

جامعة الشرقية
A'SHARQIYAH UNIVERSITY



Procurement and Contract Manual

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A'SHARQIYAH UNIVERSITY Procurement and Contract Manual

Approvals

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Implementation and Responsibility

Document owner	Contact person	Date of Implementation
DVCIRS	Procurement and Contracts Department	June 2023 18

General provisions

- Any form of non-compliance with this policy/procedure makes those responsible open to university disciplinary measures.
- Any exception from this policy/procedure upon application shall have no effect against the University or others unless it has been approved by the Vice Chancellor or the Board of Directors and/or the Board of Trustees as the case may be.

Revision history

Version	Author/ Reviewer	Revision(s) made	Date
1	KPMG, Procurement Director, Internal Auditor Department, AVC	Initial Document	June 2017
2	Procurement and Contracts Department, DVCIRS, Internal Auditor Department, Asset Management Department , Legal advisor	Review and amend most of manual sections	May 2021



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1 Introduction

1.1 Purpose

The Procurement and Contract Manual ('the Manual') documents the policies and procedures undertaken by the P&C Department and other department of the A'Sharqiyah University ('ASU'/'the University') for procurement of goods and services.

The purpose of the Manual is to:

- Document the policies and procedures of the University in the area of procurement and contracts;
- Ensure uniformity and consistency in applying policies and procedures; and
- Provide continuity of procedures

1.2 Scope

Significant areas in which policies and procedures have been developed include:

- Introduction
- General policies
- Supplier registration
- General procurement
- Booking & reservations
- Tendering
- Contracts

1.3 Structure of the Manual

The manual is divided into chapters and further subdivided into sections. Under each chapter, related activities are covered. The sections further subdivide the activities into systematic groups.

Each chapter is presented as follows:

- Overview
- Policies – The 'rules and regulations' for the activity

Procedures (*whenever applicable*) – The procedures to be applied and followed to Implement the policies

1.4 Distribution

The Procurement and Contracts Director shall be the controller of this manual. All inquiries and requests for revisions relating to matters included in the manual should be addressed to the Director of Procurement and Contracts.

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The contents of the manual are confidential and intended for internal use by the University. The distribution of the manual is controlled through the Manual Distribution Control Record.

1.5 Roles and responsibilities

1.5.1 Procurement and Contracts shall be responsible for the following:

- Identification of vendors
- Obtaining quotations
- Preparation of Comparative Statement and selection of vendor **as per authority manual**
- Negotiations with vendors including price and conflict resolution.
- Placing of Purchase Order
- Identify the long outstanding PO and raising it to the concerned personal or authority for further actions after receiving from Asset Department
- Maintaining and updating approved vendors list.
- All ASU Reservations
- All ASU Tenders
- All ASU Contracts

1.6 Authority

- 1.6.1 Any change in the policy will be approved by BOD and any change in Procedure will be made by VC , Any provision or act which is not mentioned in this policy will be treated as exceptional act and will be decided by the Board of Directors.
- 1.6.2 Authorities shall relate to job positions and not to individuals (thus when an individual is moving to another job position, he/she may be assigned new authorities).
- 1.6.3 Authorities delegated to a position stop when the position is cancelled.
- 1.6.4 The approving authorities with respect to monetary limits are as Authority Manual.

1.7 Revision

Revision of this manual shall be the responsibility of the Procurement and Contracts Department to be every three years.

Revision of this manual is the principal way of implementing and communicating changes in the procurement policies and procedures that may arise in response to the changing needs and requirements of the University. Such revisions provide flexibility to ensure that the manual remains relevant at all times.

Any change in the manual shall be as per the QA department procedure.

1.8 Glossary of terms & abbreviations

Term / Abbreviation	Definition
ASU / the University	A'Sharqiyah University
BOD	Board of Directors
VC	Vice Chancellor
DVCRIS	Deputy Vice Chancellor-Resources & Institutional Support
DOD	Director of Department
AM	Authority Manual
GRN	Goods Receipt Note
DO	Delivery Order
PO	Purchase Order
PR	Purchase Requisition
TC	Tender Committee
P&C	Procurement and Contracts Department
PCD	Procurement and Contracts Director
CR	Commercial registration

2 General policies

2.1 General

2.1.1 Other than the petty cash purchases, all purchases shall be routed through the Procurement and Contracts. Authority manual.

Emergency purchases shall be executed using the Authority Manual.

