

[Organization logo]

[Organization name]

**Commented [AS91001]:** All fields in this document marked by square brackets [ ] must be filled in.

## PROCEDURE FOR PURCHASING AND EVALUATION OF SUPPLIERS

Code:	
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Created by:	
Approved by:	
Date of version:	
Signature:	

**Commented [AS91002]:** Adapt to the existing practice in organization.

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**Commented [AS91003]:** This is only necessary if document is in paper form; otherwise, this table should be deleted.

## Change history

Date	Version	Created by	Description of change
	0.1	9100Academy	Basic document outline

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## 1. Purpose, scope and users

The purpose of this procedure is to describe the process of evaluation and selection of suppliers (external providers of processes, products, and services) and the purchasing process in order to conform to specified purchase requirements.

This procedure is applied to all processes and/or areas (parts of organization) within the QMS.

This purchasing process includes, but is not limited to: consumables such as office supplies, hardware needed for product, research equipment, and information and communication technology.

**Commented [AS91004]:** Adapt to needs of organization.

This procedure excludes:

**Commented [AS91005]:** Write in other exclusions that organization finds appropriate.

- Utilities (electricity, gas, water, etc.)
- Insurance, legal and audit fees
- Investment services
- Personnel services (benefits, wage and salary administration including employment contracts)
- Other purchases, as approved by the [CFO]; and
- Purchases less than [\$]

**Commented [AS91006]:** Adapt to organization's practice.

**Commented [AS91007]:** Write in the amount.

Users of this document are [heads of departments and Purchasing Manager] of [organization name], as well as internal auditors.

**Commented [AS91008]:** Adapt to organization's practice.

## 2. Reference documents

- AS9100 Rev D standard, clause 8.4
- Quality Manual
- Procedure for Design and Development
- Procedure for Production and Service Provision
- Procedure for Document and Record Control
- Procedure for Operational Risk Management

## 3. Evaluation and Selection of Suppliers

[Job title] will identify and manage the risks associated with the selection of external providers according to the Procedure for Operational Risk Management.

**Commented [AS91009]:** E.g. Purchasing Manager

**Commented [AS910010]:** E.g., by ensuring a second source of material where necessary.

### 3.1. Process flow



[organization name]

In the case of hiring a new supplier, [job title] gathers samples of products or supplier's references.

conducted by [job title]. After satisfying the final evaluation, [job title] records the supplier in the List of Approved Suppliers.

Commented [AS910011]: E.g. Purchasing Manager

Commented [AS910012]: E.g. Purchasing Manager

Commented [AS910013]: E.g. Purchasing Manager

### 3.3. Evaluating Suppliers

[Job title] conducts evaluations of suppliers by analyzing:

- previous purchasing of goods and services
- [redacted]
- evidences of quality of goods and services

Commented [AS910014]: Adapt to organization's practice; other criteria can be, for example, skill of supplier's personnel, their certificates, etc.

Commented [AS910015]: Adapt the method to the needs of organization.

### 3.4. Criteria for Selecting Suppliers

[Job title] conducts the evaluation of suppliers according to the following criteria:

Symbol	Criteria	Range of Points
SQ	[redacted]	[redacted]
P	Price	from 0 to 25
SR	[redacted]	from 0 to 20
TP	[redacted]	[redacted]
QMS	[redacted]	from 0 to 10

Commented [AS910016]: These are suggested criteria and range of points; adapt to needs of organization.

[Job title] chooses one point number for each criterion and sums them. Suppliers with more than 70 points are entered into the List of Approved Suppliers.

#### 3.4.1. Shipment Quality

Evaluation of shipment quality considers the following parameters: correctness of delivery

Points	Description
30	No complaints on shipment quality
25	[redacted]
15	[redacted]

Commented [AS910017]: Modify these criteria to meet organization's needs.

[organization name]

5	Complaints significantly affect shipment quality
0	

Commented [AS910018]: Adapt to needs of organization.

#### 3.4.2. Price

Points	Description
25	Price is under average market price
15	
10	
0	Price is significantly above market price

Commented [AS910019]: Adapt to needs of organization.

#### 3.4.3. Supplier's Reliability

Points	Description
20	
10	Minor complains regarding cooperation and on-time delivery problems
0	

Commented [AS910020]: Adapt to needs of organization.

#### 3.4.4. Terms of Payment

Points	Description
15	
10	
5	50% advance payment and 50% after shipment
0	

Commented [AS910021]: Adapt to needs of organization.

#### 3.4.5. Quality Management System

Points	Description
10	Organization has certified QMS
5	

[organization name]

0	Organization doesn't have certified QMS and doesn't act according to ISO 9001
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### 3.5. Ranking of Suppliers

Suppliers are ranked according to the previously defined method.

Rank	Description	Points
A	Exceptional	>85
B		70-84
C	Acceptable with further testing	59-69
D		Less than 59

[job title] updates this data about suppliers in a Checklist for Evaluation of Suppliers once a year.

**Commented [AS910022]:** Adapt to organization's practice.

by a customer; such suppliers are entered into the List of Approved Suppliers without evaluation.

