



SIMAD UNIVERSITY PROCUREMENT AND PURCHASING MANUAL

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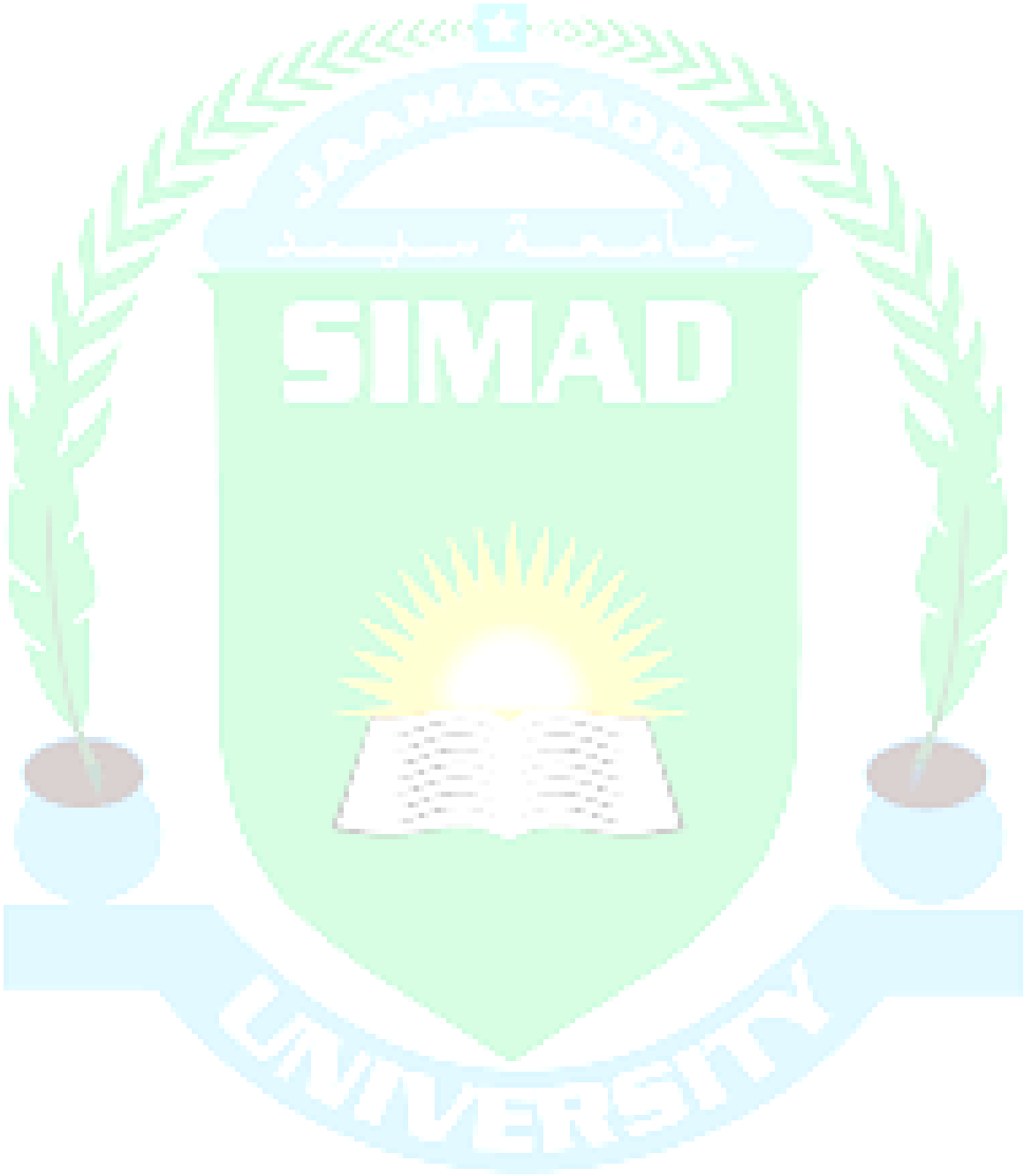


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DEFINITIONS

Authority to Incur Expenditure (A.I.E) refers to a prearranged tool used for ensuring compliance with budgetary controls.

Bid bond refers to a payment, as set in the tender documents that is given by an interested tenderer to facilitate their participation in the tender process.

Bill of Quantities refers to a detailed document in which materials and works to be carried out are analyzed and it is often prepared by the technical department in an institution.

Capital expenditure refers to money used or rather non-operational expenditure that is associated with acquiring, construction and even maintenance of fixed assets.

Corporate Plan refers to a roadmap that provides an organizations plan of action for example the current SIMAD UNIVERSITY Strategic Plan and consequent plans and reviews thereon.

Going concern refers to the assumption in business that an entity will continue to be in operation into the unforeseen future. In this case we look at the potential tenderers' estimated financial feasibility and continuity in business operations in the following financial years.

Head of Department (H.O.D) refers to all the post holder who have been bestowed the powers and responsibility of heading academic and administrative departments in the University.

Local Purchase Order (L.P.O) refers to the documents issued by the buyer to the seller containing information such as type, amount and the agreed prices for products and services that is used by the University when making local purchases.

Local tender refers to the invitation to bid nationally that is; within a countries geographical boundaries.

Procurement plan refers to an annual document that is organized by a procuring entity which outlines the products and services that an institution will acquire from external providers.

Responsive bids refers to those bids or proposals that are in compliance with the invitation to bid and all other prescriptions in the procurement and tender documents.

Sample refers to an illustration of an item that has undergone approval often used as a standard for determining the awarding of contract and further when deciding on whether or not to accept the subsequent deliveries.

Single sourcing also called sole sourcing refers to purchasing supplies directly from a single and particular supplier without incorporating competitive bidding.