2.1.2 In case of items which require technical evaluation through sample inspections, site visits, photos, brochures and the recommendation of such goods/ equipment/suppliers shall be carried out by concerned user department in coordination with the P&C Department. (Supplier registration)

2.1.3 Site visits may be conducted for the goods which require quality assurance, as per the discretion of the Tender Committee. The site visits shall gather information of the supplier which would include but not limited to:

- Logistics or delivery system
- Production facilities
- Stores or storage facilities (Supplier registration)

2.1.4 In case of sample based purchases, the P&C Department shall ensure that the user department has verified and approved the sample, prior to committing purchases. (General Procurement)

2.1.5 It is the policy of the University to centralize the procurement of all goods and services. Purchase plan is included in the budget. PD will coordinate with Finance Department to obtain all the purchase budgets. For IT and Facilities related items, budget will be obtained from IT and Facilities Department respectively for whole of ASU. The User departments are not to have direct contact ("meet the supplier") unless authorized by P&C department

2.1.6 Procurement and Contracts, immediately upon placing the order, shall keep all the concerned internal parties, informed of the time when the requested goods will be available. Any subsequent changes should be informed to the parties concerned on a timely basis. (General Procurement)

2.1.7 Any purchase related discussions with supplier or internally with the management should be documented and circulated. (General Procurement)

2.1.8 The Purchase Order (PO) is a legal document committing the University to a specified purchase transaction. POs must be recorded in the PO register along with all details. (General procurement)



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- 2.1.9 It is the policy of the University, to ensure that the correct item is procured and services rendered from reputed suppliers at the right time to facilitate the provision of an adequate standard of goods and services to the University at the most economic prices.
- 2.1.10 It is not necessary that the lowest quote is always considered; other factors like brand and quality shall be evaluated before selecting.
- 2.1.11 It will not be permissible for 'single' request to be split into more than one order in order to categorize the orders into a lower band. 'Single order quantities' are defined as the level of order that would normally be placed commercially. Alternatively, it is possible to club combine homogeneous requests in order to received economies of scale and reduce administrative costs. (According with Authority Manual)
- If the split into more than one order in benefit of ASU, then each order should follow the total amount of all orders authority manual and this to be decide by procurement director.
- 2.1.12 It is the policy of the University to ensure that professional standards of integrity are observed in all the University's business relationship with suppliers.
- 2.1.13 Before awarding it is the policy of the University to hold in confidence all dealings with bidders and potential suppliers, in recognition of the competitive environment among suppliers. Therefore, no personnel of the Procurement and Contracts or other University personnel shall furnish information about any supplier or potential supplier to other University personnel or to another supplier or outside party.
- 2.1.14 Employees of the University are allowed to bidding for the supply of items or services to ASU, with confederation of the conflict of interest transactions.
- 2.1.15 P&C shall be responsible for the development, regulation and modification of all forms and records pertaining to Procurement and Contracts.
- 2.1.16 All records and forms shall be stored under the custody of the P&C department.
- 2.1.17 P&C department will have access to the budget module (other than HR Personal Budget) to verify from system.
- 2.1.18 Retention period of records and forms shall be 10 years.
- 2.1.19 Any violation or breach of one of the provisions of this regulation places its perpetrator under accountability in accordance with the provisions of the law and the internal regulations of the university
- 2.1.20 P&C can modify / amend the request based on the objectivity and actual requirements/ needs of department/ ASU.



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2.2 Related party transaction that could create conflict of interest

- 2.2.1 It must be ensured that employees' personal interest and other related activities do not conflict with responsibilities to ASU. It must be noted that even slight emergence/ appearance of a conflict of interest should be avoided
- 2.2.2 All employees and members of Board should disclose any potential conflicts of interests. In case if the conflict is not disclosed than that particular transaction/ event can be considered biased and could raise potentials of favoritism. Therefore Board members and employees:
- ✓ should not use their position or influence to apprehend an advantage for themselves or for others or to obtain a benefit or preferential treatment;
 - ✓ should not act as an agent or sponsor to any organization or establishment whose activities are related to ASU;
 - ✓ Should not own an interest in any organization or establishment which is directly associated with ASU's requirements.
- 2.2.3 It is not restricted to perform business or enter into any transactions which can be considered as creating a conflict of interest; however, disclosure of the conflict is necessary. After the

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sclosure, conflicted personnel should not participate in the bidding, selection or any process related to that conflicted transaction.

Further guidance can be obtained from Ethics and Business Integrity Committee. Further to above mentioned restrictions, this policy defined additional limits which can create potential conflict scenarios. A conflict of interest also arises under this policy whenever:

- ✓ Independent judgement is affected due to personal interest or any related activities
- ✓ Under any circumstances or situation where decision might inflict biasness or might not be in best interest of ASU
- ✓ Employee, Board Member or any of their relative have a personal interest in an activity being conducted or a decision being made by ASU.

2.2.4 For the purpose of this policy few examples are provided. Examples are not exhaustive and similar acts which are not mentioned in example but falling under similar nature can be considered as conflict of interest:

- ✓ Anyone who is directly related to employee or Board member (such as spouse, common law partner, blood relative) and receives unusual personal gains/ benefits as a result of employee or Board members' position at ASU.
- ✓ If employee who is under the contract of ASU performs work/ job (either full time, part time or as consultant) and receive benefits (in cash or in kind) from any competitor, supplier or customer of ASU
- ✓ Any employee or Board member holds or control more than 10% of controlling interest (directly or indirectly) in any competitor, supplier or customer of ASU.
- ✓ Have supervisory or reviewer position or have any kind of influence on the job appraisal/ evaluation, benefits or pay of any Relative (such as spouse, common law partner, blood relative).
- ✓ Enter into buying or selling agreement with ASU on terms and conditions which cannot be compared with terms at which other similarly placed bids are permitted to purchase or sell.
- ✓ Utilizing ASU's property, position in ASU or any information from ASU to carry out business opportunities for personal gain or competing with ASU for any business prospect.

