United Arab Emirates University

Procurement

Policies & Procedures

Document Revision History

Revision No.	Revision Date	Description	Page No.

Key definitions

Manual	A policies and procedures manual is a functional guide for conducting the operations of an organization, division or department. It prevents difficulties in performing duties due to lack of understanding or inconsistent approaches and assists in developing a consistent method in handling any task. The manual typically consists of policies, procedures and process maps.
Policy	A definite course or method of action to guide and determine present and future decisions. A policy is a guide to decision-making under a given set of circumstances within the framework of corporate objectives, goals and management philosophies.
Procedure	A particular way of accomplishing something, or an established way of doing things. A procedure is a series of steps followed in a definite regular order that ensure the consistent and repetitive approach to actions.
Process	A set of activities that uses resources to transform inputs into outputs. A graphical, sequential description of the activities involved in a process is referred to as a **Process Map.**

Contents

0 Introduction

0.1 Role of Procurement function

The procurement function will play a key role in addressing and fulfilling United Arab Emirates University's (UAEU) procurement needs. In this context, the primary role of the procurement function will be to perform:

- Procurement of goods and services required by UAEU.
- Make use of the best practices and appropriate procurement methods to ensure that required good/services are delivered to UAEU as requested and at the most reasonable prices.
- Communicate to the colleges, divisions and departments, policies and procedures governing the purchase of goods and services for UAEU, and revisions and amendments to such policies and procedures, as needed.
- Keep informed of current developments in the field of purchasing, prices and market conditions.

The Chief Financial Officer (CFO) has the responsibility for initiating, implementing and making future updates to the processes and procedures and reporting to the Secretary General on any non-compliance.

The CFO is also responsible for defining broad guidelines to ensure compliance of other colleges, divisions and departments with the procurement policies and procedures.

Financial officers in individual colleges and departments are functionally accountable to the UAEU procurement function. The CFO has the authority and responsibility to monitor, audit and ensure compliance by all Colleges/Division/Departments with the policies and procedures set out in this manual.

0.2 Objectives of the Procurement Policy manual

The objectives of the Procurement Policy Manual are as follows:

- Define policies that govern all aspects of UAEU's procurement operations.
- Protect UAEU's interest and safeguard its assets and operations by setting out clear and concise policies and procedures that will be followed when executing procurement operations.
- Provide a basis for the internal audit function for assessing that the procurement policies and procedures are adhered to within UAEU.
- Facilitate the rotation of work responsibilities amongst CPD personnel and allowing them to gather knowledge and experience about the different aspects of the UAEU's procurement operations.

- Ensure that an effective and efficient procurement culture, guided by these policies and procedures, is institutionalized across UAEU.

0.3 Use of the Manual

- The CFO is the owner of this manual. All inquiries and matters relating to the manual will be addressed to him/her.
- All policies and procedures contained in this Manual operate in conjunction with the relevant Signing Authority Matrix.
- Requests for updating the manual (add/delete/amend) can be originated by any of the users of the manual. The user can formally write to the CFO, through his immediate supervisor describing the suggestions and the rational for such change.
- Whenever an update concerns a policy, the CFO will review the request and, if deemed appropriate, the policy manual will be updated upon receiving the requisite approval from the Secretary General.
- Copies of the Manual, revision proposal and amendment notifications will be posted online.
- All policy changes require the approval of the Provost, Vice-Chancellor and Chancellor, in that order.
- Procedures associated with these policies require the approval of the Provost, at the recommendation of the policy owner via the Secretary General.

0.4 Glossary/Definitions

Unless provided otherwise, or irrelevant to the context, the following words and expressions will have the respective meanings assigned to them.

Direct Supervisor

The employee’s immediate supervisor (Chancellor, Vice-Chancellor, Provost, Secretary General, Director/Dean, Associate Provost, Manager, Specialist, Generalist, etc).

Purchase Order/Contract/Agreements

A purchase order (PO), contract, or agreement (including pricing agreement) is a commercial document issued by UAEU, indicating the type, quantities, delivery/execution date, and agreed upon prices for goods or services. In general, purchase orders are issued for procurement transactions equal to or below AED 100,000, and contracts are issued for transactions above AED 100,000.

University Procurement Committee

The University Procurement Committee is formed by the Secretary General and includes the CPD Director and Assistant CFO as members, and a representative from CPD as the secretary. Other members may be appointed to be part of the committee as directed by the Secretary General.

This committee is responsible for:

- Categorizing goods/services as centralized or decentralized.

- Deciding on which goods/services should be procured through pricing agreements.
- Deciding on the disposal method for surplus goods
- Conducting procurement activities for goods and services that are categorized under the Centralized Procurement List or for purchase requests that are above the purchasing limits set for colleges, divisions and departments, or any other purchases as agreed to by the CPD Director.
- The University Procurement Committee is responsible of handling all other purchasing or contracting issues within its purview.

College/Division Procurement Committee

The College/Division Procurement Committee is formed by the college dean/division head, and includes, at least, two representatives from the College/Division, one representative from CPD, and one representative from the Financial Affairs Department. Other members may be appointed by the college dean/division head to be part of the committee, if need be.

This committee is responsible for conducting procurement activities for goods and services that are categorized under the De-Centralized Procurement List or for purchase requests that are within the purchasing limits set for the respective college/Division. In addition, this committee will be responsible for handling all procurement or contracting issues related to its College/Division and within its purview.

Technical Evaluation Committee

The Technical Evaluation Committee is appointed by the respective Procurement Committee with due representation by the requestor, technical specialists and members of the respective Procurement Committee. Other members may be appointed to be part of the committee.

This committee is responsible for reviewing and approving technical RFQ's/RFP's prior to tendering, and for conducting technical evaluations of vendor responses of the technical RFQ's/RFP's.

Commercial Evaluation Committee

The Commercial Evaluation Committee is appointed by the respective Procurement Committee and will be formulated with due representation by the finance officer and members of the respective Procurement Committee. Other members may be appointed to be part of the committee.

This committee is responsible for conducting the commercial evaluation of the RFQ/RFP submitted by the vendor.

Bid Opening Panel

The respective Procurement Committee will appoint a panel from its members to be responsible for conducting bid opening formalities, including receiving, processing, opening, and documenting the results.