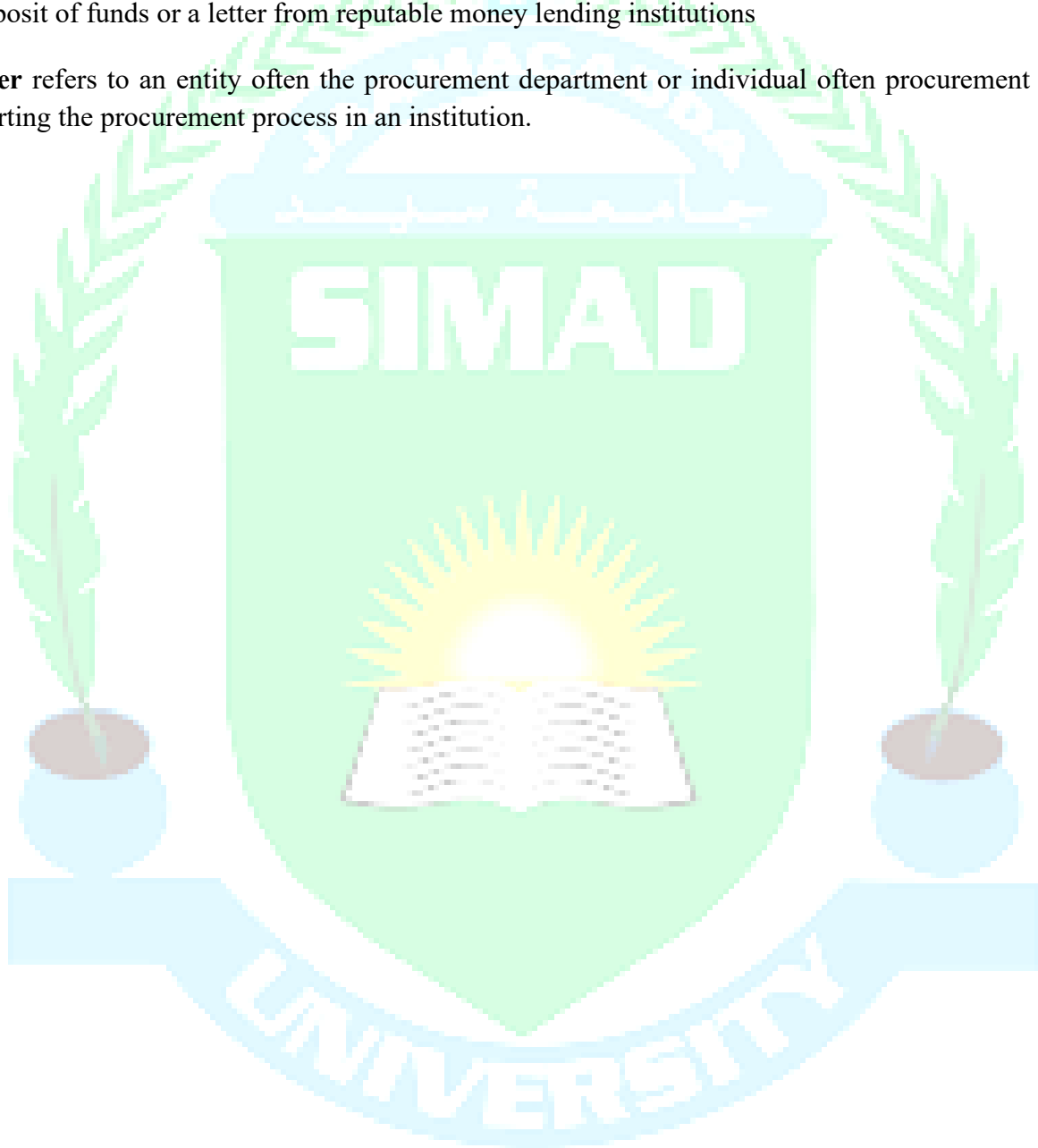
Suppliers' database refers to an organized collection of data which contains information on the current and potential suppliers including their personal profiles, levels of performance, pricing

and other relevant attributes.

Tender documents refers to the official documents used in the process of making offers for the supply of goods or services.

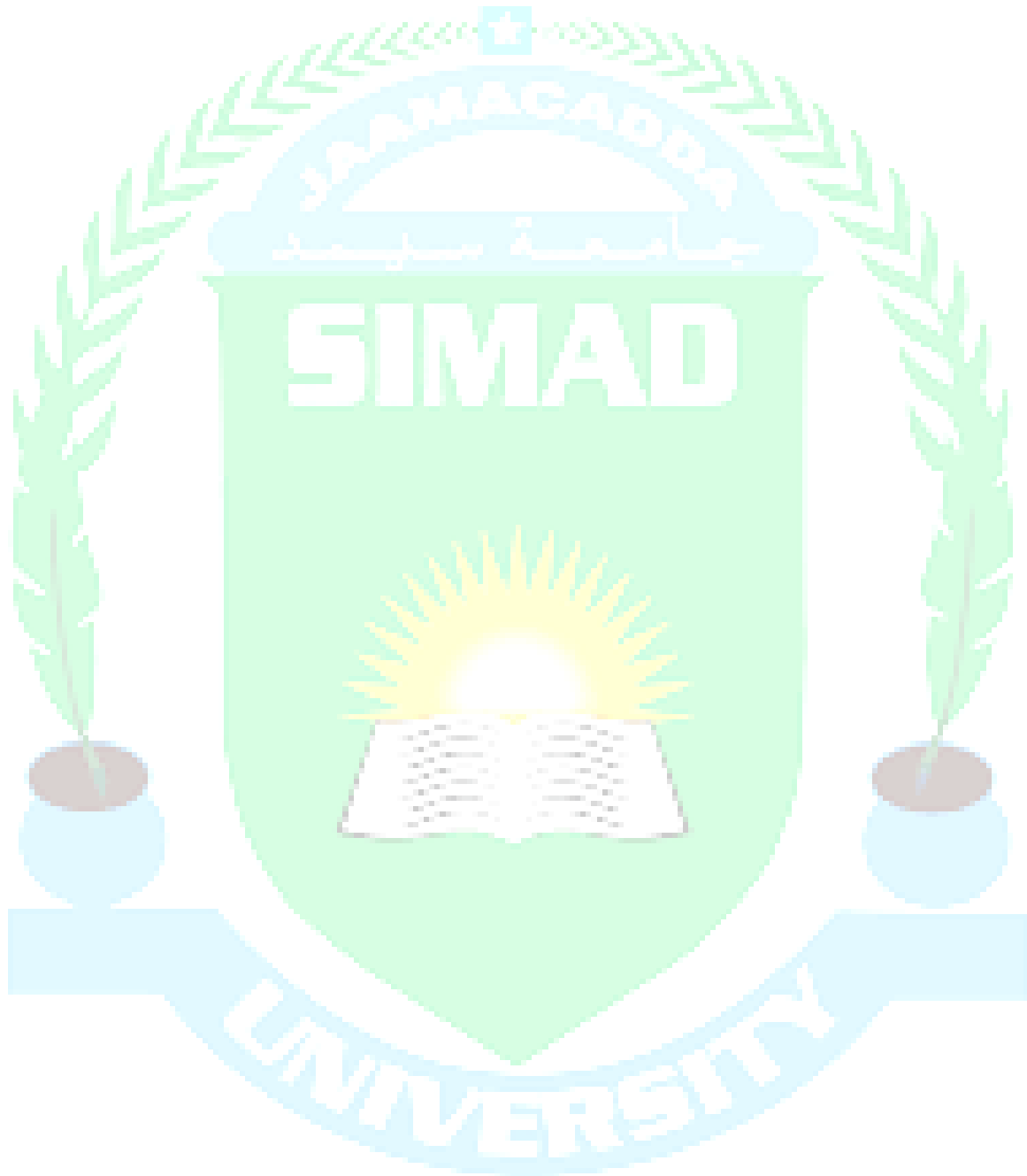
Performance security refers to a surety bond issued for the assurance of satisfactory performance for the successful completion of a project by a contractor often represented by the deposit of funds or a letter from reputable money lending institutions