3 Suppliers registration

3.1 Overview

- 3.1.1 This chapter describes the policies and procedures relating to the supplier's registration process and function.

3.2 Policies

- 3.2.1 It is the policy of the University to register selected supplier by P&C with the University, to maintain an extensive database of supplier and supplies information.

- Conducting adequate background and quality checks on suppliers prior to registration
- Only dealing with registered suppliers
- Conducting annual review of suppliers
- Blacklisting of non-performing suppliers

- 3.2.2 The University shall deal only with the registered suppliers.

Identification

- 3.2.3 The University shall source and develop suppliers/principals through available various sources

- 3.2.4 The following key aspects for the prospective supplier identified shall be taken into consideration:

- Chamber of Oman Certificate
- CR Papers
- Company Profile
- Quality Assurance Certificate
- Labors Number
- Capital Amount
- Membership Grade

- 3.2.5 Foreign suppliers shall be evaluated based on existing information available on internet, brochures, User department feedback etc.

Approval

- 3.2.6 A supplier should fulfil vendor registration form and submit it through ASU website.

- 3.2.7 All approved suppliers shall be allotted a code and included in the Supplier Register along with relevant information.

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Annual Review

- 3.2.8 Performance of the top ten registered suppliers (based on Financial value of supplies) shall be reviewed once in two years or as may be decided by the Procurement Director as per the criteria stated in 3.2.4
- 3.2.9 Contractor performance shall be reviewed on an annual basis according to performance measures decided by the End user .

Blacklisting Suppliers

- 3.2.10 Suppliers found to be non-performing and/or unethical shall be blacklisted and removed from the Supplier Register.
- 3.2.11 Suppliers once blacklisted may be re-registered with the University at the discretion of the Procurement Director after obtaining documented justification from Supplier.

3.3 Procedures

3.3.1 Identification of supplier

Responsibility	Activity	Forms
Supplier	Fill and submit the online application available in ASU website with all required attachment.	Online Supplier Registration Application form
Procurement and Contracts Department	Received the online application for the evaluation and approval	

3.3.2 Evaluation and Approval

Responsibility	Activity	Forms
Procurement and Contracts Department	<p>Review and evaluate the submitted application form with attachments.</p> <ul style="list-style-type: none"> - If the submitted application fulfills the requirements, the supplier will be approved. - If the is missing or other clarification, supplier will be requested to complete the gap and re-send the application form for evaluation and approval. 	

3.3.3 Blacklisting suppliers

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Responsibility	Activity	Forms
Procurement and Contracts Department	<p>Receive Nonperformance and/or Unethical Behavior Report of supplier from user department.</p> <p>Follow up with supplier on reasons for nonperformance and/or unethical behavior record the same on Report.</p> <p>Director of Procurement and Contracts Review Nonperformance and/or Unethical Behavior Report to Approve removal of supplier from Supplier Register</p>	ERP

3.3.4

Annual review

Responsibility	Activity	Forms
Procurement and Contracts Department	<p>The system notifies Procurement and Contracts when CR expired.</p> <p>Email to send to the suppliers to update his information and details.</p> <p>Evaluate and approve the updated information</p>	

4 General procurement

4.1 Overview

4.1.1 This section describes policies and procedures relating to procurement.

4.2 Policies

Initiating procurement

4.2.1 The Purchase Requisition ("PR") is the document used by the User departments/Stores to initiate a purchase and shall specify the items and required quantity, quality specifications, and delivery schedule. PRs must be recorded in the ERP register along with all details.

- Validity of needs are analyzed
- Authority levels properly defined in the system
- Purchase requisition is approved only after budget verification
- LPO is approved only after budget verification

4.2.2 P&C Dept. can issue direct re-order according to the previous purchase order for the same items as per below:

-For the equipment and books the previous purchase order must not exceed one month from the date of issue the direct re-order;

-For the other items the previous purchase order must not exceed two months from the date of issue the direct re-order.

4.2.3 Finance Department shall verify budget availability prior to submitting PR for approval. In case budget is unavailable, budget overrun process shall be followed.

4.2.4 At least three vendors must be invited to be participated for each purchase (up to OMR 2000 we can accept one quotation if the other vendors refuse to submit quotation, if it's more than OMR 2000 we should get at least two quotations).

4.2.5 For goods which are continually required, importance is to be given to the supplier's ability to stock adequate quantities of the goods in order to meet the University's ongoing needs.

4.2.6 Emergency -Direct Order Purchase Requisitions shall be approved by persons designated as per the authority matrix. Requisitions for Emergency-Direct Order items should be reduced through better purchase planning and forecasting of needs.

4.2.7 All amendments/alterations in a PR shall be made only by the User department/Stores as appropriate. The Procurement and Contracts shall not change the essential requirement/specifications of a PR without the agreement of the requestor.

4.2.8 The following shall be the policies for all purchases of 251 to 15,000 RO :

Procurement Director shall

- Initiate purchase procedures on receipt of approved purchase requisition
- Negotiates with the suppliers in terms of purchase

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- Distribution the quotation of the selected supplier

Finance Director shall check the availability of the budget for the requested item at purchase request stage (amount commitment).

