

# PROCUREMENT MANAGEMENT AND SUPPLIES ADMINISTRATION ACCORDING TO THE REGULATIONS OF THE MINISTRY OF FINANCE

**Supaporn Prajongjai**

*Suan Sunandha Rajabhat University, Thailand*

*Email: Supaporn.Pr@ssru.ac.th*

## ABSTRACT

The purpose of this research is 1) In order to provide staff who, work in government procurement and supplies management to have the knowledge, understanding, content, details, and essence of the Royal Thai Police Act, 2) For the executives People involved in procurement have additional skills, knowledge, understanding, expertise. Procurement and Supplies Management Law, 3) To enable government agencies to procure quickly, accurately, and efficiently. It complies with regulations, making the budget disbursement faster.

The results of the research are 1. Procurement and Procurement Management Act, Public Sector Act 2017, under section 4, procurement, procurement means the operation for obtaining supplies by purchasing, hiring, renting, exchanging or by other juristic acts as prescribed in the ministerial regulations. The reason for not declaring this Act is that the procurement, procurement, and management of the government sector have the same standard of operation. By defining the central standard criteria to ensure transparency and open opportunity for fair competition. There is a procurement process that is thought of as important to the purpose of use, which will result in worthwhile spending, 2. Regulations of the Ministry of Finance on Government Procurement B. E 2017 Reasons for promulgation of the Government Procurement and Supplies Management Act B.E 2017 Regulation of the Ministry of Finance on Government Procurement B.E. 2017, 3. Rule Related regulations. The reason for the promulgation of this Ministerial Regulation is that due to the Procurement and Procurement Management Act, BE 2017, the Central Standard has been set so that government agencies can use it as a guideline for the implementation. Procurement and inventory management, the public sector has a framework of the same standard.

**Keywords:** procurement management, supplies administration, ministry of finance

## INTRODUCTION

The Procurement and Supplies Administration Act, B.E.2560 (2017) came into effect on 23<sup>rd</sup> August 2017. In compliance with this Procurement and Supplies Administration Act, B.E. 2560 (2017), which consists of the Ministry of Finance's policies on procurement and supplies administration B.E.2560 (2017) and announcements of the 5 boards related to the Act, Suan Sunandha Rajabhat University recognizes the importance of making its procurement and supplies administration processes comply with the Ministry of Finance's policies on

procurement and supplies administration B. E. 2560 ( 2017) . In specifying the criteria, procedures, and details in the processes of procurements and supplies administration, which, at the minimum, consists of specifications of the types of materials being procured and purchased, the purchasing process, and drafting of contracts that would be submitted to the board for approvals, there is a need to study details in the new policies so executive, supervisors, operators, and the boards are more proficient in the procurement and supplies administration processes, and are fit to handle the said processes correctly. Therefore, the procurement and supplies administration processes are a main factor that influences economic circulations. Moreover, procurement and supplies administration in the public sector must strive for good value for money, transparency, efficiency, effectiveness, and accountability. Information regarding each procurement and supplies administration process must be disclosed.

Compiling of handbooks that could be used in practice could facilitate operations that comply with the Procurement and Supplies Administration Act, B.E.2560 (2017) and could create an understanding of the procurement and supplies administration processes, maximizing procedural efficiency and effectiveness. The procurement and supplies administration processes and the operating procedures depend on the allocated budget and approved procedures. Therefore, there must be guidelines for compiling handbooks that would standardize the operations, making them follow a similar protocol and comply with the Ministry of Finance's policies on procurement and supplies administration B.E.2560 (2017).

Given the background and the importance of the procurement processes, there is an interest in the compilation of handbooks that standardize related operations. Handbooks for procurement processing according to the Ministry of Finance's policies on procurement and supply administration B.E.2560 (2017) could guide procurement processes, to the benefits of development and management of supply administration, making it efficient and comply with the Procurement and Supplies Administration Act, B.E.2560 (2017).

## **RESEARCH OBJECTIVES**

1. To make operators working in procurement and supplies administration knowledgeable and understand fine details of the Act.
2. To make the executive related to procurement more skilled, knowledgeable, and further their knowledge and expertise in regulations in procurement and supplies administration
3. To make public organizations able to complete their procurement processes in a timely, correct, and efficient manner; and to make disbursement processes more streamlined and comply with the government policies.

## **RESEARCH METHODOLOGY**

### **1. Collecting information and literature review**

To collecting information and literature review, by means of study information from related books, report, and regulations. After receiving the data, literature review was next studied to find relate research and theories with relate this issue.

## 2. Analyzing information and indicating the problem

Fishbone Diagram was used to analyze information and indicate the problem. This step would identify potential factors causing an overall effect. Each cause or reason for imperfection is a source of variation. Causes are usually grouped into major categories to identify and classify these sources of variation.

## 3. Solve the problem

To solve the problem. The researcher analyzed the regulations and wrote a guideline that are easy to implement the regulations for other staff.

## 4. Training and improving

To train and publish the guidelines. Knowledge sharing were used to train the staff who were new employees and had few knowledge about the regulations.