User refers to an entity often the procurement department or individual often procurement officer starting the procurement process in an institution.



LEGISLATION

The procurement process in the SIMAD University is guided by the University laws, guidelines and the internal administrative policies which are often provided by the institution. The directive of the SIMAD University is conducted through the University Senate which is charged with the overall duty of managing the university's resources.



SECTION 1: GENERAL PROVISIONS

- b) The procurement function of SIMAD University is based on principles, practices and ethics which are comprehensively professional and applicable in the field of purchasing and supplies. This manual offers relevant policy guidelines and procedures for the procurement process and is exclusive for SIMAD University
- c) Where the supplier of the textbooks and academic materials has a connection with one of the staff who has influence in securing the contract then that interest must be disclosed before the contract is given. This shall not stop a competent contractor from securing work or supply or consultancy
- d) All suppliers who fail to deliver the required books and materials should be black listed and not given any contracts in future.
- e) The strategic plan of the University offers an outline which contains the operational guidelines of the procurements functions. Further, it is renowned that the functions of procurement are supposed to be carried out with the required levels of efficiency to reaffirm the University's objectives of becoming an International University.
- f) The staff in the procurement department of the University shall direct efforts towards the fulfillment of the University community the following four procurement objectives:
 - i. Right quality for the goods and services.
 - ii. Right timing for the availability of the goods and services when needed.
 - iii. Right place for the goods and services that is accessible when required.
 - iv. Right quantity subject to the right pricing and the availability of funds.
- g) Further the procurement department in the University shall at all times acquire value for money spent on all procurement activities. This will be done through purchasing only the required items and further monitoring the purchased items for good quality and proper storage to uphold their quality.
- h) All the procurement functions for the various administrative sections in the University will be undertaken through their respective procurement units. This is on the basis of the limitations and directives provided by the University often as a way of promoting timeliness and efficiency in the operation of the operations of the procurement department.
- i) All staff members of the procurement department in the University will follow the core values as outlined below.
 - i. Professionalism in daily operations.
 - ii. Integrity in handling clients and the public at large
 - iii. Transparency and accountability in procurement operations
 - iv. Fairness when handling with users and suppliers
 - v. Instilling public confidence in the procurement functions.
 - vi. Ensuring fair competition in the processes of procurement

- j) The Head of Procurement Department shall have input in all requests related to procurement that are to be presented to the Rector. The HOD procurement shall offer guidance on the appropriate procurement methods while the HOD finance will guide on the financial state of the institution.
- k) The procurement requests shall be regarded approved if the indication on the approved procurement plan says so as the policies of the University.
- l) There shall be proper communication through the right channels to the unsuccessful bidders informing them so and appreciating their participation. They shall be informed where applicable that they are subject to future consideration. The communication shall be done before fourteen days elapse after the tender awarding decision has been made.

SECTION 2: ROLES AND RESPONSIBILITIES

2.1 Purchasing Department

The Procurement Department shall undertake the following functions:

- a) Understand, implement and enforce the policies and guidelines of purchasing and advise the University on the same.
- b) Keep an updated record of tenderers who are registered and eligible to participate in the tendering process.
- c) Invite tenderers by distributing the invitation to tender documents and even invitations for the expression of interest.
- d) Management of the receipt and the opening of tender documents and any other related document.
- e) Ensure safe record keeping of all procurement documents of the institution in accordance with the set regulations and policies.
- f) Conducting a thorough market research on the items required by the University on the market prices, quality and the best suppliers for the researched items.
- g) Provide professional and informed opinions on matters procurement to the rector, administration and any other relevant entity in the institution and further implementing the decisions of the rector.

2.2 Deputy Rector, Administration and Finance

Deputy Rector, Admin and Finance will be responsible to the Rector for the following:-

- a) Heading the procurement and purchasing functions of the institution.
- b) Check to ensure full compliance with the stipulated policies and guidelines.
- c) Act as a link and communication channel with the suppliers and stakeholders.
- d) Ensure timely preparation and forwarding of statutory reports to the University management and any other relevant parties.
- e) Ensure the procurement and disposal plans are prepared and implemented and guidance offered on the same.

SECTION 3: PROCUREMENT PLANS

The following guidelines shall apply:

- a) The University shall restrict the procurement requests to the items in the procurement plan and further put consideration on the allocated budget.
- b) The procurement plan shall contain information such as the items to be procured, the cost estimates and the period when procurement shall take place.
- c) Any items to be procured shall fall within the budgets which have been approved and further they shall be planned by the University via a procurement plan that is prepared annually.