Direct Contracting

Direct Contracting is a procurement method that is used for professional, consulting, or special service contracts and is signed directly with one qualified vendor.

Direct Procurement

Direct Procurement is a procurement method used to obtain quotations for goods or services from a number of invited vendors.

University/College/Division Receiving Committee

The Procurement Committee (University/College/Division) will form one or more receiving committees to be responsible for receiving centralized/decentralized goods/services related to a specific contract or for all contracts. All receiving Committees should include, at least, one representative from the respective College/ Division and one representative from the specialized unit (technical specialist, IT, etc.), if applicable. Other members may be appointed to be part of the committee.

Receiving Committees responsible for construction projects will be appointed by the CFO/University Procurement Committee, as necessary.

Receiving Committees are responsible for inspecting and receiving all goods/services/projects against a valid and approved Purchase Order/Contract and for issuing the Final Receipt Report.

Material Disposal Committee

The Material Disposal Committee is appointed by the CPD Director. This committee should include, at least, one representative from the respective Colleges/Division/Department and one representative from a specialized unit (technical specialist, IT, etc.), if need be. Additional members may be appointed to be part of the committee, if necessary.

The Material Disposal Committee is responsible for determining the value of surplus goods and for the disposal of such goods based on the University Procurement Committee's recommended disposal method.

Request for Quotation (RFQ)

RFQ is a document that is used in the process of tendering goods/services to seek competitive price bids. Vendors' responses to RFQ's must be in writing and in sealed envelopes. A clear explanation of the criteria which will be employed to evaluate the vendor responses must be included.

Request for Proposal (RFP)

Goods/services may be procured using the Request for Proposal (RFP) process in lieu of competitive bidding if it is impossible to draft adequate specifications or description of the goods/services to secure competitive bidding. Consideration must be given not only to price, but to quality, capability, and contractual factors in order to determine the most advantageous offer. A clear explanation of the criteria which will be employed to evaluate the vendor responses must be included.

Vendors' responses to RFP's must be in writing and in sealed envelopes.

Key Performance Indicators (KPIs)

Financial and non-financial metrics used to help an organization define and measure progress toward organizational objectives.

.

1 General Provisions

Overview

This section describes the general provisions governing purchasing code of ethics and the internal controls pertaining to purchasing activities. In addition it also details the complaint handling processes and guidelines.

1.1 Purchasing Code of Ethics

1.1.1 Scope

The scope of this policy is to govern all activities pertaining to procurement of goods and services.

1.1.2 Objective

The objective of this policy is to maintain efficient and effective procurement and contracting processes.

1.1.3 Policies

1. Director of CPD is responsible for defining the Purchasing Code of Ethics.
2. All employees must abide by the code of ethics as defined by the Director of CPD.
3. Any procurement staff member who feels that there might be a conflict between their own and UAEU interests in conducting a purchase transaction must relinquish all responsibilities related to the transaction (tender/contract).

1.2 Internal Controls Policy

1.2.1 Scope

The scope of this policy is to govern all activities pertaining to procurement of goods and services.

1.2.2 Objective

The objective of this policy is to maintain efficient and effective procurement and contracting processes.

1.2.3 Policies

1. The Director of CPD will put in place internal controls over procurement activities to ensure that:
   a) There is transparency and proper documentation of procurement process.
   b) The appropriate authorizations and approvals are obtained and documented.
   c) Systems and processes will be put in place for appropriate quality monitoring and performance measurements.
2. CPD will establish and put in place appropriate performance measures. Reporting systems will be used to monitor vendor performance against metrics and compliance with procurement policies, procedures and controls.
3. Internal service standards will be agreed within UAEU and performance against these targets will be measured and reviewed regularly to support continuous improvement.

~~4.~~ CPD will ensure that Banner forms/templates are used and followed.

5. Purchase Orders/contracts will be reviewed on a periodic basis. All overdue orders will be investigated for delivery/execution date.
6. The penalty for late delivery/execution or non-delivery/non-execution of goods or services will be based on the standard terms and conditions that will form part of all purchase orders/contracts with vendors.
7. Cancellation of purchase orders must be done through the relevant Procurement Committee.
8. CPD will nominate a representative who will maintain a purchase order/contracts database to keep track of purchase orders/contracts approved and signed by colleges and departments.

1.3 Complaints Handling Policy

1.3.1 Scope

This complaint policy applies to all procurement activities carried out by UAEU, its departments or associated colleges.

1.3.2 Objective

The objective of this policy is to maintain efficient and effective procurement and contracting processes.

