BFMS SOP 112: SALES AND DISTRIBUTION

(Rev June 2016)

1.0 SCOPE OF THIS SOP

Sections:

A. Sales and Distribution Overview
B. Sales Documents Overview and Definition
C. Units responsible for creating Sales Orders
D. Requirements for Sales Orders
E. Approval of Sales Orders
F. Quality Assurance Requirements

2.0 REFERENCES IN CONJUNCTION WITH THIS SOP

Financial Regulations and Rules of the UN

Umoja Training - SD 158: Umoja Services Delivery Overview

Umoja Training - SD 391: Umoja Sales Distribution

Umoja Job Aid Guide - SD 391: Umoja Sales & Distribution User Guide

Umoja Job Aid: How to Review Standard Orders and Process Billing

BFMS Procedures Manual

3.0 ROLES INVOLVED IN THIS SOP

Services Delivery (SD) User (Umoja SD.05) – The person who creates the Sales Order

Services Delivery (SD) Approver (Umoja SD.06) – The person who checks and Approves the Sales Order

Financial Accounting (FA) Senior User (Umoja FA.05)

Section A: Sales and Distribution Overview

1. Sales & Distribution is part of the overall services delivery process and is utilized when services or materials are provided to external customers, which include UN entities without Umoja and non-UN entities.

Section B: Sales Documents Overview and Definition

2. There are 3 categories of sales documents used by the UN; Quotation, Sales Contract and Sales Order:

    a. **Quotation:** A pre-sales activity where the entity creates a legally binding offer with a customer to deliver a product or provide a service within specified time and with certain fixed conditions
    b. **Sales Contract:** A sales agreement that contains special conditions negotiated with an External Customer, for example, price, target value or target quantity
    c. **Sales Order:** A document that records an external customer's request and requirement of goods and services to be sold. The sales order contains all information needed to process the customer's requests in the sales order processing.

3. During processing of the Sales Order document, appropriate sale-related information is pulled from the customer master records, the material master records and the condition master records (pricing/output).

    Note: For the purpose of this SOP, the focus will be on Sales Orders.

Section C: Units Responsible For Creating Sales Orders

4. Sales Orders are created by:

    a. Budget Section (creates Sales Orders for internal and external clients such as COU, ICC, IFAD Training unit etc.)
    b. Division of Conference Services
    c. Support Services (Stores)
    d. ICT service
    e. Any other unit that provides goods and services

    Note: External Clients such as UNDP, UNHCR etc. who do not have access to Umoja will need to have documents created on their behalf

Section D: Requirements for Sales Orders

5. Request for Service or Goods is sent by a client to the service provider.
    (For example a client requests for quotation for supply of stationery from SSS-Store)

6. Confirmation of availability of service and goods. A Quotation or email for quantity and price is sent to client.

7. Order is placed to service provider by way of Purchase Order or email.

8. Service provider creates Sales Order and notifies via email the SD Approver to approve the document in Umoja.

9. In the case of Sales Orders generated from Budget Section, different input is received from internal clients e.g. :

    - COU -Cash, credit card, cheque sales on weekly bases
    - SDTU- Language and other training with the supporting documents quarterly (Form filled by client requesting for the service)
    - JMS – Evacuations, drop-in
    - Host Country – Number plates
    - Stores
    - Special Accounts (ICC, IFAD, etc.) - Monthly expenditure reports prepared by Budget

10. Prior to creating the Sales Order, reports received from other units are to be checked for correctness and have appropriate supporting documents.

    Note: the 'distribution channel' selected in Umoja is very important as it will determine whether the income generated can be consumed (spent) or not.

Section E: Approval of Sales Orders.

11. When Email is received from SD creator, the SD Approver checks if:

    a. The sales order is raised to the right Business Partner and the description is correct
    b. The coding block is correct
    c. The distribution channels and division are indicated correctly (all Sales Orders created by budget unit should be 'SP')
    d. There are attachments that supports the Sales Order
    e. It is posted to the right accounting period
    f. Sales Order is an income or down payment

    Note: There is no Umoja workflow or automated notification to the FA Senior User after the approval of a sales order. The **SD user or approver** must communicate the list of approved sale orders to the **FA User** via email to Billing @unon.org

Section F: Quality Assurance Requirements.

12. The key Quality Assurance (QA) Requirements for Sales and Distribution are as follows:

a. The Certifying Officer is responsible for ensuring that all Sales and Distribution reports are made according to UN Financial Regulations and Rules.

b. Supervising Officers are to ensure that all original documents are properly secured and that access to documents is restricted to External Auditors or properly-authorized representatives of Headquarters organizations.

c. BFMS, UNON is to ensure that Procedures Manuals, Job Aids and Desktop Instructions are regularly reviewed and updated as necessary and that all relevant changes are brought to the attention of users.

d. Certifying Officers, Headquarters Offices and BFMS, UNON are to ensure that effective monitoring and checking systems are in place to minimize the risks of fraud, theft or misuse of United Nations funds.