

PROCUREMENT POLICY & PROCEDURES (Version 2.0)

**(Approved in the 24th Governing Body Meeting Vide Agenda Item GB 24.20,
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STANDARD PROCUREMENT POLICY & PROCEDURES

1. Introduction

This Procurement Policy & Procedures manual outlines the University's guidelines for acquiring goods, services, and resources. It applies to all directors, managers, department heads, and employees involved in the purchasing process, including requisitioners, purchasers, negotiators, those who validate purchases, and those who authorize payments. Adherence to these policies and procedures is mandatory for everyone involved in University procurement.

2. Policy Statement

The University is committed to ethical, transparent, and responsible procurement practices that ensure:

- Legality
- Accountability and auditability
- Environmental, ethical, and social responsibility
- Cost-effectiveness
- Continual improvement

3. Definitions

- **Central Purchase Committee:** Committee overseeing sub-committees and the Purchase Department.
- **Purchase Department:** Department responsible for receiving requisitions, evaluating suppliers, issuing purchase orders, receiving and inspecting materials/services, and processing payments.
- **Requisitioner:** Individual requesting a purchase.
- **Governing Body:** Body responsible for formulating policies and reviewing operations.

4. Roles and Responsibilities

- **Purchase Department:** Supports the University's educational, environmental, and administrative needs by obtaining high-quality products and services at the lowest cost possible and in a timely manner. Encourages competition among suppliers and ensures ethical conduct throughout the procurement process.
- **Employees:** Avoid conflicts of interest and act in the University's best interests.

5. Competition

- Procurement transactions are conducted to provide open and free competition whenever possible.
- Contracts are awarded to bidders offering the most advantageous combination of price, quality, and other factors.
- Solicitations clearly outline requirements for bids or offers.
- The University reserves the right to reject any bid or offer.
- Market surveys or price analyses are documented in procurement files.

6. Ethical and Sustainable Sourcing

- University personnel involved in procurement must disclose any potential conflicts of interest and recuse themselves from selection or contract administration to ensure fair and impartial decision-making.
- University employees are prohibited from soliciting or accepting gifts, gratuities, or other incentives from contractors or suppliers. This fosters a culture of transparency and prevents undue influence.
- The Purchase Department prioritizes whole-life value beyond just the initial price. This includes factors like product quality, environmental impact, lifecycle costs (including maintenance and disposal), and supplier sustainability practices. This also applies to outsourced services and the supply chain. This approach ensures long-term cost-effectiveness and aligns with the University's sustainability goals.

7. Environmental and Social Responsibility

- The University prioritizes procurement of goods and services that minimize resource consumption, reduce waste, and utilize sustainable practices.

- Preference is given to suppliers demonstrating ethical labor practices.
- Certified green products are used whenever possible for renovations and new buildings.

8. Recordkeeping

- The Purchase Department maintains comprehensive records of all purchases, including frequently purchased items, supplier lists, and payments made.
- Files for competitive bids or offers are maintained and include:
 - Basis for contractor selection
 - Justification for lack of competition (if applicable)
 - Basis for awarding the contract/bid offer
- Procedures are established for the disposal of waste, scrap, obsolete, or redundant equipment.

9. Buy, Lease, or Rent Decisions

- Decisions are made on a case-by-case basis considering factors like purchase price, maintenance costs, equipment life expectancy, obsolescence, cash flow, and rental costs.
- Short-term needs may be met through renting equipment.
- Decisions regarding buying, leasing, or renting capital assets require Central Purchase Committee approval.

10. Procurement Methods

- The appropriate procurement method is chosen based on the specific situation.
- **Direct Procurement (small, routine items):** Used for securing routine purchases where sealed bids are not required. Price quotes are obtained from a sufficient number of suppliers to ensure a competitive selection process. A reputable vendor may be identified for ongoing supplies.
- **Procurement by Sealed Bids (high-value or large quantity items):** Preferred method for high-value goods or large quantities.
 - Bids are publicly solicited from a sufficient number of qualified suppliers with adequate time for response.
 - The invitation for bids includes specifications and attachments defining the required items or services.

- All bids are publicly opened at the designated time and place.
- A fixed-price contract is awarded to the lowest responsive and responsible bidder.

11. Responsibilities

- The Purchase department is responsible for overseeing the implementation and enforcement of this policy.
- All employees involved in procurement activities are responsible for familiarizing themselves with this policy and adhering to its principles and guidelines.

12. Procedures

The following outlines the general procurement procedures. Specific details are available in the Purchase Committee's Standing Operating Procedures (SOPs).

1. Receiving Requisition
2. Supplier Evaluation and Selection
3. Receipt and Evaluation of Tenders or Offers
4. Price Negotiation (if applicable)
5. Releasing Purchase Orders
6. Receiving Ordered Material/Service
7. Quality and Delivery Assurance
8. Submission of Bills for Payment

13. Compliance and Enforcement

Clear consequences for violating ethical procurement standards will be established through disciplinary procedures. This reinforces the importance of ethical behavior and upholds the University's integrity.

14. Exceptions or Waivers:

Exceptions to this policy may be granted on a case-by-case basis with written justification and approval from the Procurement Department Head.

15. Review and Revision

This policy will be reviewed annually to ensure its effectiveness and relevance. Proposed revisions to the policy may be submitted to Office of Registrar for consideration.

16. Contact Information

For questions or inquiries regarding this policy, please contact:

Head, Purchase Department.