1.3.3 Policies

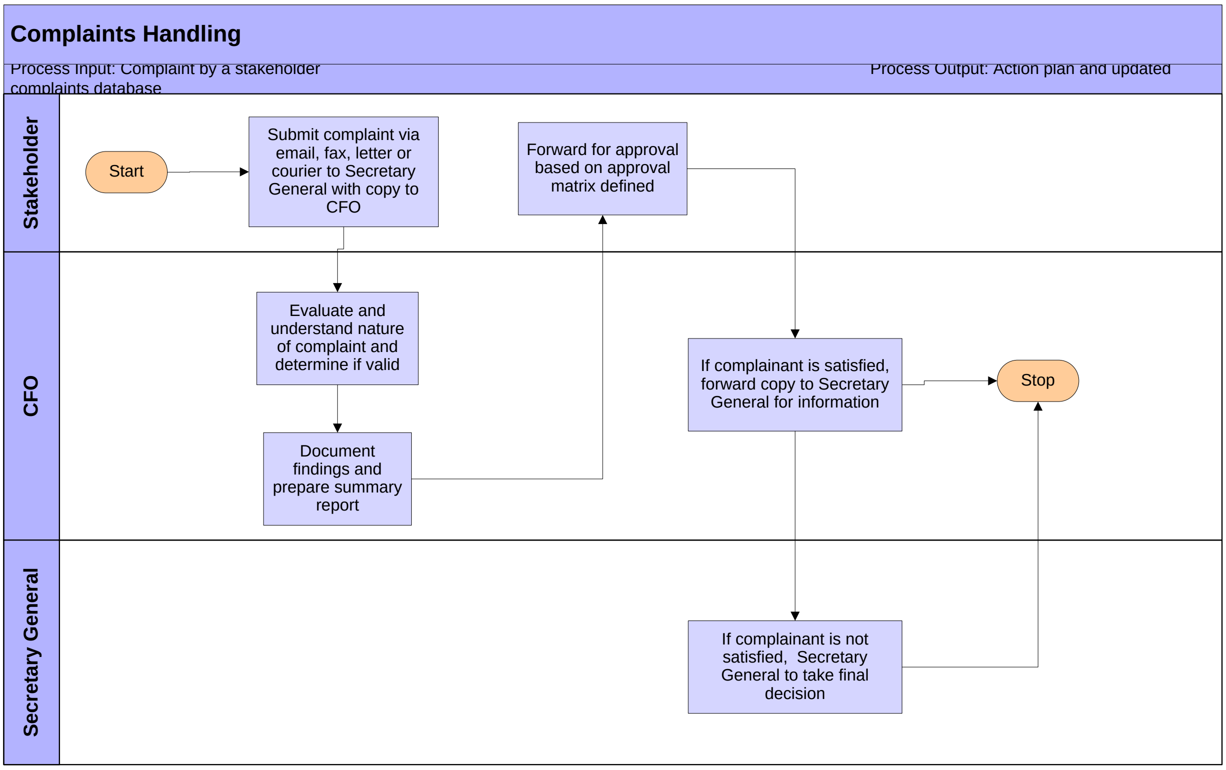
1. All the complaints against a procurement decision/ evaluation shall be addressed to the Secretary General.
2. The CFO shall ensure that every department gives aggrieved persons an opportunity to present complaints regarding the procurement process.
3. The Director of CPD is responsible for acknowledging the complaints and ensuring proper investigation of the same.
4. In the event of any conflict, the decision of the Secretary General will be final.
5. Confidentiality of the complainant will be maintained if requested.

1.3.4 Procedure

1. When a stakeholder notices or faces a problem with an activity involving the procurement process, he/she will submit a written complaint via email, fax or courier to the Secretary General with a copy to the CFO.
2. On receipt of the complaint the CFO will evaluate and understand the nature of the complaint.
3. The CFO or his designee will document the findings in a summary report and send the same to the complainant.
4. Where the complainant is satisfied, the report is forwarded to Secretary General for information. If the complainant is not satisfied with the report, it is forwarded to Secretary General for a final decision.

1.3.5 Process Flow

1. Complaints Handling



2 Procurement Guidelines

Overview

This section explains the overall procurement model that will be applied for procuring goods and services across UAEU and the policies that govern Procurement Planning activities.

2.1 Procurement Planning

2.1.1 Scope

The scope of this section details the procurement model and sourcing strategy that should be at UAEU.

2.1.2 Objective

The objective of this policy is to ensure that there is a consistent and transparent approach to handling procurement activities not only at the UAEU level but also at the college and departments.

2.1.3 Policies

1. All colleges and departments shall prepare a procurement plan for goods/services according to the CPD Director's directive.

   The University Procurement Committee will meet regularly to review all plans to procure goods and services for UAEU, and to determine which goods and services should be procured centrally, de-centrally, or through pricing agreements.
2. Goods and services that are categorized as "Centralized" will be procured, ordered and managed by the CPD and the University Procurement Committee. Goods and services that are categorized as "Decentralized" will be procured, ordered and managed by the respective College/Department Procurement Committee.
3. Incase of goods and services that qualify for pricing agreements, CPD will establish pricing agreements with vendors. Thereafter, procurement for these goods and services will be managed by the respective College/Division Procurement Committee.
4. Unplanned/urgent needs should be submitted to the Provost or Secretary General for approval.

2.1.4 Procedures

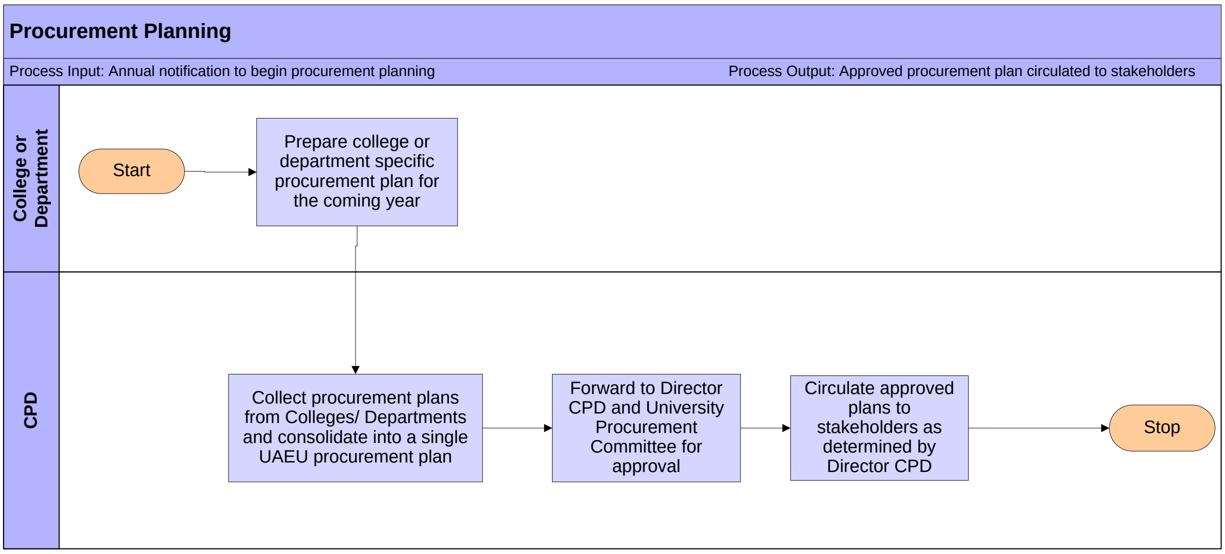
2.1.4.1 Procurement Planning

1) All colleges and departments are to prepare the procurement plan for their own college or departments based on:
   a) UAEU or college/department specific vision and growth plans for the coming year
   b) Implementation schedule of planned projects
   c) Historical consumption of goods and services
2) CPD Representatives will consolidate the individual plans and compare and analyze requirements based on the previous year's consumption patterns.