3.1 Preparing Procurement Plans

- a) Chairmen/head of department/faculty shall use the provided University format to prepare procurement plans that are in line with the departmental budgets and that fit into the overall University plans. This shall be done before a new financial year begins.
- b) For each procurement plan prepared, there shall be an indication for the expected method of procurement for every requirement and the estimated time for a procurement cycle that is complete.
- c) All procurement plans shall go along with an approved budget to boost their suitability for approval.
- d) The procurement plans shall be brought forward for justification and authorization in a respective board meeting for the various units before they are taken forward to the procurement committee.
- e) In cases of unexpected procurement which did not feature in the procurement plans that

were approved, the heads of departments shall be obligated to pursue written approval from the rector so that they can be able to include them.

3.2 Implementing Procurement Plans

Chairmen and heads of departments shall offer feedback to the Rector through quarterly and annual reports depicting the difference between planned and actual procurement and explanation for any variances.

SECTION 4: THE PROCUREMENT PROCESS

- a) The procurement process starts with needs identification by the user. Needs in this case refers to those items that are geared towards assisting the University accomplish its strategic objectives, goals and plans. There must be a budget for all required items and their total value computed. Any requirement that falls outside of the budget shall not be procured.
- b) There are various categories of procurement needs which include consumables and expendables, repair and maintenance, tools of work, uniform and works of construction. During the procurement process, these procurement needs are arranged in the order of priority.

4.1 Responsibility for Procurement Work

- a) All procurement functions shall be conducted by the assigned procurement officer at the procurement department. This shall only occur after the user has provided the required specifications.
- b) Procurement of goods and services shall only be commenced after confirmation of availability of funds through a supporting Authority to Incur Expenditure (AIE)

4.1 Initiating the Procurement Process

Procurement occurs after the identification of the need of an item or service along with the certification of the Head of Department on the same. At this stage, it is always important to confirm the availability of finances for the planned purpose. The steps involved in outlining the procurement process are as outlined below:

- a) The user comes up with a shopping list by listing down all the required items.
- b) The user undertakes costs estimation of the required items through a market survey and obtains the total costs.
- c) The user undertakes a comparison between the total costs of the items against the allocated budget.
- d) The user undertakes reconciliation of the total costs and the budgetary allocations.

- e) The user prepares a final list
- f) The head of department supports and approves the request.

4.2 Preparing Specifications

- a) It is the responsibility of the users to come up with the right specification for the procurement needs. They should do so before forwarding them to the procurement department. Technical experts may be consulted when coming up with specifications if necessary.
- b) A detailed description of an item should be provided in terms of performance without exhibiting any form of biasness towards particular brands or types. The description, sample, drawings, capacity, usage and standards could be used during presentations as the technical specifications.
- c) The specifications once drawn up by the user shall not be altered without the participation of the user and the user shall not make any adjustments when the procurement process is ongoing.
- d) Preparation of specifications is a shared responsibility between the user and the technical departments

4.3 Using Authority to Incur Expenditure Forms (A.I.E)

- a) All procurement requests must go along with completed A.I.E forms which are established by the procurement department and the procurement committee offers approval. The procurement process shall only start after the finance department has given a confirmation about the availability of funds.

4.4 Procurement for Construction Works

The following is the procedure for procurement when it comes to construction works:

- a) The head of construction and maintenance unit comes up with a proposal on the work to be done. This occurs after consultation with the users and in accordance with the procurement plan.
- b) The Development and Oversight Committee of the University receives the proposal which is tabled before them for consideration and approval
- c) The proposal gets approved by the above mentioned committee.
- d) Technical experts give a tender for the works of design.
- e) The design works get approved by a team of technical experts.
- f) Further approval is granted by the procurement committee
- g) The approved construction works are finally procured by the procurement department.

4.5 Procurement for Major Capital Expenditure

The following is the procedure for the procurement of major capital expenditure:

- a) For all major capital equipment and machinery to be procured, they must be contained in the

procurement plan.

- b) The user seeks the approval of the Rector to undertake the procurement at the planned time.
- c) The approved procurement request (in case approval is granted), is handed over to the Procurement Department so that the tendering process can begin in the normal way.

4.6 Procurement for Travel, Accommodation and conference services

The following the procedure for the streamlining of the process of travel, accommodation and conference services:

4.6.1 Need Identification

- a. The user's need for conference, travel and or accommodation services shall be identified and justified and shall be in conformance with the procurement plan and budget that has been approved.
- b. The user's request shall obtain approval from the Deputy Rector for Administration and Finance.

4.6.2 Specifications

- a. There shall be preparations of the anticipated hotel, accommodation and conference facilities of the expected hotel specifications by the User.
- b. When preparing the specifications the factors to be considered include essential functionalities and other requirements that are of preference, distance to the place of work, Level of the staff who will be in attendance in the conference, number of people who will be in attendance, duration of the conference in terms of the number of days, anticipated mode of transport and facility safety.

4.6.3 Procurement Process

- a. A list of prequalified suppliers who have been obtained in a competitive manner shall be maintained by the procurement department.
- b. Quotations shall be requested by the head of procurement from the service providers such as hotels/facilities which are prequalified.
- c. Technical and financial aspects shall be assessed during the evaluation of bids.
- d. The A.I.E and requisition note shall be brought forth by the user.

4.6.4 Confirmation/ Commitment of Funds

- a) The availability of finances shall be confirmed by the finance officer based on procurement plan and the set budget.
- b) The A.I.E shall obtain approval from the Rector upon recommendation by the corresponding A.I.E holder through the Deputy Rector, Administration and Finance.

4.6.5 Award of Contract

- a) The contracts are awarded by the Rector upon professional advice by the head of procurement department through the Deputy Rector, Administration and Finance.
- b) For contracts worth less than 1000 USD, the Deputy Rector shall award them. For

contracts above 1000 USD the Rector shall award them.

4.6.6 Purchase Order

- a. The purchase order (PO) shall be brought forward by the procurement department to the Rector or the Deputy Rector, Administration and Finance depending on the threshold.
- b. The procurement department shall send the original PO to the hotel/facility.

4.6.7 Order Execution

- a. The travel, accommodation and conference services shall be provided by the hotel or facility as per the specifications
- b. The levels of use of the facility shall be confirmed by the User Department in accordance with the specifications and costing.
- c. The invoice shall be forwarded to the procurement stores for verification before being forwarded to the Head of procurement.
- d. The head of procurement department shall certify the invoice and forward it to the finance department for payment.