Director of the department (end-user department director) shall verify quotation of suppliers for quality, specifications, special features etc. and endorses the quotation

Purchase officer shall

- Send request for quotation to approved suppliers
- Enter the quotations in the system for bid analysis
- Prepare LPO in the system

Authorized Personnel as per Authority matrix shall

- Approve the quotation passed by the Procurement Director
- Approve the LPO on the basis of the approved quotations

4.2.9 Purchases above RO 15,000 shall undergo Tendering process.

4.2.10 Minimum requirement of quotations shall be according to the method of procurement selected:

- Purchase through petty cash does not require multiple quotations as per Authority matrix ;
- Purchase values above RO 15,000 shall undergo Tendering process.

4.2.11 The University shall waive its policy toward competitive bidding requirement in the following circumstances:

- When goods are available only through a sole agent or source; (as the Authority Manual)
- In case of emergencies; (as the Authority Manual)
- When it is clearly impracticable or not in the University's benefit to do so (Condition approved by PD).

4.2.12 The University's policy of waiving the requirement of competitive bids can only be adopted after the circumstances requiring the waiver has been documented and approval as per Authority Matrix.

4.2.13 The University shall enter into Blanket order for items requiring regular routine procurement. (Refer chapter "Supply contracts").

4.2.14 In case of specialized items such as IT or related to engineering, the technical evaluation, recommendation of the equipment and supplier shall be carried out by the competent authority as decided by the Procurement Director

4.2.15 In case of emergency purchase, a justification note has to be prepared by the user department approved by as per Authority Matrix and attached to the Purchase Requisition sent subsequently.

4.2.16 The control and issuing of PO's shall be the sole responsibility of the Procurement and Contracts. All PO's will be in response to approved PR's or other approved requirements.

4.2.17 POs shall be system generated, printed on pre-printed stationery and approved by the designated people as per the authority matrix

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- 4.2.18 P&C department shall specify the delivery date and place in the Purchase Order . Stores for follow up with the supplier to ensure that the ordered items and are delivered as per Purchas Order terms.
- 4.2.19 Procurement shall ensure that relevant penalty clauses for delivery and quality are added in the Purchase Order.
Changes made to Purchase Order, if any, shall be requested in writing as "amendment purchase order"
- 4.2.20 Individual cash payments exceeding the specified petty cash limit can be made from the University's main cash against approved PO after providing justification and obtaining AVC's approval as per Authority Matrix.
- 4.2.21 All purchases of goods and provision of services rendered by related parties shall be either on normal commercial terms, comparable with those that could be obtained from third parties on the basis of open quotation process or are minor purchases in accordance with the organization's purchase policies.
- 4.2.22 Goods rejected should be recovered from the supplier as per the terms of the PO.

Imports

- 4.2.23 ASU may import of goods and services from registered foreign suppliers in the following cases:
- Goods/services not available in Oman
 - More competitive pricing; or
 - Superior quality

Purchase through petty cash

- 4.2.24 Petty cash can only be as per the Authority matrix.
- 4.2.25 Creation of advance, payment of cash as advance and recovery of advance is the responsibility of Finance department

Online purchase /Purchases through card

- 4.2.26 Online purchases shall be executed by Director of Financial or his delegate where the selected supplier provides no alternative payment method after obtaining appropriate approvals.
- 4.2.27 Credit/debit cards issued in the University's name for the purpose of card payments shall be under custody of the Director of Finance and used after obtaining appropriate approvals.
- 4.2.28 The nature of items to be purchased with card shall Include:
- Payments at government establishments such as Police, Customs, etc.
 - Travel and hotel booking
 - Reservations of seminars, conferences and online advertisements; and
 - Other purchases as decided by the Procurement Director.

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4.2.29 Receipts for online/card/petty cash purchases shall be submitted to the appropriate personnel for adequate record-keeping.

4.2.30 Procurement Director authorize to go with the backup source (Rank 2) once the primary source fails their delivery obligations and primary purchase order canceled.

4.3 Procedures

4.3.1 Initiating procurement

Responsibility	Activity	Forms
User Department	<p>Raises item requisition in the system specifying the item required quantity, quality, specification, etc.</p> <p>Director of User Department Verifies and approved the item request.</p>	ERP
Asset management department (store section)	<p>Receive the authorized item requisition and verify the stock position of the item in the stores.</p> <ul style="list-style-type: none"> - If the item is available in stock, Store in charge supplies the item to the initiator. - If the item requested is not available in stock or if the re-order level is reached for the item, Stores in charge forward the request to Finance Director for his approval 	
Finance department	<p>Receive the authorized item requisition and verify the budget availability.</p> <ul style="list-style-type: none"> - If the budget is available, Finance in charge forward the request to Procurement and Contracts Department to complete process. - If the budget is not available, Finance in charge return the request for the user department. 	
Procurement and Contracts Department	<p>Procurement and contract Director receives the purchase requisition for review and approved:</p> <ul style="list-style-type: none"> - If it is approved forward the request to deputy director for checking and chose a procurement and contracts officer to start the FRQ process - If there is amendment or clarification return the request for the user department. 	