3) The final procurement plan is then prepared and forward for approval to the University Procurement Committee and Director of CPD.
4) This approved procurement plan is then circulated to the relevant stakeholders as determined by the Director of CPD.

2.1.5 Process Maps

1. Procurement Planning



2.2 Procurement Methods and Limits

2.2.1 Scope

The scope of the various procurement methods detailed in this section covers procurement of goods and services that are both on the centralized and decentralized goods/service list.

2.2.2 Objective

The objective of this section is to ensure that there is a consistent approach to applying a particular procurement method for procuring goods and services.

2.2.3 Policies

1. The procurement method for each type of procurement are as follows:

No	Procurement Type	Procurement Value	Procurement Method	Responsible Party
1	Establishing Pricing Agreements for goods and services.	No Limit	Any Method	University Procurement Committee
2	Procurement of any goods or services not covered by a University pricing agreement.	Up to AED 25,000	Direct Procurement	Dean/Head of College, Division or Department
		Above AED 25,000 and up to AED 250,000		Respective Procurement Committee
		Above AED 250,000 and up to AED 1,000,000	Limited Tender	Respective Procurement Committee
		Above AED 1,000,000	Public Tender	University Procurement Committee
3	Procurement of highly specialized goods and services as a result of which the purchase order/contract needs to be placed directly with one vendor – sole source, and procurement of professional/consulting/special services.	No Limit	Direct Contract	Provost or Secretary General
4	Rental of UAEU property	No Limit	Any Method	University Procurement Committee
5	Any exceptions to the procurement method	Approval of CPD Director required		CPD Director

2. If the value of purchases for decentralized goods or services is estimated to be above the limits defined below for Departments, Colleges, and Divisions, then the procurement request for the goods/service will be managed by CPD/University Procurement Committee.

	Limit (AED)
Department	25,000
College/Division	1,000,000

3. Procurement of centralized and decentralized goods and services not exceeding AED 25,000 may be carried out through Direct Procurement method, and without the approval of any Procurement Committee. For such transactions, the finance officer only needs to obtain quotations from, at least, three of the prospective and responsible vendors.
4. For goods and services in excess of AED 25,000 that do not qualify for procurement through the Direct Contract method or through a pricing agreement will be procured by any other procurement method, with the following additional requirements:
    a) Quotations must be obtained from a minimum of three responsible and responsive vendors in a fair and ethical process.
    b) The respective Procurement Committee should select the vendor through standard competitive requirements.
    c) The following are specific exceptions to this UAEU policy for ensuring competition:
        i. Purchases from University internal organizations.
        ii. Specific and scarce goods or services.
        iii. Purchases governed by compulsory prices or fixed tariffs.
        iv. Goods and services provided by sole source.
5. Procurement of specialized goods and services, and procurement of professional, consulting, and special services may be carried out through the Direct Contracting method, irrespective of the amount, and without the approval of a Procurement Committee. Such procurement should, nevertheless be approved by the Provost, or Secretary General.
6. Rental of UAEU property should be approved by the University Procurement Committee.

2.2.4 Procedures

1) A requestor when faced with a need for goods or service will provide the purchase request/ technical requirements and vendor quotation, if obtainable to the finance officer at their respective college, division or department.
2) On receipt of the purchase request, and depending on the value and nature of goods/service, the finance officer will determine the appropriate method of procurement to be used, and also obtain the appropriate approval per the defined Signature Authority. If the requested goods/services are covered under a pricing agreement, the finance officer will ensured that the pricing agreement is valid and then place a purchase order with the vendor, including all goods/service detail. Please refer to the appropriate sections in this document to understand the steps to be followed for each procurement method.

3 Procurement via Pricing Agreement

Overview

This section deals with the policies and procedures relating to procurement via pricing agreement.

3.1 Pricing Agreement

3.1.1 Scope

The scope of this section covers both goods and services that are on the Centralized and Decentralized goods/service list. It covers the policies and procedures that govern the creation of a pricing agreement and purchasing via pricing agreement.

.

3.1.2 Objective

The objective of this policy is to ensure that there is a consistent method of entering into a pricing agreement with vendors to supply goods and execute services for a certain period of time. These agreements will generally result in better prices/terms for UAEU.

3.1.3 Policies

1. The University Procurement Committee should approve any goods or services that are being acquired under in a pricing agreement.
2. Pricing agreement should be issued on a periodic basis and are subject to review (renewal or cancellation) as determined by the Director of CPD.
3. Any revisions/corrections to pricing agreements must be done by written amendment request and is subject to approval by the University Procurement Committees.
4. Purchase order/contract for goods and services covered under pricing agreements should:
    a) provide a reference to the pricing agreements
    b) include goods/service covered in the pricing agreements
    c) include the goods/services rates and delivery/execution date at which the pricing agreements have been entered