**Commented [AS910023]:** Delete if organization doesn't have such suppliers.

## 4. Purchasing

[job title] will ensure that externally provided processes, products, and services conform to the

- Products and services from external provider are intended for incorporation into [organization name]'s products and services
- 
- A process, or part of a process, is provided by an external provider as a result of a decision of the organization

**Commented [AS910024]:** Adapt to organization's needs.

[job title] ensures that externally provided processes remain within the control of the QMS. [job title]

**Commented [AS910025]:** E.g. Purchasing Manager

services according to the Procedure for Operational Risk Management.

**Commented [AS910026]:** E.g. maintaining a second source

### 4.1. Defining need for purchase

According to [inventory status, customer's requests, trends on market and results of design process],

**Commented [AS910027]:** Write in the reasons for purchasing appropriate to organization's needs.

internal purchase request, [job title] creates a Request and Order for Purchasing and chooses a supplier from the List of Approved Suppliers.

**Commented [AS910028]:** Adapt to organization's practice.

**Commented [AS910029]:** E.g. Supply Manager

**Commented [AS910030]:** E.g. Purchasing Manager

[organization name]

If the supplier can't deliver goods or service that meet the requirements of the organization, [job title] reports to [job title], who makes the final decision whether to accept the conditions of the supplier or to hire another supplier.

Commented [AS910031]: E.g. Supply Manager

Commented [AS910032]: Usually this is CEO.

When defining the need for a purchase, [job title] must consider the potential impact of the [redacted] by the external provider.

[job title] communicates to the external provider the organization's requirements for the approval of [redacted]

#### 4.2. Gathering Offers, Selection and Approval of Offers

[Job title] gathers offers from approved suppliers by sending them a Request and Order for [redacted] sends requests for offer to other suppliers.

Commented [AS910033]: E.g. Supply Manager

Prior to communication with the supplier, [job title] defines:

- Requirements for processes, products, and services to be provided, including technical data
- Requirements for approval of products, services, methods, processes, and equipment
- [redacted]
- [redacted]
- [redacted]
- Requirements for control and monitoring of the external provider's performance to be applied by the organization
- [redacted]
- [redacted]
- [redacted]
- Requirements for the use of statistical techniques and instructions for acceptance
- Requirements for customer-designated or approved external providers
- Requirements for notification of non-conformances for disposition approval
- [redacted]
- [redacted]
- Requirements for flow down of requirements to external providers
- [redacted]
- Requirements for retaining documented information including retention periods and disposition requirements
- [redacted]



[organization name]

- Requirements for awareness of employee contribution to product and service conformity, product safety and the importance of ethical behavior
- [redacted]

For long-term purchases or purchases of great value, [job title] signs a contract with the supplier.

[Job title] orders goods and services after receiving an offer with precisely defined products and

[redacted]  
are met.

### 4.3. Realization of Purchase

[Job title] monitors the purchasing process and notifies [job title] if problems occur during the purchasing process (shipment delays, non-conforming product, etc.).

### 4.4. Verification of Purchased Product, Service or Process

[job title] ensures that planned verification or validation, to be performed by the organization or its

[redacted]  
Documented information created by external suppliers is controlled through the "Procedure for Document and Record Control".

[job title] may change the below verification activities for certain products or services based on [redacted] the Procedure for Operational Risk Management with approval from [job title].

When products, services or processes do not meet requirements [job title] works with supplier to [redacted]

#### 4.4.1. Verification of products

[Job title] confirms receiving agreed quantity of goods by signing the supplier's delivery documents

[redacted]  
satisfactory, the product is placed according to warehouse layout and [job title] removes the label.

[Job title] ensures that products are never released to production until all verification activities are

[redacted]  
according to the Procedure for Nonconforming Product and enters a complaint in the Registry of Complaints About Suppliers. Suppliers are to be notified if a complaint is registered that the company

#### 4.4.2. Verification of services

[Job title] conducts service verification by acquiring evidences from the supplier (references, [redacted])

Commented [AS910034]:

Commented [AS910035]: Usually this is CEO.

Commented [AS910036]: E.g. Supply Manager

Commented [AS910037]: E.g. Supply Manager

Commented [AS910038]: This could be through audits of the supplier, regular meeting for long lead procurement, etc.

Commented [AS910039]: E.g. Supply Manager

Commented [AS910040]: Usually this is CEO.

Commented [AS910041]: E.g. Purchasing Manager

Commented [AS910042]: Usually this is CEO.

Commented [AS910043]: E.g. Purchasing Manager

Commented [AS910044]: Adapt to organization's practice.

Commented [AS910045]: E.g. Warehouse Manager

Commented [AS910046]: E.g. Warehouse Manager

## 5. Managing records kept on the basis of this document

Record name	Code	Storage		Responsibility
		Retention time	Location	
Checklist for Evaluation of Suppliers	PR.09.1	2 years	[office of [job title]]	[job title]
List of Approved Suppliers	PR.09.2	2 years	[office of [job title]]	[job title]
Registry of Complaints about Suppliers	PR.09.3	2 years	[office of [job title]]	[job title]
Request and Order for Purchasing	PR.09.4	1 year	[office of [job title]]	[job title]

**Commented [AS910047]:** If the record is in electronic form, write the name of the folder on [job title]'s computer.

## 6. Appendices

- Appendix 1 – Checklist for Evaluation of Suppliers
- Appendix 2 – List of Approved Suppliers
- Appendix 3 – Registry of Complaints about Suppliers
- Appendix 4 – Request and Order for Purchasing