

Non-Compliance (NC) Scenario

Any Procurement **Ratification** proposal is non – compliance with Procurement Policies & Procedures. Ratification is the process of getting formal approval for a past action.

Possible scenarios (including but not limited to):

Scenario 1

Split of work

General Procurement Policy clause 4.1.1 "Split of Work"
It is strictly prohibited to split a transaction into few smaller transactions to circumvent the requirement for approval from higher authority.
The transaction shall be considered as split of work if it fulfills all the following criteria:

Item	Criteria	Description	Exception
a.	Scope of Work	Scope of work will cover all similar item or related item and category	1. Sourcing activity that fulfill Emergency Purchase situation 2. Sourcing strategy was approved by Procurement Committee or Approval Authority 3. Exclusion and exemption on case-by-case basis obtained from GM GP with valid justification on the sourcing approach and/or method
b.	Duration	6 months between PRA approvals	
c.	Area	Cost centers reporting to same Head	
d.	Approval Authority	If the combined award value require higher authority for award approval	

Scenario 2

Contract Renewal after Contract Expiry

Direct Award Policy clause 4.2.2 "Purchase made via contract renewal" shall fulfill all qualifyin criteria as outlined below:

- 4.2.2.1 There is no lapse between the current and the new contract period; and
- 4.2.2.2 Subject to acceptable performance level in fulfilling existing contract; and
- 4.2.2.3 Will only be applicable to the incumbent supplier with similar scope of works; and
- 4.2.2.4 The price offered is competitive

Scenario 3

Non Compliance with Direct Award Criteria

Direct Award Policy clause 4.2.1 "Purchase made via Direct Award" shall fulfill all qualifying criteria as outlined below:

- 4.2.1 Purchases made via Direct Award shall fulfill at least one (1) of the qualifying criteria as outlined below:
 - 4.2.1.1 Proprietary equipment / system / material or Sole Agent / Sole Supplier / Exclusive Appointment by Principal of goods/services/works to be acquired
 - 4.2.1.2 Services of the Government, Local Authorities, City Hall/Municipal councils, Statutory Bodies or other Government agencies and bodies
 - 4.2.1.3 In the midst of establishing a new contract via a sourcing exercise
 - 4.2.1.4 Procurement of goods/services/works for business/ project that is strategic in nature
 - 4.2.1.5 Procurement of goods/services/works/that are determined by TM's client(s)
 - 4.2.1.6 Fulfilling a specific customer contract requirement where TM is an appointed supplier

Scenario 4

Work Done without Purchase Order (PO)

SOP for PO Management clause

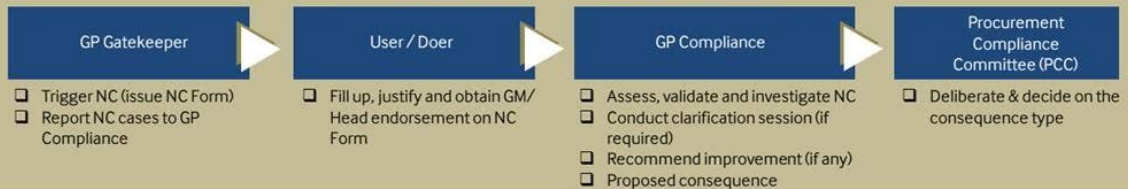
- 5.1.2 The execution of PO shall be done based on the following
 - a) **AFTER** the approval of Purchase Requisition/Shopping Cart (PR/SC)
 - b) **BEFORE** the execution or delivery of goods/service/work by supplier
- 5.1.5 Any issuance of PO **after** completion of goods/service/work shall be subject to non – compliance (NC), except for the following:
 - a) Allowable goods/service/work which the **value** or costs can only be determined after its completion or delivery, as per listed in the **Appendix B**
 - b) Goods/service/work (which are not listed in Appendix B) with **prior approval from GM GP** provided with valid justification

ACTION

With immediate effect, NC will be issued upon detection of non compliance & prior execution of Ratification process

All NC shall be reported to Procurement Compliance Committee (PCC) for deliberation and consequence management

Consequence Management High Level Process



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