4.7 Professional Opinion by Procurement Office

- a. The procurement department shall provide professional opinion to the administrative units.
- b. The details of the supplier including name, address, phone number, email and price of are specified on the recommendation to the procurement approving officer.

4.8 Paying Suppliers

For procurement work to be said to be fully complete, the suppliers must have been fully paid. For timely processing of the supplier payments, the procurement department shall forward the necessary documents to the officer in charge of finance.

4.9 Documentation

Below outlined are the approved documents used in the procurement process:

- a) Authority to Incur Expenditure (AIE)
- b) Quotation form
- c) Local Purchase Order
- d) Stores Received Note
- e) Requisition form
- f) Requisition to Suppliers
- g) Receiving Report
- h) Supplies Control Card
- i) Supplies Ledger
- j) Supplies Requisition Form

4.9.1 Supplies Control Card Procedure

- a) Upon receipt of goods, recording is done in the supply control card with each item being recorded on a separate card.
- b) The details on the control card include date, item received/issued, quantity received/issued, balance and the store keeper who received the goods.
- c) The supplies control card is occasionally reviewed by the head of department and is kept by the storekeeper.

4.9.2 Supplies Ledger Procedure

- a) This ledger acts as a control account to the supply control cards and is always in custody of the accounting unit who updates it occasionally.
- b) The total number of the supply control cards should be in reconciliation with the total number of the supplies ledger at all times.
- c) The supplies ledger offers detailed information concerning the transactions, additions and even balance.

4.9.3 Supplies Requisition Form Procedure

- a) The supplies requisition form is the basis in which all stored items are issued.
- b) The contents of a supplies requisition form must include the requested items, remarks and signature of the person requisitioning and his or her supervisor.

SECTION 5: PROCUREMENT METHODS

- a) SU being a privately owned university aims at providing all potential suppliers with an equal opportunity for competition. The university contacts as many suppliers as possible in order to achieve fairness
- b) It shall be the mandate of the procurement department to manage all the activities that pertain to procurement in the University. The procurement department shall execute this in close liaison with the user departments and other technical units.

5.1 Use of Open Tendering Method

The word “tender” refers to the process of inviting potential suppliers for the engagement of a process that will lead to the provision of goods and services to the University under the terms on offer.

The following guidelines shall apply when using open tendering method:

- a. The Rector shall approve the processing of procurement requests for values above a certain threshold.
- b. Tenders shall be publicized through platforms such as University website, social media accounts, and on any other news outlet that is recognized nationally.

- c. It shall be a requirement that every tender submitted to be accompanied by tender security where necessary.
- d. The procurement department shall be tasked with the work of processing tenders which upon finalization shall bind all departments and staff members.
- e. Upon completion of a tendering process, purchases shall only be acquired from the tenderers who have been authorized for that particular time frame.

5.2 Advertisement of Tenders

The following guidelines shall be followed when advertising for a tender:

- a) The content of tender invitation shall include open tenders, prequalification of tenderers and any other expressions of requests.
- b) Advertisements shall be made for all requirements for the products whose value amounts to a certain value as discussed by the University.
- c) The products that are constantly in demand will be covered in the advertisements.
- d) The accuracy, completeness and capability to attract competitiveness shall be ensured by the procurement department during tender advertisements.
- e) Brand names shall be avoided at all costs during advertisements for tenders

5.3 Identification of Advertising Media

The University shall advertise the tenders in the various advertisements channels such as websites and other local and international circulation. The validity for the national tenders shall be fourteen days and for the international tenders shall be twenty one days in cases where there lacks local sources. This shall be as per the set regulations.

5.4 Conditions for Submission of Tender

- a) The requirements to participate in the tendering process shall be outlined and candidates who fail to meet them shall be disqualified from engaging in the tender.
- b) The tender documents shall be made available to the suppliers free of charge and in some cases they shall be required to pay a certain fee.
- c) It shall be a requirement that tenderers should pay tender security in applicable circumstances as this will aid in the determination of serious tenderers.
- d) The provision of a tender security shall be in form of money, bank assurance or the guarantee of an insurance company.
- e) Any tender that shall be brought forth after the deadline shall be declined and shall not be received.

5.5 Opening of Tenders

The opening of tender shall be undertaken as follows:

- a) The committee for opening tenders shall be appointed by the Rector.
- b) An internal auditor shall be one of the members of the opening committee. This shall be in line with the University guidelines.
- c) The keys to the tender box shall be in safe custody of the auditor who will be responsible for them and a duplicate of the keys shall be kept by one of the senior officials in the University.
- d) The role of opening a tender box will be jointly the role of procurement officers together with the tender opening committee.
- e) A permanent tender opening register shall be provided and maintained by the procurement department.
- f) All members of the tender opening committee shall uphold high levels of confidentiality on all information regarding the tenders.

5.6 Categorizing Supplies for Tender Processing

The kind of tender processing to be carried out shall be determined by the nature of supplies. The evaluation criteria shall be dependent on the nature and the type of supplies that are to be evaluated.

5.7 Technical Evaluation of Submitted Bids

- a) The tender evaluation/processing committee shall receive appointment from the Rector and shall consist of not less than three qualified professionals in that area of evaluation.
- b) The Rector shall appoint at least one board representative especially in cases whereby a major capital expenditure is involved in the tendering process.
- c) The necessary information shall be retrieved from the data bank by the procurement officer and provided to the committee members during evaluations
- d) A fully signed report by all committee members shall be submitted to the Rector by the chairman of the evaluation committee.
- e) The evaluation documents shall remain under the custody of the procurement department during the whole evaluation period.

5.7.1 Technical Evaluation of Tenders (Step I)

- a) This is the initial stage which occurs before the real evaluation and ranking of bids. This stage entails checking to see if the bidders meet all tender conditions and further if they are in compliance with the University standards
- b) Elimination shall occur in this stage for renderers not meeting the mandatory requirements which shall be stated from time to time.
- c) The table below provides a guideline for the technical evaluation committees. Failure to meet the criteria, a bid shall be disqualified.