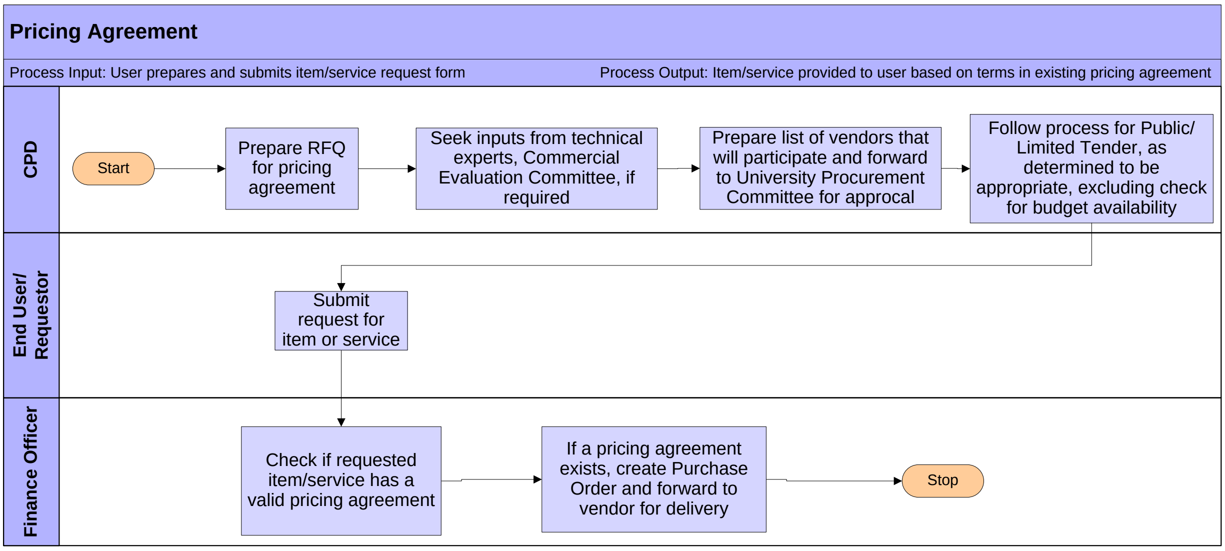
3.1.4 Procedures

1) CPD will prepare the pricing agreement RFQ, including goods/services specification and the minimum quantity that must be purchased or the minimum amount that should be spent through the agreement period.
2) Necessary input will be sought from the Commercial Evaluation Committee on financial terms and conditions. In addition, input can be sought from the original requestor, technical experts, or other concerned departments in the case of specialized items.
3) CPD will prepare a list of vendors who may participate and forward it to University Procurement Committee for approval and to choose the purchasing method.
4) The other steps to be followed to create a pricing agreement with a vendor for the delivery of goods and services are the same steps for a limited or public tender except for verifying budget availability.

5) A requestor (college or department) when faced with a need for goods/services will prepare the Purchase Request, provide details of the goods and/or services that is required and send to the finance officer for their respective department or college.
6) If the requested goods/services are covered under a pricing agreement, the finance officer will ensured that the pricing agreement is valid; that budget is available, and then will place a purchase order with the vendor, including all goods/service details.

3.1.5 Process Maps

1. Pricing Agreement



4 Procurement via Limited Tender or Public Tender

Overview

This section deals with the policies and procedures relating to the procurement of goods and services via the "Limited Tendering" or "Public Tendering" method.

4.1 RFQ/RFP Preparation and Evaluation and Source Selection

4.1.1 Scope

The scope of this section covers both goods and services that are on the Centralized and Decentralized goods/service list. It covers the selection of a source for the procurement of goods and service via the "Limited Tendering" or "Public Tendering" methods, as well as the preparation of a request for quotation (RFQ) or Request for Proposal (RFP) for the procurement of goods and services, and the evaluation of responses received from vendors.

4.1.2 Objective

The objective of this section is to establish unbiased, transparent and efficient processes for procurement of goods or services via the Limited or Public Tendering method, and for consistent methods of preparing RFQ/RFP and evaluating responses received from vendors.

4.1.3 Policies

1. Technical RFQ's/RFP's should be approved by the Technical Evaluation Committee.
2. A bid bond between 2% and 5%, as specified in the RFP, should be submitted by vendors (complete requirements will be defined in the RFP along with the UAEU registration requirement).
3. The bid evaluation process may be based on predefined objective criteria and conducted in a fair way to eliminate the possibility of any selection bias.
4. If only a single source, or specific, or unique supplier exists, the procurement activity may proceed if justified by the respective Procurement Committee.
5. All acceptable bids will be evaluated first for technical adequacy by the Technical Evaluation Committee. Commercial Evaluation will be conducted on all bids declared technically acceptable.
6. The respective procurement Committee, on the results of the evaluation, will conduct negotiations on the scope of work, nature of goods, duration of project, etc, if need be.
7. Vendors should be selected as per the recommendation of evaluation for the limited/public tenders. The Procurement Committee will, however, have the final decision making authority on selection of vendors.

4.1.4 Procedures

4.1.4.1 RFQ/RFP Preparation and Tendering

1. The requesting department, with the technical assistance of any other department or staff, will be responsible for drafting the RFQ/RFP and forwarding it to their finance officer, if any.

2. The finance officer will verify budget availability and then forward the RFQ/RFP for approval to the Technical Evaluation Committee (if a technical RFQ/RFP); other wise to be forwarded to the respective Procurement Committee.
3. Upon approval, the finance officer will assign a unique number to the RFP/RFQ and forwarded to the respective Procurement Committee based on the value.
4. In the case of a "Limited Tender", the requestor recommends vendors who should be contacted; and in the case of "Public Tender", the details of the tender must be publicly advertised.
5. The "Tender Fee" will be paid by vendors in order to bid for the RFQ/RFP as determined by Director of CPD.

4.1.4.2 Response Submission and Bid Opening

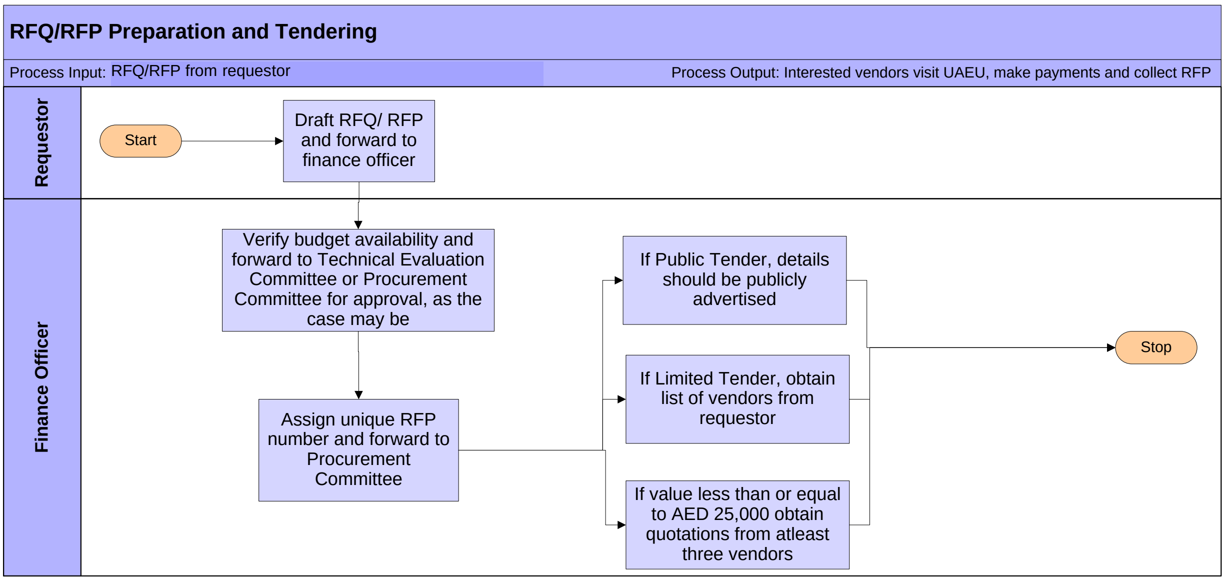
1. All vendors will submit their proposal through the tender box, if any, by the close of business of the closing date, or hand to UAEU staff appointed by the respective Procurement Committee to accept delivery.
2. The respective Procurement Committee or the Bid Opening Panel, if required, will open all proposals received and then conduct an initial review to determine if any proposal is incomplete or does not adhere to the guidelines laid out in the RFQ/RFP.

