

NSI REGISTER



FACILITY NAME: _____

MONTH /YEAR: _____

1. To be completed on the 1st Tuesday of every month by the Operational Manager
2. Most neonatal consumables need to be ordered through the NSI ordering process (See SOP)
3. Calculate monthly usage levels using the Consumables Checklist and order regular use items monthly
4. Record in the register when the item was ordered and monthly follow up



KWAZULU-NATAL PROVINCE

HEALTH
REPUBLIC OF SOUTH AFRICA

GROWING KWA-ZULU NATAL TOGETHER

KZN Procurement Process

Level 1 (purchases <R1 500) and Level 2 (purchases R1 500-30 000)

Week 1

1. Complete a Non-Stock Item (NSI) order form. The NSI form must include:

- Comprehensive details of the item to be purchased (See below)
- Details of the end-user/evaluator of the product

A1. Sundries - non contract items

- Include a **very detailed description** of items – use existing specifications for gauges, lengths, materials etc. These can be found on the Intranet under Child Health
- **Don't** include brand names, codes or company names (unless the company can prove "**Sole Supplier**" status). All companies need to be given an opportunity to quote. By having the correct detailed description of your requirements, you can ensure the correct product is quoted on
- If item is from a "**Sole Supplier**" include the brand name, product code, company name and contact number and email of relevant person. Proof of sole supplier status from the company (covering letter) must also be included. A list of sole suppliers can be found on the Intranet under Child Health
- The person ordering or the end user that will evaluate the product should be clearly indicated on the form with contact details

A2. Sundries – Contract items

- State that the item is on contract
- Include a **very detailed description** of items including the **contract number (ZNB...)**, product **code and** company name listed on the contract.
- Details of paediatric/neonatal contract items can be found on the Intranet under Child Health and all contract items can be found at <http://portal.kznhealth.gov.za/components/scm/contracts/SitePages/ZNB-contracts.aspx>
- Items on contract do not have to be evaluated and should be processed **within 2 - 3 weeks**

B. Accessories/Consumables for items of equipment

- When ordering replacement of machinery accessories (eg temperature probe) a **condemning certificate** is required. Never discard broken cables or cords, but submit them to HTS for review and issuing of a condemning certificate. State on the NSI form that it is an equipment accessory
- NSI forms for consumables specific to machines (eg ventilator circuit) must include a **description** and **product code** of the consumable, the **serial number** and **make and model of equipment** to which the consumable belongs and the **company name** and **contact details**. State on the NSI form that it is equipment consumable

C. Equipment

- Equipment may only be purchased if it was approved on the hospital's **procurement plan** for that year
- Consider condemning and replacing old equipment every 10 years
- Replacement of condemned equipment will also be considered if it falls within the hospitals budget
- The **Specifications** for the equipment need to be included and must be requested from **HTS**
- The specifications must be **reviewed** and **signed**(and if needed **updated**) by the end-user to ensure the item is appropriate
- The **NSI form** must include a **detailed description** of the equipment with the **Specification Number** and **cover page** of the specification
- State if part of the **hospital procurement plan** or a **replacement** for condemned equipment – include the **condemning certificate**
- The person ordering or the end user that will evaluate the product should be clearly indicated on the form with contact details

2. Ensure that the regional matron/manager of the component approves and signs the form before submitting to SCM

3. Ensure that the NSI order has been logged into the NSI register
 - a. Record Date ordered
 - b. Description of item
 - c. Number ordered
 - d. Company from whom the item has previously been procured
 - e. The ZNQ number as soon as it is issued
4. Ensure that an SCM staff member signs for receipt of the NSI documents
5. Follow up on each step of the process and record the date that each step (below) was completed, in NSI register

Week 2

1. The SCM compiling/demand office submits all items requisitioned that week to the **Cash Flow Committee (CFC)**. This committee should meet weekly
2. They will approve/disapprove purchases based on available funds and issue a **Cash Flow Certificate**
3. The CEO and Finance Manager have to sign and approve the NSI requests and Cash Flow Certificates
4. ZNQ numbers are then allocated by SCM for non-contract items. The ZNQ numbers are the end-users way of tracking their item – they should be communicated to the end-user and recorded in the NSI register
5. Sundries - not on contract: A list of items is created and advertised on the Hospital Tender Board the following week and must remain there for a minimum of 5 working days.
6. Sundries - on contract: Reviewed by the finance team and SCM manager – should be ordered as soon as processed
7. Sundries – Sole Supplier: Request for quotations for sundries are sent to Sole Suppliers via e-mail - should be ordered within the next 2 weeks
8. Accessory – consumable: Request for quotations for equipment consumables are sent to Suppliers via e-mail - should be ordered within the next 2 weeks
9. Accessory – replacement: Request for quotations for condemned accessories are sent to Suppliers via e-mail - should be ordered within the next 2 weeks