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Responsibility	Activity	Forms
	<p>Procurement and contracts officer invite quotations from the approved suppliers stating the quantity, quality, specifications, special features etc.</p> <p>At least three vendors must be invited to be participated for each purchase</p> <p>Procurement and contracts officer verifies the quotations received and forwards technical proposals to The user department for technical evaluation.</p>	
User Department	<p>Director/ Dean consult with the technical staff verifies the quotation and endorses the items in the quotation and forwards the technical evaluation to procurement and contract department.</p>	
Procurement and Contracts Department	<p>The procurement and contracts officer enters the quotations in the system for bid analysis and evaluates different quotations in the system.</p> <p>The procurement and contracts officer forwards the bid analysis statement along with the supporting documents (technical and commercial evaluation) to the procurement and contracts director.</p> <p>Procurement team negotiates with the suppliers with reference to the price, quality, terms, date of delivery etc.</p> <p>Procurement and contracts director verifies the bid analysis statement and passes the quotations of the selected supplier.</p> <p>The bid analysis statement is forwarded the Concerned director /dean to authorized personnel as per Authority Matrix for review and approval.</p> <p>The bid analysis statement is forwarded to the finance director to confirm the budget commitment.</p> <p>The authorized personnel as per Authority Matrix verify different quotations and supporting documents approve the quotation of the selected supplier.</p>	

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4.3.2 Issuing LPO

Responsibility	Activity	Forms
Procurement and Contracts department	Prepare LPO in the system by selecting the approved quotation and forwards the same to procurement and contracts director.	LPO
	Procurement and contracts director Review the LPO details with respect to completeness and accuracy and approve the LPO and forwarded to authorized personnel as per Authority Matrix.	
	Procurement and contracts officer send the sign LPO to the supplier	

4.3.3 Cash purchase

The cash Purchase procedure is following same as initiating procurement and Issuing LPO process, but we request the quotation from one supplier only, then the concerned director /dean accept the quotation. Procurement and contracts officer Issuing cash purchase order and to be approve as per Authority Matrix

Note: Bid analysis processes are not required in cash purchase.

4.3.4 Budget overrun

Responsibility	Activity	Forms
User department	Receive the PR form with comments of budget not available from the Director of Financial and forward to the Director of Department	
	Director of User department Review the necessity for item: <ul style="list-style-type: none"> - If not justified: Reject the PR form - If justified: Forward the PR form to the appropriate authority for approval of budget overrun 	
Appropriate authority	Review and approve the PR form and return to user department	
User Department	Receive the approved PR form and forward to Finance director to be approved , then Finance director forward the case to procurement director to start procurement procedures	

5 Booking and reservations

5.1 Overview

5.1.1 This chapter describes the policies and procedures relating to processing and management of booking and reservation of hotels, air tickets, etc.

5.2 Policies

5.2.1 P&C is responsible for air ticket and hotel bookings as per instructions received from HR department. **(HR for employee only and for other things VC or DVC)**

- Authority levels properly defined in the system
- Purchase requisition is approved only after budget verification
- Defined HR policies and staff eligibility policies

5.2.2 HR policies and staff eligibility policies must be complied with.

5.3 Procedures

Responsibility	Activity	Forms
User department (HR , VC office , DVC office)	Prepare Request Form (RF) and forward to Director of Financial to check the availability of budget	Purchase Requisition (PR) Form
Finance department	Receive the authorized item requisition and verify the budget availability. <ul style="list-style-type: none"> - If the budget is available, Finance in charge forward the request to Procurement and Contracts Department to complete process. - If the budget is not available, Finance in charge return the request for the user department 	
Procurement and Contracts Department	Procurement and contract Director receives the purchase requisition for review and approved : <ul style="list-style-type: none"> - If it is approved forward the request to deputy director for checking and chose a procurement and contracts officer to start the FRQ process 	RFQ

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Responsibility	Activity	Forms
	<p>- If there is amendment or clarification return the request for the user department.</p> <p>Procurement and contracts officer invite quotations from the approved suppliers with reservation detail.</p> <p>At least three vendors must be invited to be participated for each purchase (unless it is cash purchase).</p> <p>Procurement and contracts officer verifies the quotations received and forwards technical proposals to the user department for technical evaluation.</p>	
User Department	Verifies the quotation and endorses the reservation proposal and forwards the technical evaluation to procurement and contract department.	
Procurement and Contracts Department	<p>The procurement and contracts officer enters the quotations in the system for bid analysis and evaluates different quotations in the system.</p> <p>The procurement and contracts officer forwards the bid analysis statement along with the supporting documents (technical and commercial evaluation) to the procurement and contracts director.</p> <p>Procurement and contracts director verifies the bid analysis statement and passes the quotations of the selected supplier.</p> <p>The bid analysis statement is forwarded the Concerned director /dean to authorized personnel As per Authority Matrix for review and approval.</p> <p>The bid analysis statement is forwarded to the finance director to confirm the budget commitment.</p> <p>The authorized personnel as per Authority Matrix verify different quotations and supporting documents approve the quotation of the selected supplier.</p> <p>The procurement and contracts officer Issuing PO as per PO procedure.</p>	

6 Tendering

6.1 Overview

6.1.1 This chapter describes the policies and procedures relating to the purchase of items through the tendering process.