4.1.4.3 Tender Evaluation

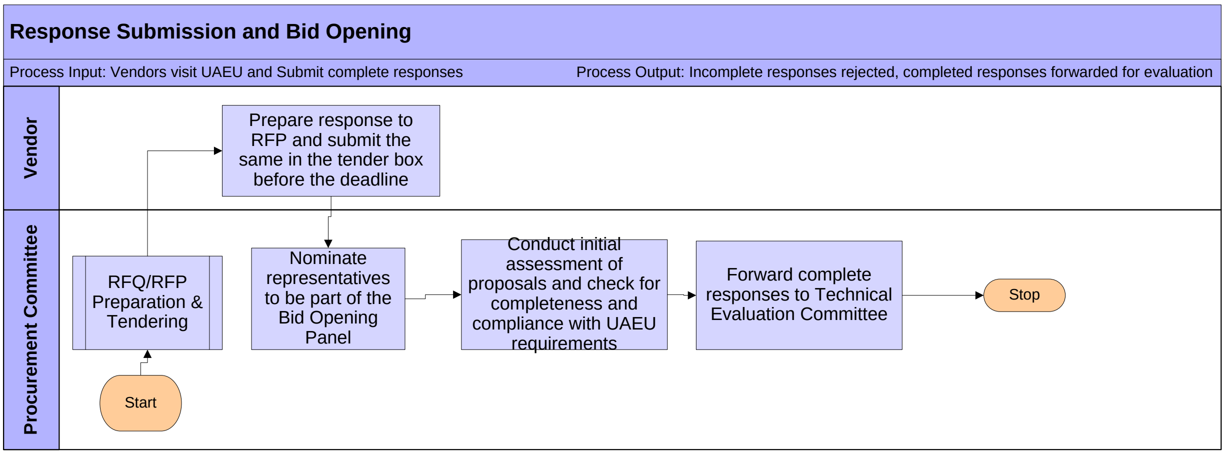
1. All valid and acceptable proposals as determined by the initial evaluation are consolidated.
2. All acceptable bids will be evaluated first for technical adequacy by the Technical Evaluation Committee based on the evaluation criteria as laid out in the RFQ/RFP. Technical assistance of any appropriate department or staff may be sought, if need be.
3. Necessary input will be sought from the Commercial Evaluation Committee on financial terms and conditions on all bids declared technically acceptable.
4. In case of any clarifications, the Technical Evaluation Committee will prepare a list of the same and send to the concerned vendor seeking input on the questions and clarifications.
5. The Technical Evaluation Committee will prepare a shortlist of vendors clearly justifying the same and forward it to the Commercial Evaluation Committee and the respective Procurement Committee.
6. The Commercial Evaluation Committee will prepare a Commercial Recommendation clearly providing reasons and justifications.
7. In addition, the Technical or Commercial Evaluation Committee, if necessary, may recommend to the respective Procurement Committee to conduct negotiations on the scope of work, nature of goods, duration of project, price of goods/project, etc.
8. The respective Procurement Committee will then consolidate the Technical and Commercial Recommendations, conduct negotiations on the scope of work, nature of goods, duration of project, etc, if need be, and signed off the final recommendation.

