public Procurement and Disposal Act, 2005, Regulation No. 93 of the Public Procurement and Disposal Regulations, 2006 and chapter 12 of the PPOA Public Procurement and Disposal General Manual (2009).

2.3.2 The recommendations for approval shall be compiled in form FO58 to seek authority for disposal from the PS.

2.4 Setting rules for disposal
2.4.1 While setting the rules for disposal, the disposal committee shall be guided by, Section 131 of the Public Procurement and Disposal Act (2005), Regulation No. 93 of the Public Procurement and Disposal Regulations (2006) and chapter 12 of the PPOA Public Procurement and Disposal General Manual (2009).

2.4.2 The HOD shall ensure that the process of evaluation of bids is above board [Transparent].

2.4.3 The highest bidder shall be awarded.

2.5 Maintaining relevant documentation
2.5.1 The HOD shall ensure that all relevant documentations in the whole process of the disposal are well kept as per Chapter 12.10(c) of the PPOA Public Procurement and Disposal General Manual (2009) and in accordance to the record control procedure.

2.6 Disposal of expired drugs
2.6.1 Expired drugs shall be secured stored in the Clinic store by the Clinical officer clearly labelled “POISON, KEEP OFF – EXPIRED DRUGS” awaiting disposal by Ministry of Health authorized Disposal Officers.

3.0 APPLICABLE RECORDS
3.1 Return Register
3.2 FO58
3.3 Minutes of Tender and Disposal committees
3.4 Disposal files
The Executive Committee having approved the use of this document, I

……………………………………...as the Director do hereby authorize its use. Signed:

…………………………………….Date .........