## 5. Result and Conclusion

This step was to collect and show the result and conclusion the report of the guideline.

# RESULTS

## 1. Operation Strategies

Responsibilities of operators in procurement and supplies administration include planning, auditing, reporting, controlling, directing, supervising, following up, procuring, purchasing, sourcing consultants, outsourcing design and control operations, renting, storing, distributing supplies, registering assets, annual asset auditing, re-selling, managing contracts, considering and expressing opinions regarding contract amendments and terminations, and regarding fee reductions and waives, verifying payment claims for construction contracts with adjustable prices (K values), handling advance payment requests, deducting retention, refunding deposits, transferring payment claims, verifying certifications of work, electronically documenting procurement tasks, assigning PO in the GFMIS system, evaluating suppliers, as well as performing other tasks related to management of contracts in accordance with the Ministry of Finance's policies on procurement and supplies administration B.E. 2560 (2017), and in accordance with other concerning contracts or regulations that use public budgets, off-budget funds, or subsidy loans, as well as performing or supporting tasks related to procurement and supplies administration of an internal office or other related office(s).

## 2. Operation Techniques and Procedures

Operation techniques and management procedures in supplies administration that facilitate correct and timely procurement, in accordance to the University's policies.

Strengths	Weaknesses
1. The executive recognizes the importance of policy making, operation planning, supervising, following up, and service standards 2. Members of staff maintain work discipline and adhere to the law and regulations 3. Persons responsible for performance indicators are clearly specified	1. Members of staff lack knowledge and understanding of the continually changing policies, resulting in a lack of development in ability to perform tasks according to their positions 2. Some members of staff lack knowledge and skills in information technology, communication, analytical thinking,

<b>Strengths</b>	<b>Weaknesses</b>
<p>4. Members of staff are ready to use information technology to improve their performance efficiency</p> <p>5. Members of staff have good teamwork, are knowledgeable, and are experts in conducting tasks correctly, according to the regulations</p> <p>6. There is development of information technology within the organization to support working members of staff</p>	<p>proactive working, and in relating different information.</p> <p>3. Members of staff are not comfortable in expressing their opinions and do not strive to work more professionally</p>
<b>Opportunities</b>	<b>Threats</b>
<p>1. The University improves its information system for better management of budgets, staff, finance, supplies, accounting, and registration tasks, integrating information from different systems in the process</p> <p>2. The public sector (Comptroller General's Department) has a database on procurement processes, allowing access to information about businesses</p>	<p>1. Members of staff lack knowledge about the system, and lack work experiences</p>

**Conclusion** In driving supplies administration, rules and regulations must be followed. There must be knowledge and understanding in every steps in operation, planning, coordination, and service provision.

### **Responsibilities**

<b>Index</b>	<b>Responsible persons</b>	<b>Tasks and responsibilities</b>
1	University executive (president and vice president)	<ol style="list-style-type: none"> <li>1. Approve procurement plans</li> <li>2. Approve procurement TORs</li> <li>3. Approve TOR announcements</li> <li>4. Approve openings of sealed quotations and examine bidding results</li> <li>5. Sign contracts</li> <li>6. Approve on-delivery inspections</li> <li>7. Approve disbursements</li> </ol>
2	Board members	<ol style="list-style-type: none"> <li>1. Organize procurement TORs</li> <li>2. Examine results from openings of sealed quotations</li> <li>3. Examine on-delivery inspections</li> </ol>
3	Supervisors and operators in procurement and supplies administration	<ol style="list-style-type: none"> <li>1. Make procurement plans</li> <li>2. Announce the procurement plans</li> <li>3. Announce the procurement plan TORs</li> <li>4. Announce an intent to buy/sell</li> <li>5. Compile correspondents regarding contracts</li> <li>6. Compile contracts</li> <li>7. Take deliveries/orders</li> <li>8. Compile disbursement documents</li> </ol>

## Procedures

Index	Operations	Timeline	Responsible persons
1	Planning	2 days	- Operators in procurement and supplies administration - Supervisors in procurement and supplies administration
2	Procurement	5 – 20 days depending on purchasing/sale values	- Operators in procurement and supplies administration - Supervisors in procurement and supplies administration - Board members
3	Contract drafting	7 days	- Operators in procurement and supplies administration - Supervisors in procurement and supplies administration
4	On-delivery inspections	1 day	- Operators in procurement and supplies administration - Supervisors in procurement and supplies administration - Board members
5	Disbursements	1 day	- Operators in procurement and supplies administration - Supervisors in procurement and supplies administration

### 3. Follow Up and Evaluation of Operations/Success

Operations that are in accordance with government policies, specifically the Procurement and Supplies Administration Act, B.E.2560 (2017), the Ministry of Finance's policies on procurement and supplies administration B.E.2560 (2017), which came into effect on 23rd August 2017, require studies on regulations and policies that are continually changing. Principles of operation in procurement must be adjusted to be in accordance with the Act and with the Ministry's policies.

There is a responsibility of managing procurement and supplies administration in accordance with the University's policies and with the Ministry of Finance's policies on procurement and supplies administration B.E. 2560 (2017). Therefore, to control, supervise, instruct, and drive procurement operations in different offices within the University in accordance with the University's policies and strategies, and according to its missions, the following tasks and responsibilities are stipulated.