6.2 Policies

General tender policies

6.2.1 The policies apply to all Purchase Orders issued by the University for Purchase of Items and Services costing above R.O. 15,000/-.

6.2.2 All tenders between R.O. 15,001/- up to OMR 40,000 must be as selected tender (P&C will send invitation from registered suppliers only).

6.2.3 All tenders above R.O. 40,000/- must be public tender and must be sealed (publish in newspaper); however, with the valid and justified reasons agreed by all committee members, Committee can decide to opt for selected tenders instead of public tender.

6.2.4 All tenders should be approved as per Authority matrix.

6.2.5 Tender Committee to be formed and approved by the VC.

6.2.6 Tender Committee shall be composed of the following members:

- DVCRIS(Chairman)
- Procurement Director (Deputy Chairman – permanent member)
- Finance Director (permanent Member)
- Legal Advisor (permanent Member)
- Deputy Procurement Director (permanent Member)
- The director of the end-user department (Non- permanent Member)
- Procurement member (secretary)
- Any other staff / individual as deemed by the Chairman

6.2.7 All the decisions must be approved unanimously, but in the case of non-getting the approval unanimously; the matter should be raised to the VC for decision.

6.2.8 The quorum of the Committee is completed by the presence of the Chairman of the Committee and three permanent members.

6.2.9 In case of absence the Chairman of the Committee Deputy Chairman shall represent him in the Committee, and In case of absence of one member, the person who is acting for him/ her shall represent him/ her in the Committee.

6.2.10 The Tender Committee shall be responsible for the following:

- Forming Tender Opening Committee;
- Review tender technical bid evaluation undertaken by user departments for all tender responses (Technical score is between 60 % - 80%);

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- Evaluate tender commercial bid for all tender responses (Commercial score is between 20 % - 40%) ;
- Request supporting documentation, more information or clarification if necessary;
- Query discrepancies, if any;
- Present final decision on successful bidder to approving authority;
- Consider matters relating to the efficiency and effectiveness of the tendering process; and
- Any other activity as decided by the Board. (Roles and responsibilities)

6.2.11 Any tender offer which does not fulfill any of the terms or conditions of the tender policies and procedures laid down can be cancelled or disqualified by the Tender Committee.

6.2.12 The Tender Committee shall have the following authorities:

- Reject any offer submitted after the closing date of tender.
- Reject any offer which contains financial and technical offers together.
- Reject any offer if there is any reservation on the bidders with the stated reasons.
- Awarding the tender according to the preference of financial and technical evaluation (together) with reserving the right to award the tender for best financially supplier or technically supplier with the stated reasons.
- Ask the supplier to attend for the technical clarifications or financial discussion.
- Ask for a feasibility study for any project when it is required.
- Ask the end-user department to provide a detailed presentation of the technical evaluation.
- Re-tendering, for one of the following reasons:
 - Did not receive enough offers from suppliers.
 - Change the technical specifications of the tender.
 - Reject any offer not submitting full required document, not following the proper manner in submission
 - Get high prices exceed the allocated budget.
- The committee has the right to cancel the tender, for one of the following reasons:
 - In case if the tender conflicted with other tender.
 - Change in the University Strategy or any case not on ASU benefit.
 - If it is not in line with allocated budget.
 - BOD decisions.

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- In case of cancellation the tender, the amount of the tender sale should be returned to suppliers.
- The director of end-user department to be excluded of attending in opening envelopes meeting.
- Chairman of the Committee has the right to call any person to attend when deemed necessary.

6.3 Procedures

Responsibility	Activity	Forms
All the procedure of requisition stage are following the Initiating procurement procedure (4.3.2)		
Procurement and Contracts Department	<p>Procurement Director receives the approved purchase requisition and forwards it to procurement officers to start the process.</p> <p>Procurement officers Float the tender to the market according to the value of the estimated budget as follows:</p> <ul style="list-style-type: none"> • Selected tender: float the tender to selected vendors If the request value is more than 15,000 and less than or equal to 40,000 Omani Rials. • Public Tender: publish the tender in newspapers. If the request value is more than 40,000 Omani Rials. <p>Procurement and Contracts officer Floats the tender to the market stating the quantity, quality, specifications, special features, site visit date, tender fees if applicable, closing and submitting date, submission instructions, etc.</p> <p>Vendor can send a request to extend the submission date, then Procurement and Contracts officer confirm the extension with the end user, and inform all the vendors about the new date if accepted.</p> <p>Vendor can send a request for more clarification about the request to the Procurement officer. Procurement and Contracts officer forward it to end user to clarify. Finally, Procurement officers share the clarification answers to all vendors.</p> <p>Vendors deliver the proposals in a sealed envelope mentioning the name of the tender on the envelops which contains the following:</p> <ul style="list-style-type: none"> • Original proposals (Technical offer) • Original proposals (Financial offer) • Two copies of the technical offer 	

