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**“Building Community Resilience to local disasters”**

# MEANINGFUL WELL-BEING OF THE COMMUNITY THROUGH KNOWLEDGE TRANSFORMATION

**PROCUREMENT SEGREGATION OF DUTIES GUIDELINES**

JANUARY 2023

**Segregation of Duties** **Guidelines**

Segregation of duties is an internal control mechanism used to assure that no single individual or organizational unit is given responsibility for more than one related function within a single process.

There are two areas where segregation of duties is applied in the acquisition process as part of internal controls: The first area refers to authorities for various functions in the acquisition process in MWOK:

1. Budgeting Authority— responsibility for managing the resources being spent, normally performed by the Requisitioner or end-user;
2. Requisitioning Authority— responsibility to raise a requisition (shopping cart) and convey such requisition to the procurement function;
3. Procurement Approving Authority— approval of purchase orders after the Procurement Official has created them;
4. Disbursing Authority— approval of the payment of invoices.

Personnel are granted profiles in MWOK consistent with their roles, and the following segregation of duties measures are enforced by the system:

1. Personnel that create purchase orders cannot approve them;
2. Personnel that create requisitions/shopping carts cannot approve them;
3. Personnel that approve requisitions/shopping carts and personnel that approve purchase orders cannot approve payments;
4. The Procurement Official cannot undertake the receipt of goods and services pursuant to purchase orders or contracts;
5. Personnel that create or modify vendor records cannot approve them. The right to approve new vendors in the system is separated from the procurement function and performed by the vendor registration function.
6. Any justified combination of roles is to be documented and approved by the Country Director.

The second area refers to steps in the procurement process by MWOK. The following segregation of duties applies:

1. ‘Needs definition’ authority— the responsibility to define a requirement in the form of a Statement of Requirement and convey such need to the procurement function; a process which is undertaken by the Requisitioner or Technical Category Manager;
2. Opening of offers for formal solicitations must be conducted by at least one official who has no involvement in the subsequent stages of the procurement process;
3. An evaluation committee must be formed
4. The Procurement Approving Authority shall not award contracts or purchase orders or amendments thereto in instances where the Procurement Approving Authority has directly and personally conducted the procurement process. In such cases, all contract documents and purchase orders must be referred upwards to the next delegation of authority level.

Notwithstanding the above, Procurement Officials may exercise the remaining activities under their delegated authorities (e.g. approve the List of Invitees, sign solicitation documents) in instances where they have undertaken responsibility for the procurement process.