Checklist for technical evaluation of tenders (Step 1)

Assessment criterion	Remarks
Registration certificate	

License for Trade	
Bid bond as per tender document	
Current audited accounts	
Financial viability of a company	
Tax compliance (Where Applicable)	
Nature of businesses carried out (whether in line with the tender requirements)	
Conformity to technical specification (responsiveness of the bids)	

5.7.2 Technical Evaluation of Tenders (Step II)

It is in this stage whereby actual evaluation, weighting and ranking occurs. This is conducted by the technical evaluation committee which provides criteria for evaluating bids. The criteria must be met by the bidder and further must comply with the University requirements.

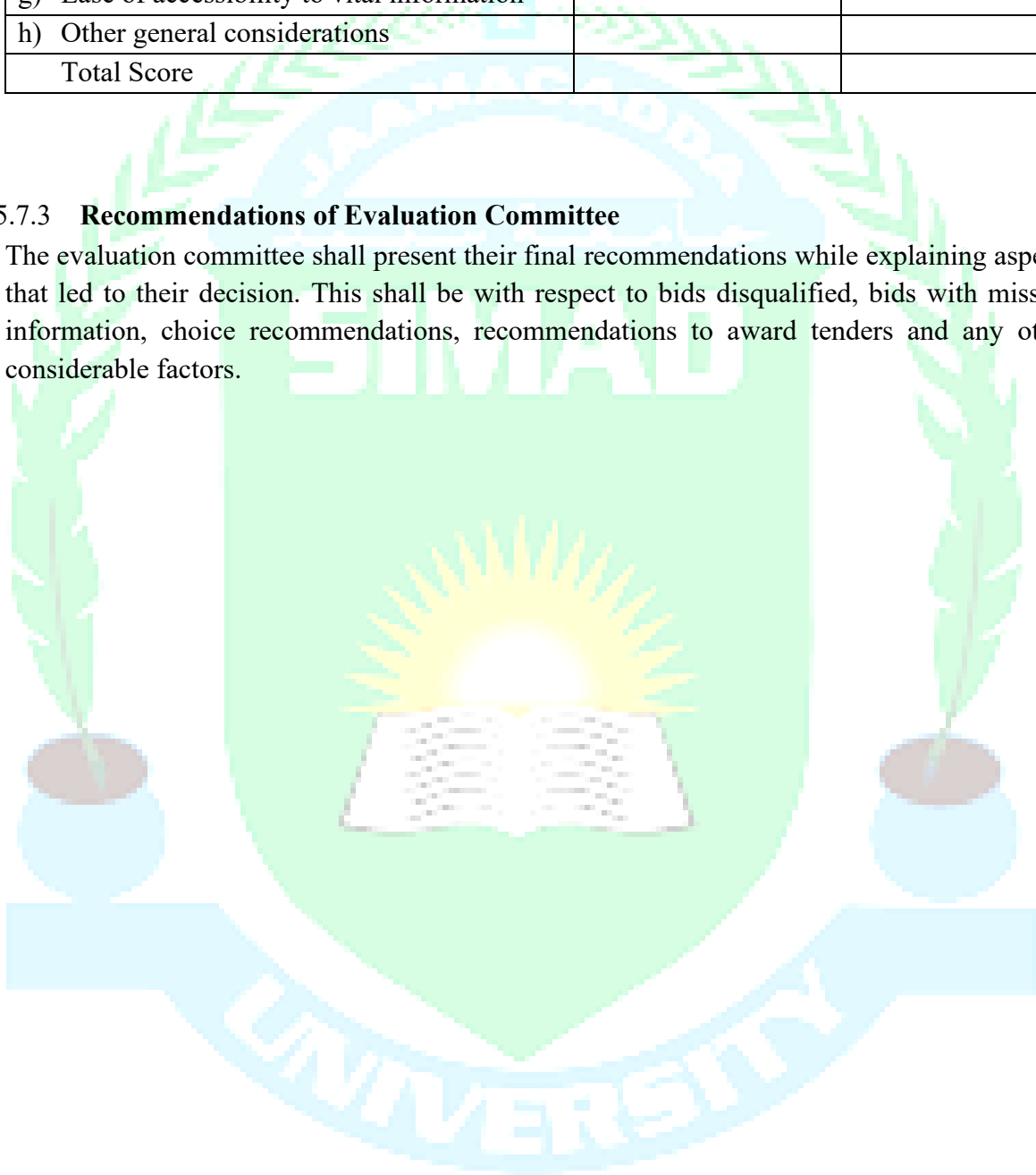
Guidelines for technical evaluation of tenders (Step II)

Criteria	Score 0-5	Remarks
a) Management calibre and qualification		
<i>i.</i> Key managers		
<i>ii.</i> Technical staff calibre and qualification		
<i>iii.</i> Management structure		
b) Reputation		
<i>i.</i> Client has rendered similar service within the last 3 years		
<i>ii.</i> Past performance record of bidder in the University		
<i>iii.</i> Involvement or otherwise in procurement irregularities		
c) Competence and capacity		
<i>i.</i> Tools and equipment		
<i>ii.</i> Process quality systems e.g. ISO certification		
d) Product/Service quality		
<i>i.</i> Workshop facilities		
<i>ii.</i> Volume of work that the candidate can service		
<i>iii.</i> Timeliness in meeting delivery schedules		
<i>iv.</i> Life-long costs		

v. Maintenance		
vi. Lifespan		
vii. Service contract		
e) Credit terms		
f) After sales back-up service		
g) Ease of accessibility to vital information		
h) Other general considerations		
Total Score		

5.7.3 Recommendations of Evaluation Committee

The evaluation committee shall present their final recommendations while explaining aspects that led to their decision. This shall be with respect to bids disqualified, bids with missing information, choice recommendations, recommendations to award tenders and any other considerable factors.



5.8 Financial Evaluation of Submitted Bids

- a) A committee shall be appointed by the Rector to undertake financial evaluation of submitted bids in the cases of at least two envelope tenders.
- b) The financial evaluation committee shall be mandated with the evaluation and determination of the short-term and long-term viability of the activities.
- c) During overall assessment, the bidders will be ranked from the most financially viable to the least financially viable and consequently, the financial evaluation committee will give recommendations as to the award of the tender.
- d) The recommendations made by the financial evaluation committee shall majorly focus on cost-effectiveness and due diligence evaluation.
- e) Overpriced quotations from the bidders shall be cancelled and the tendering process restarted.
- f) Any officer who accepts any prices above market rates shall be answerable for the difference and disciplinary action will be taken in accordance with the university statutes.