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Responsibility	Activity	Forms
	<ul style="list-style-type: none"> Two copies of the financial offer Bank guarantee if required. 	
Tender committee	Open technical offers and sent it to end user for technical evaluation through procurement and contracts department.	
User Department	Prepare technical evaluation (60 %) and forward it to procurement and contract department.	
Procurement and Contracts Department	Review the technical evaluation and raise it to the tender committee	
Tender committee	<p>Discuss the technical evaluation :</p> <ul style="list-style-type: none"> If approved, open commercial proposals. If not approved, return to end user to re-evaluate and resubmit it through Procurement and Contracts department. 	
Procurement and Contracts Department	Prepare commercial evaluation (40 %) and awarding form (technical and commercial evaluation 100%) with recommended vender and then raise it to Tender committee.	Awarding form
Tender committee	Review, discuss and approve the awarding form.	
Procurement and Contracts Department	<p>Prepare and sign the letter of intent (if contract is required) / awarding letter (if contract is not required) as per the approved authority matrix.</p> <p>Procurement and Contracts officer sends the letter of intent / awarding letter to the awarded vender.</p>	

7 Contracts

7.1 Overview

7.1.1 This section describes the policies and procedures relating to the purchase of items / service through the Contract.

- **Definition of contract:** It is a written agreement between two or more parties to create mutual commitments to achieve the benefit according to the law and terms of the contracts.
- **Drafting of the contract:** The service provider is responsible for preparing and drafting the contract for the beneficiary, But in any case contract should be in beneficial terms of ASU and should have following as minimum:
 - ✓ Payments terms
 - ✓ Delivery terms
 - ✓ Cancellation clause
 - ✓ Force majeure
- **Contracts are classified as following:**
 - ✓ Rent Contracts.
 - ✓ Service Contracts.
 - ✓ Maintenance Contracts.
 - ✓ Safety and Security Contracts.
 - ✓ Communication Contracts.
 - ✓ Supply Contracts.
 - ✓ Other Contracts.
- The original contracts to be given to:
 - ✓ The owner / Company.
 - ✓ P&C Department.
- The copies to be given to:
 - ✓ The Finance Department.
 - ✓ the concerned (department/faculty)

7.2 Polices

- 7.2.1 All contracts should be approved as per Authority matrix
- 7.2.2 In case of termination of the contract, a letter will be issued and signed by the same authorized person who signed the contract.
- 7.2.3 The University management has the right to renew the contract for five years as a maximum.
- 7.2.4 Special cases (employee / guest accommodation): If there is a request for a special residential building, Assets department coordinate with considered department and looking for the required specifications after getting the approval of the University Management represented by its VC, before signing the contract.
- 7.2.5 Agreements: All agreements that are made for less than one year and for a single job, will not follow purchasing cycle but it will consider as contract for example: (Sponsorship agreement for exhibition, sports tournament etc.).
- 7.2.6 Service Provider to pay all the government departments fees, for example; (Municipal taxes, Customs taxes, Local taxes).
- 7.2.7 In case of renewal of the contract, a letter will be issued and signed by the same authorized person who signed the contract.
- 7.2.8 In case of the contract the amendments constitute to change the nature of contract or if P&C Director and or User department Direct perceives that the amendments changes the nature of the contract then P&C can cancel the contract at that stage and can opt for re-tendering.

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7.3 Procedures

7.3.1 New contract

After submitting the request or completion of tender procedures, the procedures will be as follows:

Responsibility	Activity	Forms
Procurement and Contracts Department	Procurement and Contracts officer notifies the selected vendor (service provider) to prepare and submit the contract draft, And then it will be sent to end user for review, comment and approval.	
User Department	Review contract technical clauses and scope, <ul style="list-style-type: none"> - If it's approved, send to P&C Dept. for process. - If there is any amendment (either addition or deletion) it will be forwarded to P&C Dept. to communicate with vendor for required amendment. 	
Legal Advisor	Review the contract legally , <ul style="list-style-type: none"> - If approved, send to P&C Dept. for process. - If there is any amendment (either addition or deletion) forward to P&C Dept. to communicate with vendor for required amendment. 	
Finance Department	Review contract financial clauses , <ul style="list-style-type: none"> - If approved, send to P&C Dept. for process. - If there is any amendment (either addition or deletion) forward to P&C Dept. to communicate with vendor for required amendment. 	
Procurement and Contracts Department	Procurement and Contracts officer notify the vendor to submit two signed and stamped original copies, then ASU will sign , stamp and send back one original copy to vender .	

7.3.2 Renewal of current contracts

For the current contracts and before the end of its agreed period, the procedures are as follows:

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7.3.2.1 *Renew contract with same terms and conditions*

Responsibility	Activity	Forms
Procurement and Contracts Department	Procurement and Contracts officer asks the end user about his desire to renew the contract before the agreed notice period.	
User Department	In the case of renewal the contract with same terms and conditions, end users send his confirmation.	
Procurement and Contracts Department	Procurement and Contracts officer confirm with finance department about the payment dues (If required) , then Procurement and Contracts officer notify the vendor to submit two signed and stamped original copies, then ASU will sign , stamp and send back one original copy to vender .	