4.1.5 Process Maps

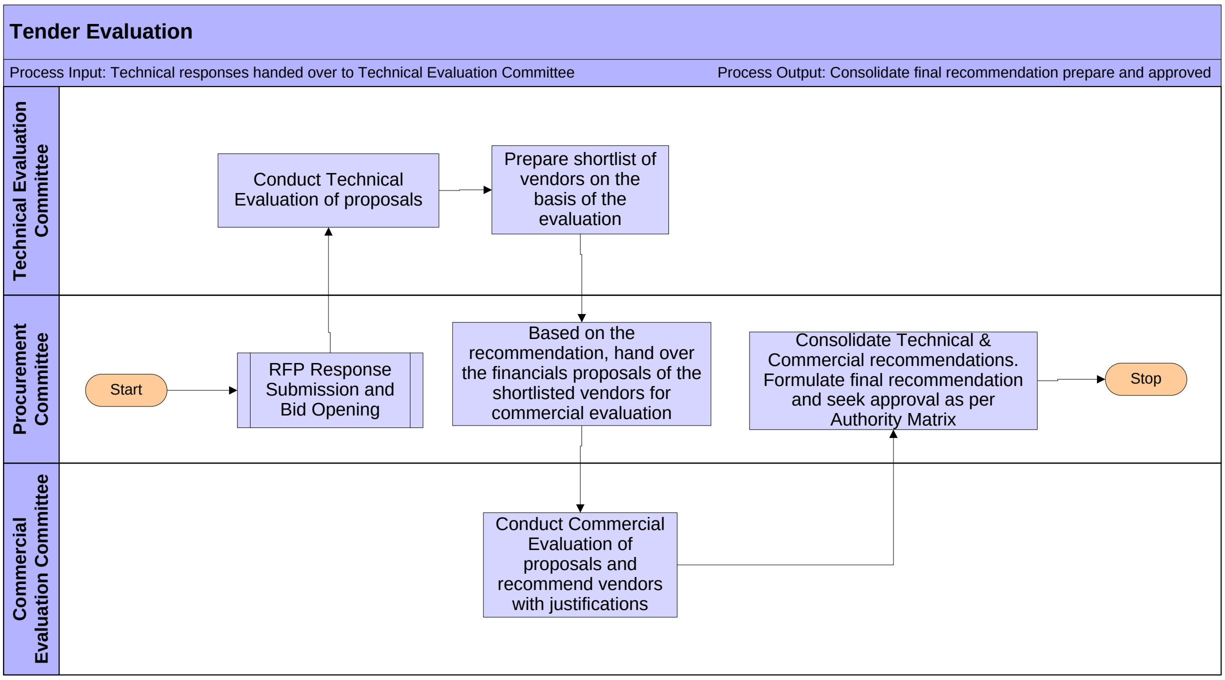
1. RFQ/RFP Preparation and Tendering



2. Response Submission and Bid Opening



3. Tender Evaluation



5 Contract Management

Overview

This section describes the general guidelines that cover the creation of a purchase order or contract.

5.1 Documentary Requirements

5.1.1 Scope

The scope of this section covers Purchase Order/Contracts' Standard Terms and Conditions, and the documents that are required to be submitted by vendors during the contracting stage.

5.1.2 Objective

The objective of this section is to ensure that UAEU is in possession of all relevant documentation prior to contracting or engaging with a particular vendor.

5.1.3 Policies

1. A contract template should be developed by CPD.
2. All vendors intending to contract with UAEU or its associated colleges and departments must register and meet all requirements as defined by UAEU, including submitting a 10% performance bond as determined by the CPD Director. The performance bond may be in the form of a lump sum in the case of a contract whose value cannot be fixed precisely.
3. Contracts signed with a vendor via Direct Contracting method may be exempt from performance bond, but the payment terms should be agreed to and signed.
4. Any deviations and exceptions to submission of Performance Bonds should be approved by the Director CPD.
5. A penalty will be imposed for delays in delivery/execution of goods/services. A penalty of not more than one percent (1%) of the value of the delayed items or executed services may be imposed upon the vendor for the first week of delay and two percent (2%) for each week thereafter, up to a maximum of ten percent (10%).

6 Inventory Control

Overview

This section covers the general guidelines relating to controlling inventory and managing security at each of the storage areas. In addition it also covers the policies, procedures and processes that are applicable to receiving, issuing, disposing and transfer of goods.

6.1 Inventory Control and Security

6.1.1 Scope

The scope of this section is applicable to all colleges, divisions or departments that fall under the purview of the UAEU.

6.1.2 Objective

The objective of this section is to ensure that there is a transparent and consistent approach to ensuring effective inventory control in the UAEU.

6.1.3 Policies

1. The Director of CPD should reduce risks of carrying large inventory by formulating appropriate inventory control policies.
2. There should, at all times, be a segregation of duties between employees responsible for receiving, issuing and managing inventories.
3. Each inventory good should have specific goods or part numbers assigned to them
4. An inventory register showing the opening stock, materials received, materials issued, and on hand quantity should be maintained by the storekeeper/UAEU staff at each college/division/department periodically.

6.2 Material Receiving

6.2.1 Scope

The scope of this section is applicable to all goods that are to be received either at college or departments against an approved Purchase Order/Contract

6.2.2 Objective

The objective of this section is to ensure that all goods are received in a consistent manner. In addition, the objective is also to ensure that all goods are thoroughly inspected prior to being accepted.

6.2.3 Policies

1. All delivered goods should be:
   a) Received initially against a valid and approved Purchase Order and delivery notice.

   b) Inspected to verify the quantity/quality and to ensure that the shipment is complete, and that there are no discrepancies.

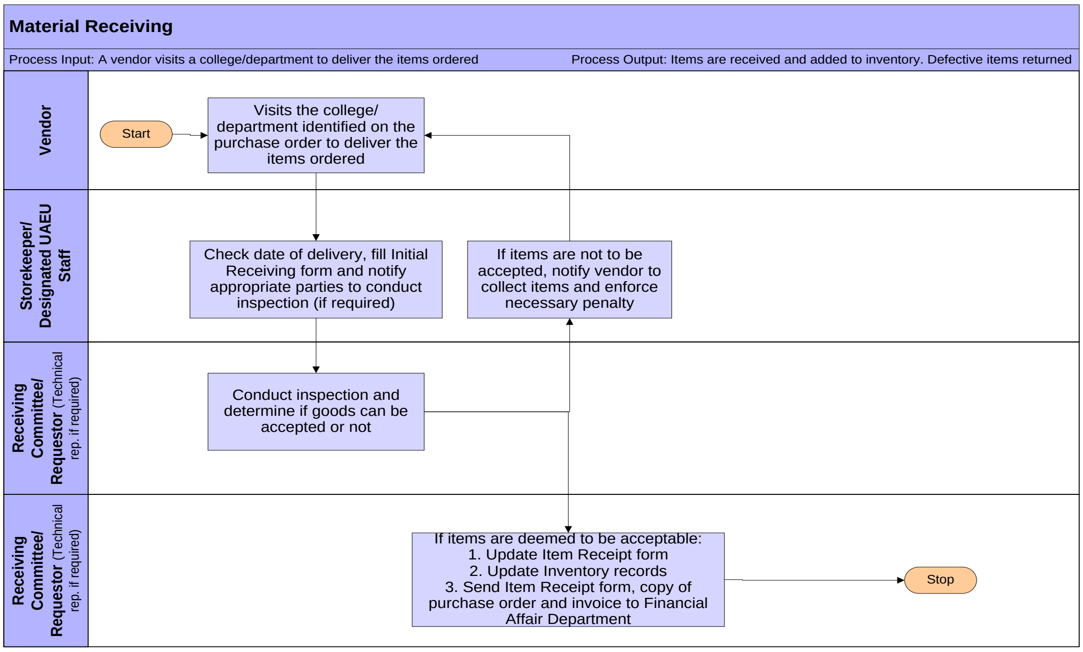
2. Initial receiving report should be ~~is~~ date-stamped to evidence the date of delivery and should also indicate the quantity of goods delivered.
3. If the delivery is done post the date the item was due, a penalty needs to be imposed.
4. Final receiving of goods and services should be inspected by the concerned Receiving Committee within 14 days of date of delivery/installation.
5. Receiving Committees responsible for construction projects will be appointed by the CFO/University Procurement Committee, as necessary.