Week 3 - 4

1. All bids are reviewed by the Bid Evaluation Committee (BEC) made up of stores, finance and management personal. 3 bids are required by the **Compiling office**
2. The **BEC** will collate bids according to the following and then submit to the **Bid Adjudication Committee (BAC)**:
 - a. Valid tax certificate
 - b. BEE requirements
 - c. CSD summary report
 - d. Ranking according to price
3. Sundries-not on contract:
 - a. Bidders must submit their tenders by a given closing date
 - b. The **Acquisition** and Finance department open the tender box on the date stipulated - **3 bids** are required to proceed
 - c. **≥ 3 quotes (under R1 500)** - Approved by SCM supervisor /manager and Finance Manager and then sent back to SCM for an order number to be issued
 - d. **≥ 3 quotes (over R1 500)** - Approved by **BEC** if products are known to the hospital and purchased within the last 6 months . If new products or not purchased in last 6 months then samples are requested from bidder
 - e. **3 bids - Acquisition** forwards all documentation back to **Demands** for re- advertising:
 - The end-user should be asked to submit target company names to the Demands Section
 - The Demands Section fax/ mail request for quotations to targeted companies
 - **Companies that responded to the initial advert** will have to **resubmit bids** since the first bid does not qualify
 - Failure to get 3 quotes will result in the item being advertised in the **Gazette**. See Process for items: R30 000 - R200 000
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Week 5

1. Once samples have been received the end-user (as listed on the NSI) will be asked to evaluate the products and submit an **Evaluation Report** (Keep a copy of report for future reference including description of actual sample received) to the **BAC**
2. The **BAC** meets weekly and is made up of management and stores personal, theatre matron and nursing personnel - end user **must** be included. They award the bid according to:
 - a. Compliance with specs
 - b. Evaluation report
 - c. Cost effectiveness NB **does not** have to be the cheapest
 - d. Standardised with other equipment in the unit

Week 6 onwards

1. All approved documents are sent back to **SCM/Finance** for orders to be placed
2. Acquisition/Finance places the order – An order number is issued and can be used to trace items
3. The company should deliver goods according to stated delivery period - up to 6 weeks
4. When delivered the end user records date of delivery, number received and cost against correct order (ZNQ number) **in NSI register**. Ensure item received is the correct item before signing receipt. This should be done by a senior member of staff

ALL ITEMS SHOULD THEREFORE HAVE BEEN PROCURED WITHIN 3 MONTHS.

NB-If item has not been procured within 3 months inform in writing:

1. The Assistant nursing manager
2. Doctor responsible for the unit
3. Stores manager
4. If no response within 2 weeks inform:
 - a. The Medical Manager
 - b. CEO
 - c. Outreach doctor
 - d. DCST team

LEVEL 3: R30 000- R200 000

1. Items above R30 000 are usually advertised in the Government Gazette
2. This process **adds a minimum of 6 weeks** to the ordering time frame
3. Orders must not be split in order to avoid exceeding R30 000

Week 1

1. The same process as described, Steps 1-5 above, for level 2 purchases is followed.

Week 2

1. The **SCM Demand Office** submit all items requisitioned that week to the **Cash Flow Committee (CFC)** for approval
2. All approved NSI requests are forwarded back to **SCM** with an attached Cash Flow Certificate
3. **Items above R30 000** and items that have failed the Hospital tender board process and failed to get 3 quotes are advertised in the **KZN Government Gazette**
4. Items estimated **> R200 000** and items that have returned quotes **> R200 000** are sent to **HEAD OFFICE** and are considered **LEVEL 4**
5. Items are advertised in the KZN provincial gazette -1 week is needed to get advert into gazette and it must remain in gazette for 2 weeks

Week 3 - 6

1. It takes 1 week to get an advert into the **Gazette** and it must remain in gazette for **10 day**

Week 6 - 7

1. Bids received are evaluated by the **BEC**
2. Samples are requested (if applicable) and end-users are asked to evaluate items

Week 7 - 8

1. Bids are adjudicated and awarded by the **BAC**
2. Award published in gazette –companies have opportunity to object

Week 8 - 10

1. If no appeals or objections have been received, Head office will issue a letter and give permission for the process to continue
2. If objections were received there is no time period stipulated to resolve them. The hospital may not purchase these items for any unit until it is resolved

Week 11 - 12

1. Acquisitions/Finance writes an order
2. The Company is expected to deliver goods according to stated delivery period-up to 6 weeks

ALL ITEMS SHOULD THEREFORE HAVE BEEN PROCURED WITHIN 4 - 5 MONTHS.

NB. If the item has not been procured in the above time frame- follow the same reporting process as detailed above for Level 2 items.

LEVEL 4 >R200 000

Handled by head office: The following documents must be sent to head office:

1. Approved NSI
2. Cash flow certificate and minutes
3. Specifications where applicable

Order Date	Item	Quantity	Previously ordered from:	Requisition N° (ZNQ)	Order Received in Stores-Sign	Follow up-Date& feedback	Item received in unit	
							Sign & Date	Quantity
						BEC:		
						BAC:		
						CF:		
						BEC:		
						BAC:		
						CF:		
						BEC:		
						BAC:		
						CF:		
						BEC:		
						BAC:		
						CF:		

BEC - Bid evaluation committee; BAC - Bid adjudication committee; CF - Cash flow