7.3.2.2 *Renew contract with amendment*

Responsibility	Activity	Forms
Procurement and Contracts Department	Procurement and Contracts officer asks the end user about his desire to renew the contract before the agreed notice period.	
User Department	In the case of contract renewal with amendment, end user highlights the new requirement with proper justification.	
Procurement and Contracts Department	Procurement and Contracts officer communicate with the vendor to inform him about the new required amendment, <ul style="list-style-type: none"> - If the vendor accepts the new amendment, Procurement and Contracts officer asks vendor to submit two signed and stamped original copies, then ASU will sign , stamp and send back one original copy to vender . - If the vendor asks additional amount for the new requirement, Procurement and Contracts officer asks the vender to submit the justification of this increase and forwards it to the End-user. 	

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Responsibility	Activity	Forms
User Department	Review the justification of the additional amount: <ul style="list-style-type: none"> - If it's accepted, end-user has to obtain approval for the new budget then send to P&C Dept. to complete the process and get two original signed copies. - If it's not accepted, end-user confirm that to P&C Dept. 	
Procurement and Contracts Department	Procurement and Contracts officer notify the vendor about un-acceptance of the additional amount and organize a meeting with the vendor and end-user to discuss the matter : <ul style="list-style-type: none"> - If all parties agreed, P&C Dept complete the process of contract renewal. - If the parties not agreed, P&C Dept start the process of contract termination. 	

7-3-3

Contract Termination and Non-Renewal

Responsibility	Activity	Forms
User Department	End user informs Procurement and Contracts Department about its desire to terminate/non-renewal the contract with justification.	
Procurement and Contracts Department	Procurement and Contracts officer notify the vendor (before the specified period of notification) that the ASU desire to terminate/non-renewal the contract. Then Procurement and Contracts officer prepare and sing terminate/non-renewal letter to be sent to vendor and inform the end-user and finance department to settles all dues	

7-3-4

Contracts Follow-up

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Responsibility	Activity	Forms
Procurement and Contracts Department	Procurement and Contracts officer asks the end-user to send an Annual evaluation report about the vendor's performance.	
User Department	<p>Prepare evaluation report about the vendor's performance stating certain criteria such as:</p> <ul style="list-style-type: none"> - Quality of Service. - Providing the required quantities and numbers. - Providing Service on time. - The service should be commensurate with the value of the contract. - Cooperation in the exceptional cases. - Other criteria if the end user wants to add. <p>End-user send the report to the P&D Dept.</p>	
Procurement and Contracts Department	<p>Procurement and Contracts officer take the following action as per the end-user report :</p> <ul style="list-style-type: none"> - If the performance percentage of the service is 90% and above, Procurement and Contracts officer Sending a letter of thanks about the good performance and motivating them to continue. - If the performance percentage of the service is 80-89% Procurement and Contracts officer Thanks supplier about the good performance and motivating them to continue verbally - If the performance percentage of the service is 60-79% Procurement and Contracts officer notify the contracting vendor verbally to raise the level of service and clarify underperformance aspects. - If the performance percentage of the service is less than 60% , Procurement and Contracts officer send first written warning to the contracting vendor to inform it about the underperformance aspects. 	



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Responsibility	Activity	Forms
	<ul style="list-style-type: none"> - If there is no respond after two weeks from the date of the first written warning, Procurement and Contracts officer to send the second written warning and refers to the first warning, in addition to clarify the underperformance aspects and the lack of response. - If there is no respond after two weeks from the date of the second written warning, in addition to clarify the underperformance aspects and the lack of response, Procurement and Contracts officer to send the third written warning and refers to the first & second warnings in addition to clarify the underperformance aspects and the lack of response, and the following procedures will be followed: <ul style="list-style-type: none"> • P&C Department to inform the Finance Department in order to suspend the monthly payment. • Forming a committee to look at the performance of the company and make appropriate solutions which consists of: <ul style="list-style-type: none"> ✓ Procurement and Contracts Department. ✓ Concerned department. ✓ Legal Advisor. ✓ Internal Auditor. - The recommendations adopted by the committee minutes: - Recommendations will be raised to the DVCRIS to make the appropriate decision. 	

Adoption authorizations

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- If the contract already has been followed the Purchase order or tendering approvals process, it will be as following:

- **A.**

No.	Cost (OR)	Preparation authority	Endorsement authority	Approving authority
1	15,000 and less	PD	End user Legal Adviser Finance	DVCRIS VC (rent)
2	More than 15,000	PD	End user Legal Adviser Finance DVCRIS	VC

- **B.** If the contract did not follow the Purchase order or tendering approvals process, it will be as following:

No.	Cost (OR)	Preparation authority	Endorsement authority	Approving authority
1	Up to 5,000	PD	End user Legal Adviser Finance	DVC-RIS
2	Up to 25,000	PD	End user Legal Adviser Finance DVCRIS	Vice-Chancellor
3	Up to 500,000	PD	End user Legal Adviser Finance DVCRIS VC	Executive Committee
4	500,001 – above	PD	End user Legal Adviser Finance DVCRIS VC Executive Committee	BoD

- In case of renewal of contracts, it will follow table (A).