1. Formulate plans or operational plans for procurement tasks, specifying the objectives and outcomes

2. Formulate plans that integrate projects and activities that are in accordance with the specified objectives and outcomes

3. Follow up and ensure that activities, which are varied and complex, follow the project plans or operational plans, as well as evaluate and report them in accordance with the specified objectives and outcomes

4. diagnose and instruct according to the range of impact or complexity of problems; and consider approval of operations of responsible offices, to ensure successful operations and specified outcomes

5. Assign, supervise, examine, follow up, provide advice, and improve various operations related to varied missions of the offices, to ensure successful operations and specified outcomes
6. Coordinate with different public organizations, private organizations, and related persons, to ensure collaboration, integration, successful operations and specified outcomes
7. Procure and purchase supplies and equipment, source construction contracts, rents, and services, and inspect deliveries for each quarter
8. Control registrations of supplies and equipment, generate equipment identification numbers, store, distribute, inspect, and re-sell the equipment according to regulations and policies
9. The central storage is responsible for procuring and controlling supplies and equipment that could be requested by the Office of the President for the purpose of supporting academic services
10. Specify strategies, working systems, and procedures for the offices; these act as guidelines for responsible operators
11. Planning for uses of supplies and equipment of the Office of the President, in accordance with the missions and objective of the Office of the President
12. Control, examine, advice, provide suggestions, and address problems in procurements so the latter is conducted according to the regulations
13. Attend meetings and present details related to procurement processes to related offices and boards
14. Study and analyze policies, regulations, announcements, and principles related to procurement
15. Study, analyze, and solve problems related to operations to make them comply with regulations, and coordinate between the University's internal offices and external organizations in matters related to procurement
16. Study and analyze regulations, policies, principles, and procedures related to procurement via the e-GP system of the Comptroller General's Department
17. Coordinate with public organizations to ensure collaboration and integration between organizations
18. Conduct other assigned tasks

#### **4. Service Provision Focusing on User Satisfaction**

The core is service provision. Operations in procurement that result in activities conducted according to stipulated plans and fulfillments of specified goals and objectives, provisions of advice and suggestions, analysis and provisions of information so operations could be completed according to the specified plans and regulations, and distribution of knowledge via seminars, collaborative knowledge management, exchange of operational procedures, suggestions related to systematic and correct procurement according to the Ministry of Finance's policies on procurement and supplies administration B.E. 2560 (2017), all result in completion of procurement operations according to the University's objectives and plans, as follows.

Provision of advice, suggestions, analysis, instructions, and answers to important or complex questions to create knowledge and understanding related to procurement tasks for persons or organizations, would able them to complete their tasks according to specified plans and policies, to use the information to make informed decisions, or to support operations or their offices.

- Provide advice related to procurement and correct procedures
- Provide knowledge via a knowledge management (KM) platform regarding operational procedures

- Provide advice in meetings on procurement regulations related to construction projects, distribute and impart knowledge in supply administration to the public, so the latter would have correct and useful knowledge
- Act as speakers in the topic of changes in procurement policies
- Provide advice, suggestions, opinions, and impart operational knowledge related to supply administration
- Train others on procurement operations according to regulations
- Attend meetings and provide knowledge on different operations to persons they supervise
- Gather basic information and provide services related to information on procurement processes
- Compile handbooks on operations to able operators to work systematically
- Provide answers to questions and explanations in aspects related to operations – knowledge and understanding that would able one to perform their tasks correctly
- Encourage those under one’s supervision to seek knowledge on supplies administration via seminars with related organizations
- Develop and distribute information on procurement processes

## **5. Ethics/Morals/Capacity of Operations**

In terms of plans for operations/development of offices in changing policies related to procurement of the University, the supplies administration division must plan for changes that would allow the procurement processes to be conducted correctly and without causing impacts on operations in supplies administration.

Factors related to success of a given introduced change are as follows.

1. The person introducing a change must clearly understand related objectives and fine details
2. Each change must have a rational basis
3. Each change must be ethical
4. Each change must be introduced at a correct time
5. Each change must be well-received and ready for related persons

It is important to ensure that changes in operational systems, operational procedures, and practical guidelines, introduced in accordance with the Procurement and Supplies Administration Act, B.E.2560 (2017), do not negatively impact the University, in terms of its operations, planning, collaborations and provisions of services.

## **REFERENCE**

- Prajongjai, S. , & Phongpheng, P. (2020). Duties Of the Inventory Inspection Board In Accordance With The Regulations Of The Ministry Of Finance Regarding Procurement And Management Of Government Supplies, Be 2560. *Actual Economy: local solutions for global challenges*, 358-362.
- Thai, K. V., & Grimm, R. (2000). Government procurement: Past and current developments. *Journal of Public Budgeting, Accounting & Financial Management*.
- Watcharothai, K. (2018). The studies for guideline protection of public procurement corruption in Thailand. *International Journal of Crime, Law and Social Issues*, 5(1).