

			
	POLICY		
	PURCHASE & PAYMENT VOUCHERS		
Document No. POL/FIN/04	Rev:03	Date Of Issue: 09 June 2023	Page 1 of 8

PAYMENT/PURCHASE VOUCHERS

PURPOSE:

The goal of purchase policies and procedures is to provide reasonably priced, high-quality goods and services to end users, while preserving organizational, and financial and civic accountability

The policies and procedures in this section govern the evaluation and selection of vendors, purchase requisition, recording of purchases as well as preparation and recording of payments with the following objectives

- 1) To ensure that all purchases are duly approved and authorized by appropriate personnel according to delegation of authority.
- 2) To ensure that vendors are evaluated and selected appropriately.
- 3) To ensure that all purchases made are accrued for completely, accurately and timely.
- 4) To ensure the completeness, accuracy and timeliness of payments and recording of payments.
- 5) To ensure that outstanding payments are monitored and followed up on a timely basis.

Prepared by: Finance Manager	Approved by: Director
------------------------------	-----------------------

	 REHABILITATION & WELFARE ASSOCIATION FOR PEOPLE OF DETERMINATION جمعية النور لرعاية وتأهيل أصحاب الهمم		
	POLICY		
	PURCHASE & PAYMENT VOUCHERS		
Document No. POL/FIN/04	Rev:03	Date Of Issue: 09 June 2023	Page 2 of 8

SCOPE :

Finance Department

All staff at the Centre

Vendors/suppliers

Detail policy and procedure:

Purchase Requisition and Recording

- 1) All Purchases shall be supported by original proof of purchase – invoices and receipts
- 2) All purchase requests should be approved by authorized persons.

Purchase Amount Approver

- All non-capital purchases amounting up to AED 25,000.00 shall be approved by the Director.
- All wish list purchases regardless of the amount shall be approved by the director.
- Director shall approve all purchases/expenses approved by Board of directors in the Annual Budget
- The Board of Directors shall approve all capital purchases regardless of amount except Wish List Purchases
- Approvers should check the amount and details of purchase request to approved annual budget
- Additional approval from the Board of Directors should be obtained for purchases that is not budgeted for/above amount budgeted for

Prepared by: Finance Manager	Approved by: Director
------------------------------	-----------------------

			
	POLICY		
	PURCHASE & PAYMENT VOUCHERS		
Document No. POL/FIN/04	Rev:03	Date Of Issue: 09 June 2023	Page 3 of 8

- Sourcing for multiple quotations should be performed for all purchases above AED 2000 If the supplier/service provider is not in the preferred vendor List. In case multiple quotations are not available valid reasons to be mailed to the director and the approval to be taken.
- For Wish List Purchases Multiple Quotes are not Mandatory as quote is approved already by the donor/supporter. multiple quotes shall be obtained if required.

The following procedures should be adhered to:

Purchase Amount Procedures

- Below AED 2,000.00 - No quotations required
- Requestors are encouraged to source for quotations to purchase from vendor offering products of the best value
- Above AED 2,000 min 3 quotes required or the supplier/service provider to be from the preferred vendor list.
- If 3 quotes are not available approval to be taken on the same from the director with Valid reasons.

Waiver of Quotations

- Waiver of quotations should be allowed in the following situations:
 - a. Purchases made from vendor on Preferred Vendor List up to an amount of AED 10,000.00
 - b. Purchases of proprietary product or from sole distributor
- In case (b), and for purchase value of amount over AED. 15,000.00 an e-mail should be sent to Board of Directors for review and approval prior to purchase
- The Chairman of the Board can represent the Board in granting approval for the purchase

Prepared by: Finance Manager	Approved by: Director
------------------------------	-----------------------

			
	POLICY		
	PURCHASE & PAYMENT VOUCHERS		
Document No. POL/FIN/04	Rev:03	Date Of Issue: 09 June 2023	Page 4 of 8

Quotation

- All quotations received from vendors should be in writing/e-mail. Copies of the quotations received should be retained
- The selected vendor should be documented and submitted to authorized persons for approval before purchase

Purchasing

It shall be the responsibility of the Finance Department to:

- Establish a system that identifies qualified suppliers, provides a competitive atmosphere, analyzes bids and proposals, and documents Preferred vendor list, including vendor terms and conditions, discount pricing, product or service quality, delivery performance, Product/Service Warranty and government certifications as may be applicable.
- Regularly reevaluate Preferred Suppliers for performance, price adherence and customer satisfaction
- Maintain financial relationship with bank/card provider
- Offer assistance and ensure adherence to proper purchase procedure
- Ensure that minimum 3 quotations have been evaluated and verified by the Finance Manager before a final decision is made

