

Standard Operating Procedure (SOP): Procurement and Vendor Coordination Guidelines

This SOP details **procurement and vendor coordination guidelines**, covering the processes for vendor selection, purchase requisition, order placement, contract management, delivery tracking, quality assurance, and payment procedures. It aims to ensure efficient sourcing of goods and services, maintain strong vendor relationships, achieve cost-effectiveness, and uphold compliance with organizational policies and regulatory requirements throughout the procurement cycle.

1. Purpose

To define standardized procedures and responsibilities for procurement and vendor management, ensuring transparency, efficiency, and compliance during all phases of the procurement cycle.

2. Scope

This SOP applies to all staff and departments involved in procurement processes and vendor coordination activities.

3. Responsibilities

Role	Responsibilities
Procurement Officer	Leads procurement process, liaises with vendors, ensures policy compliance, manages documentation.
Department Head	Initiates purchase requisitions, reviews requirements, approves requests.
Finance Officer	Verifies budgets, processes payments, maintains financial control.
Quality Assurance	Evaluates received goods/services, ensures compliance with specifications.

4. Procedure

- Vendor Selection**
 - Identify potential vendors through market research and approved vendor lists.
 - Request for Proposal (RFP), Request for Quotation (RFQ), or Request for Information (RFI) issued as necessary.
 - Evaluate vendors based on cost, quality, reliability, and compliance.
 - Maintain a qualified vendor list.
- Purchase Requisition**
 - Department head submits a completed purchase requisition form with detailed requirements.
 - Procurement reviews for completeness and alignment with budget and policies.
- Order Placement**
 - Issue Purchase Order (PO) to selected vendor after approval.
 - Send PO with terms and conditions for vendor confirmation.
 - Obtain order acknowledgment from vendor.
- Contract Management**
 - Draft contracts specifying deliverables, timelines, and obligations.
 - Secure authorized signatures from both parties.
 - Maintain contract records for audit purposes.
- Delivery Tracking**
 - Monitor order status, expected delivery dates, and logistics.
 - Receive goods/services, verify delivery against order and specifications.
 - Document and report any discrepancies or damages immediately.
- Quality Assurance**
 - Inspect goods/services for compliance with purchase order and quality standards.
 - Authorize acceptance or initiate return/replacement process as needed.
- Payment Procedures**
 - Receive and verify vendor invoices against PO and delivery documentation.
 - Obtain necessary approvals and route to finance for payment.
 - Maintain payment records and clear outstanding dues according to contractual terms.

5. Documentation & Records

- Maintain all procurement-related documents (requisitions, POs, contracts, delivery notes, invoices, payment records) for the required retention period.
- Ensure proper filing (physical or digital) for audit and compliance checks.

6. Compliance & Review

- Adhere to internal policies, organizational guidelines, and applicable legal/regulatory frameworks.
- Conduct periodic reviews and audits of procurement and vendor management processes.
- Update SOP as necessary to reflect changes in policies or regulations.

7. Appendices

- Sample Purchase Requisition Form
- Sample Purchase Order Template
- Vendor Evaluation Checklist
- Contract Template Overview