5.9 Alternative Procurement Procedures

There are alternative procurement procedures to the open procurement method. They include:

5.9.1 Restricted Tendering

In this procurement method, there is identification of a limited number of suppliers who qualify. These suppliers are requested to tender and a process similar to that of open tendering follows.

5.9.2 Direct /Single Sourcing Procurement

Direct procurement method works best in conditions whereby there is only one single supplier for a good or service. Factors such as urgency of a product may make an organization result to direct or single sourcing.

5.9.3 Request for Proposals

This method is mostly used in cases where the nature and scope of work lacks clarity and is not easily understood. This is predominantly seen in the consultancy/professional services field of work. The University may procure using requests for proposals during the procurement of services whose nature is highly intellectual.

5.9.4 Request for Quotations

This procurement process starts only after the designated offers have acquired authorization and the confirmation about the availability of funds which is undertaken through completely filled A.I.E forms. A minimum number of quotations shall be required for different thresholds determined by SU from time to time.

5.9.5 Electronic Reverse Auction

Electronic reverse auction is used in unique circumstances and must be approved by the University Senate. The bidding process is done electronically on the University website whereby the bidder with the lowest price at the deadline of the bid submission shall be the successful bidder.

5.9.6 Two Stage Tendering

Two stage tendering may be used by the University due to difficulties such as inadequate technology which may hinder the University from obtaining a sufficient solution to its procurement needs.

The tenderers submit the tendering information without prices in the first stage then in the second stage the retained tenderers from the first stage are called upon to present prices with respect to the detailed product specifications.

5.9.7 Design Competition

The design competition procedure shall be used by the University when determining the best design schemes for its use. These design schemes may include but not limited to architectural, physical planning, engineering and graphic. Through public advertisements, requests for design proposals are made. Further, when engaging in design competitions, all patents and intellectual property rights are transferred from the bidders to the University.

5.10 Registration of Suppliers

The procurement head in the university shall regularly update and maintain the list of registered suppliers, contractors and consultants in accordance to the procurement needs of the University.

SECTION 6: COMPOSITION AND ROLES OF PROCUREMENT COMMITTEES

6.1 Tender Opening Committee

A tender opening committee specifically for the procurement function shall be appointed by the Rector. It shall

- i. Consist of a minimum of three members
- ii. Have at least one member indirectly involved in the tender processing and evaluations.
- iii. Ensure immediate opening of tenders after the deadline for submission of members.
- iv. Attach an identification number to each tender and take note of the pages received
- v. Keep accurate records of all the necessary information associated with the tender.
- vi. Not eliminate any tender during the opening phase

6.2 Evaluation Committee

An ad hoc committee shall be established by the Rector and it shall do the following:

- i. Handle all matters that are technical and financial in nature in the procurement process.
- ii. Comprise of three and five members who are selected on a rotating basis.
- iii. The head of procurement department shall be the secretary of the committee.
- iv. The committee shall execute all duties in the procurement process for which it was appointed for to completion.
- v. The committee shall embrace an evaluation process which abides by the policy manual.

6.3 Inspection and Acceptance Committee

- a) The inspection and acceptance committee shall comprise of chairman and at least two other members. This committee shall be established by the Rector after recommendation by the procurement head.
- b) Upon the delivery of the goods, works or services, the committee shall undertake the following:
 - i. Inspection and testing of the goods.
 - ii. Review for compliance in accordance to the specifications in the contract.
 - iii. Acceptance or rejection of the delivered products
 - iv. Check to ensure correct quantity of the products received.
 - v. Ensure that the technical standards are met by the products delivered as stipulated in the contract
 - vi. Check to ensure timely delivery and take note of any delays.
 - vii. Ensure receipt of all required documentation
 - viii. Issuance of completion certificates in line with the contract requirements.

6.4 Disposal Committee

- a) The disposal committee shall be appointed by the Rector upon recommendation by the head of procurement department.
- b) The disposal committee shall comprise of representative of user department, finance department, internal auditor and external experts where appropriate.
- c) The disposal committee is primarily for the purpose of discarding absolute equipment and assets which cannot be serviced. Surplus products are also disposed by this committee.

SECTION 7: RECEIVING AND INSPECTION OF GOODS

Receipt and inspection of goods primarily checks to ensure adherence to the tender awards requirements and conditions.

7.1 Receiving Goods

- a) The University store receives goods or materials from suppliers.
- b) The relevant documents must be alongside the goods being delivered.

7.2 Inspection of Goods

- a) Materials or goods must be checked for quality and quantity against the specifications that had been ordered before they can be accepted in the stores.
- b) The inspection and acceptance committee inspects the goods and services instantly after they are delivered before they are received.
- c) Rejection of items shall occur when there exists defects or deficits in quality. The suppliers shall be informed of the same and will be required to take them back.
- d) There shall exist a register which shall contain daily entries as to the date and time when consignments arrive. Any other relevant information may be contained therein such as consignor, mode of transportation, vehicle registration number, order number and brief description of goods.
- e) Delivery for goods or materials will only be received between 7.00am in the morning to 6.00pm in the evening.

7.3 Issuing and Dispatching of Materials

The personnel in the stores department shall only give out materials after receiving a Stores Issue Note with full authorization from the head of department that is requesting for the goods. This Stores Issue Note is a document used in accounting and has serial numbers on it.

7.4 Stock Records

- a) Stock records also called inventory records are compulsory since they help in the capturing, classifying and analyzing information in the stores on matters to do with the goods received, their movement and disposal.
- b) The stock records play a very vital role in enhancing the effectiveness and efficiency of the stores function performance and further promote accountability for those goods and money spent on them.

7.5 Stock control procedures

- a) The procurement department shall be responsible for the stock in the stores.
- b) It shall be the responsibility of the store personnel to maintain adequate records for the stock.
- c) The method of stock control used by the University shall be first-in-first-out.
- d) Regular stock-taking shall be undertaken by the storekeeper and the procurement officer.
- e) Differences between physical stock and the bin cards shall be thoroughly examined and the right action taken.

