

# SOP Template: Procurement Process for Required Tools and Replacement Parts

This SOP details the **procurement process for required tools and replacement parts**, encompassing the identification of needs, supplier evaluation and selection, purchase order creation, approval workflows, receiving and inspection procedures, inventory updating, and payment processing. The objective is to ensure timely acquisition of quality tools and parts while maintaining cost-effectiveness and compliance with company policies.

## 1. Purpose

To define the standardized process for procuring necessary tools and replacement parts to meet operational requirements efficiently and in compliance with company standards.

## 2. Scope

This procedure applies to all departments and personnel involved in the purchase, receipt, and management of tools and replacement parts.

## 3. Responsibilities

Role	Responsibilities
Requestor	Identification of need and submission of purchase request
Procurement Officer	Supplier selection, price negotiation, PO creation, and order tracking
Approving Manager	Review and approval of purchase requests and POs
Receiving Clerk	Receipt and inspection of tools/parts, inventory update
Accounts Payable	Processing of payment to suppliers

## 4. Procedure

- Identification of Need**
  - End users/departments identify required tools or replacement parts.
  - Complete a purchase requisition form with detailed specifications and justification.
- Internal Review & Approval**
  - Submit the requisition to the relevant manager for approval.
  - The manager reviews for necessity, accuracy, and budget alignment.
- Supplier Evaluation and Selection**
  - Procurement Officer sources potential suppliers based on company-approved lists.
  - Evaluate suppliers for price, quality, reliability, and lead time.
  - Obtain and compare at least three quotations where applicable.
- Purchase Order Creation**
  - Generate Purchase Order (PO) using approved supplier and agreed terms.
  - Route PO for final management approval as per approval matrix.
- Order Placement**
  - Issue approved PO to the selected supplier.
  - Confirm order details and delivery timeline in writing.
- Receiving and Inspection**
  - Upon delivery, Receiving Clerk inspects items for quantity and quality as per PO/specification.
  - Document discrepancies/damages and notify Procurement Officer for resolution.
- Inventory Update**
  - Update inventory records to reflect receipt of materials.
  - Store tools/parts in designated locations with appropriate labelling.
- Payment Processing**
  - Verify invoice against PO and delivery report.
  - Submit for payment approval and process payment as per contract terms.
- Documentation & Record Keeping**
  - Maintain all purchase records, invoices, and inspection reports for audit purposes in accordance with company policy.

## 5. References

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- Company Procurement Policy Manual
- Supplier Code of Conduct
- Inventory Management Procedures

## 6. Revision History

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Date	Version	Description	Author
2024-06-30	1.0	Initial issue of SOP	Procurement Department