Payments processing and approval

- Payables should be recognized when goods and services are received, and when delivery order and invoice is received
- Vendor's invoices (Hard Copy or softcopy to be submitted) Shall be used for payment processing.
- Payment Voucher (to reduce liability) should be raised for all payment requests
- Payment Vouchers should be sequentially numbered

Prepared by: Finance Manager	Approved by: Director
------------------------------	-----------------------

			
	POLICY		
	PURCHASE & PAYMENT VOUCHERS		
Document No. POL/FIN/04	Rev:03	Date Of Issue: 09 June 2023	Page 5 of 8

- Payment should be made only after performing three way matching between invoice, delivery order and purchase order, if available
- Payment Voucher should be reviewed by the Finance Manager and approved by the Director
- Cheques should be authorized by 2 authorized signatories. The authorized signatories shall be minimum 3 members of the Board, based on a Board decision and shall be approved by the Ministry of Social Affairs
- Payments should be made within credit period.

Preferred Vendor Selection

- Recurring purchases should be identified and preferred vendors should be sourced for such purchases.
- Vendors in the Preferred Vendor List should be evaluated once in 2 years. (Vendor evaluation form)
- The rights to amend Preferred Vendor List should be limited to the Director and may be based on the recommendations of the Finance Manager

Vendor /Supplier Evaluation and Selection Process:

Steps in Supplier Selection Process includes

1. Evaluating Needs and Defining Objectives
 - What need are you looking to satisfy?
 - What are the Centre's technical and usability requirements?
 - Price VS performance/quality
2. Gathering a Limited Pool of Vendors :

Prepared by: Finance Manager	Approved by: Director
------------------------------	-----------------------

			
	POLICY		
	PURCHASE & PAYMENT VOUCHERS		
Document No. POL/FIN/04	Rev:03	Date Of Issue: 09 June 2023	Page 6 of 8

- Basic screening and evaluation of available vendors against requirements of the Centre
- 3. Interviewing with Vendors for gap analysis
- 4. Selecting on the basis of vendor evaluation criteria

Vendor selection criteria

- History of support to the Centre or Centre-vendor relationship
- Kind of establishment- Number of years in the business as a legal entity and ability to serve the Centre's requirements
- Operational performance metrics
 - Ability of the vendor to constantly and regularly maintain supply of products/services
 - Ability of the vendor to supply all the products/services as required
 - Ability of the vendor to supply the complete solution/complete range of a product/service to enable the Centre to rationalize the number of vendors to be dealt with
- Flexibility of the vendor to allow changes in orders or product lines with minimal penalization
- Substantial range and availability of products or services to ensure flexibility of placement of order
- Availability of appropriate internal experts with the vendor who can answer questions related to purchase of high value products/services
- Ability of vendor to quote prices which are negotiable
- Quality of customer service provided by vendor i.e. the ability to understand and satisfy the Centre's needs in a timely manner

Prepared by: Finance Manager	Approved by: Director
------------------------------	-----------------------

			
	POLICY		
	PURCHASE & PAYMENT VOUCHERS		
Document No. POL/FIN/04	Rev:03	Date Of Issue: 09 June 2023	Page 7 of 8

- Frequency, speed and timeliness of delivery of service/product by the vendor
- Vendor's terms of business i.e. payment terms and conditions which impact Centre's cash flow
- Nature of testimonials and references that Centre receives from various sources about the vendor's reliability and quality of service/products
- Sustainability and financial stability of the vendor

Prepared by: Finance Manager	Approved by: Director
------------------------------	-----------------------

			
	POLICY		
	PURCHASE & PAYMENT VOUCHERS		
Document No. POL/FIN/04	Rev:03	Date Of Issue: 09 June 2023	Page 8 of 8

Appendix – Amendment History & Authorisation

Revision No	Description of Change	Issue Date	Authorised By
00	First Issue	24 October 2012	Director
01	New Al Noor logo	01 February 2016	Director
02	Replace the Centre's logo in all QMS documents and revision of document codes	12 Aug 2020	Director
03	Changes/Wordings in policy	09 June 2023	Director

Prepared by: Finance Manager	Approved by: Director
------------------------------	-----------------------