7.6 Stock Taking

The head of procurement department together with the finance and internal audit department shall conduct the annual stock taking activity. They shall be able to acquire information on the documentation, stock levels, procedures and any other information of interest from the stores department.

7.7 Stock Taking Procedure

- a) All activities of issuance and receipt of items shall be put on hold in the stores department during the period of stock taking.
- b) Details pertaining of stock taking shall be noted down on stock taking sheets.
- c) Stock taking shall only start after thorough preparations. This shall occur if the authorized representatives such as internal auditors and external auditors are present.
- d) All members and officers present during the stock taking procedure shall sign the stock sheets.
- e) Supervisors and internal auditors will follow up keenly to ensure that there are no omissions or over statements.
- f) The highly professional and experienced store keepers will be in attendance and will play an active role in guiding and directing the counting staff during the stock taking procedure.

7.8 Stock Verification

Regular stock counts shall be conducted by the storekeeper. This shall be done after every one month under the supervision of a procurement officer. This will be done to ensure proper record keeping and documentation and further accountability of all stock in the stores.

7.9 Stock Reconciliation

- a) Any discrepancies noted during the regular or annual stock taking exercise, shall be thoroughly examined and investigated and suitable action taken.
- b) There shall be noting down and separation of damaged and defective items that have been identified. The deficiencies noted will reflect in the ledgers and bin cards.

7.10 Stores Classification of Items/Coding

Stores classification of items or coding is done to eliminate deceitful activities such as creating non-existence items from other stock items to balance off stock shortages. This coding shall be done in accordance to SU coding procedure.

7.11 Disposal of Stores and Equipment

- a) The head of an administrative unit shall be required to come up with a list of plants and equipment which have become absolute and are unserviceable and forward it to the Rector.

- b) The disposal of these obsolete items shall be undertaken by a disposal committee formed under the stipulated university guidelines. The rector is tasked with the role of appointing the disposal committee members.
- c) All the disposals in the University shall be implemented in accordance with the disposal committee recommendation.
- d) The methods of disposal may include but not limited to: sale, destruction, donation, trade-in and any other relevant waste disposal management.
- e) A report shall be submitted by the disposal committee to the Rector containing recommendations on the best disposal methods and the relevant reserve price.

7.12 Security of Supplies

- a) Unauthorized personnel shall not be permitted in the stores as all the transactions will be done over the counter.
- b) Items of high value and that could be easily carried away shall be stored under lock and key.
- c) Stores documentation shall have access limited to only the stores personnel.

SECTION 8: SUPPLIER EVALUATION AND MARKET SURVEY

8.1 Supplier Evaluation

- a) Supplier evaluation requires well-built and effective systems within the University. This makes the procurement function to be more effective in terms of competitive advantage and cost effectiveness.
- b) Supplier evaluation checks for the ability of the supplier to meet the quality, quantity and timeliness demands of a particular institution.
- c) The University shall make it known to all the suppliers that past performance and timely fulfillment of tender demands shall be the basis for a sustained business relationship.

8.2 Market Survey

- a) The procurement department shall consistently undertake market surveys and come up with a data bank that will be used by the University to compare prices in the market and monitor trends.
- b) The data bank will be very useful in the planning of procurement and in the evaluation of bids both technically and financially.

8.3 Black Listing of Suppliers

All suppliers who fail to deliver the required books and materials should be black listed and not given any contracts in future.

SECTION 9: CONTRACT MANAGEMENT AND ADMINISTRATION

9.1 Contract Management

- a) It shall be the responsibility of the Rector to prepare contracts that are in alignment with the award decision.
- b) The signatures on the contract documents shall be the confirmation for the existence of a contract. There shall be the signature of the bidder or officer authorized by the Rector and that of the successful bidder.
- c) The contract shall be properly documented together with other tender documents as well as any explanations arising from procurement proceedings.
- d) A contract shall be said to be valid only if both parties have signed, award made and authorized by the Rector.
- e) The documents that will form the basis of all procurement contracts shall comprise of: contract agreement form, tender form, price schedule, requirements schedule, technical specifications, general and special conditions of contract and the notification of award.

9.2 Contract Administration

- a) The Finance Director (FD) shall by default be the contract administrator. The contract administrator will be tasked with the role of ensuring that the goods, works or services are in the required quality and quantity.
- b) The FD shall undertake the role of supervision of supply of goods or works for all university contracts. He or she will ensure that the contractor performs according to expectations.
- c) It shall be the responsibility of the Head of Procurement to manage contracts. He or she shall come up with monthly progress reports for all the procurement contracts and hand them over to the Rector.

SECTION 10: ETHICS IN PUBLIC PROCUREMENT



- a. It is important to uphold high ethical standards and integrity levels in the whole procurement process. All University staff shall be required to uphold the highest levels of ethical conduct and integrity as they dispense their procurement roles.
- b. The staff in the procurement department shall be expected to be very ethical and shall uphold professionalism.
- c. The following are guiding ethical principles which shall be used:
 - i) Any staff playing a role in the procurement process shall refrain from indulging in activities that could generate conflict of interest.
 - ii) All the University staff members who are involved in the process of procurement shall ensure that University acquires value for the money spent.
 - iii) The employees of the University shall be expected to avoid any form of behavior that might compromise fairness when it comes to competition for contracts.

- iv) The University employees shall not accept any form of gift from the current or even potential suppliers. Only small items whose values are insignificant and are for the purposes of advertising can be accepted such as branded notebooks, pens and calendars.
- v) Strict measures shall be taken to ensure that no orders are split for certain works, services or materials.

SECTION 11: REVISION HISTORY

This is the first edition of the Manual. The Policy shall be revised at least once in every five academic years.

SECTION 12: AUTHORIZATION AND EFFECTIVE DATE

10.1	This manual is effective from January 23, 2020	
10.2	Policy Prepare by: Quality Assurance Designation Director	Signature  Date: November 28, 2019
10.3	Policy Approved by: Dahir Hassan Abdi Designation The Rector	Signature  Date: January 23, 2020