6.2.4 Procedures

1. The Storekeeper/UAEU staff at the respective college/division/department will first ensure that the date of delivery/receiving and quantity are clearly indicated on the delivery notice or the invoice and then create an "Initial Receiving" Form.
2. The Storekeeper/UAEU staff will then notify the original requestor and the relevant Receiving Committee that the goods have arrived and needs to be inspected. Other relevant stakeholders (technical specialists, IT etc) may be involved with receiving.
3. Based on the final inspection decision the goods will be accepted or rejected as per defined policies. Exceptions, if any, will be brought to the attention of the respective Procurement Committee for resolution.
4. If the final decision is to reject certain goods, then the goods are rejected by the storekeeper/UAEU staff. Vendors should replace these goods to meet the specification. However, in such a case a new date will be mentioned on the delivery notice/invoice.
5. If all goods are acceptable, the storekeeper/UAEU staff will update the final receiving section on the Final Receipt Form and accept the delivery of the goods. The finance officer will also update the inventory system to indicate that items have been added to inventory.
6. The original approved Final Receipt Note (with the final receiving section updated), copy of the purchase order/contract, and the invoice are then sent to Financial Affairs Department for payment.

6.2.5 Process Maps

1. Material Receiving



6.3 Material Issue

6.3.1 Scope

The scope of this section covers the issuing of goods to users/requestors and the updation of inventory to indicate accurate inventory records.

6.3.2 Objective

The objective of this section is to ensure that all inventory/goods are properly tracked and issued in concurrence with the UAEU policy pertaining to inventory management.

6.3.3 Policies

1. All requests from end users should be approved by the user's immediate supervisor.
2. The storekeeper/UAEU staff at the respective college/division/department should on the basis of request issue the quantity to the user and generates a material issue note.
3. The storekeeper/UAEU staff should obtain an acknowledgement from the user for the receipt of material on the material issue note.

6.3.4 Procedures

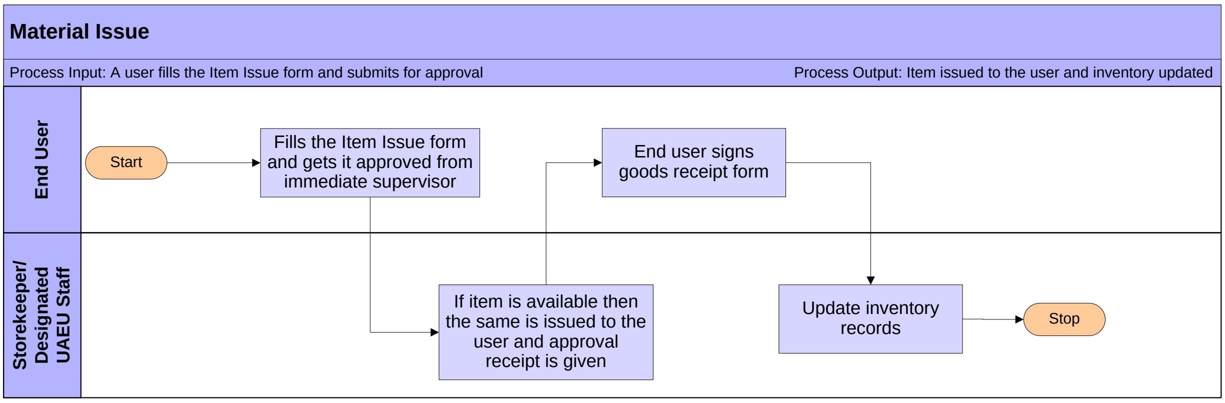
Material issue

1. An end user in need of any goods will first fill the designated form and submit it for approval to the immediate supervisor.

2. Post approval the form is then forwarded to the storekeeper/UAEU staff within the respective Department/College.
3. On delivery of the goods, the end user will sign form, indicating receipt of the goods as per the original request.
4. The storekeeper/UAEU staff will then update inventory records to indicate latest counts.

6.3.5 Process Maps

1. Material Issue



6.4 Material Disposal

6.4.1 Scope

The scope of this section covers goods and material handled by colleges, division and departments

6.4.2 Objective

The objective of this section is to ensure that there is a consistent approach to writing off and disposing surplus/unwanted goods so as to optimize space and generate revenue for UAEU

6.4.3 Policies

1. If any goods are no longer needed or suited to their function, they are rendered surplus to the needs of the UAEU or are damaged beyond economic, and effective repair, procedures to dispose of such goods will be initiated.
2. It shall be the responsibility of the finance officer at each college/department to provide CPD with a list of surplus, obsolete or scrap materials and request for their disposal.
3. Any surplus, obsolete or scrap goods/material belonging to UAEU, shall be disposed of by any of the following methods as determined by the University Procurement Committee:
   a) Trash
   b) Trade-in (Exchange)
   c) Donation
   d) Auction

4. Any proceeds from the auction of surplus goods will be credited to the appropriate UAEU account.

6.4.4 Procedures

Manage Asset Disposal

1) On a regular basis, the finance officer at each college/division/department will prepare a list of goods that need to be disposed.
2) The list of goods to be disposed of should be sent to CPD for review and approval, and for recommendation on the next course of action.
3) CDP will announce/advertise such items initially to other colleges/departments. Items picked by other colleges and departments will be transferred to them, and the list of surplus items will be forwarded to the University Procurement Committee for their action.
4) The following actions will be available to the University Procurement Committee:
    a. **Goods to be scraped (without auction):** The Material Disposal Committee will coordinate with the storekeeper/UAEU staff to take appropriate action to ensure that such goods are disposed of appropriately in a safe and sound manner keeping in mind environmental issues
    b. **Goods to be traded-in, donated, or auctioned:** Such goods will be kept at the college/division/department or transferred to another location until appropriate disposal procedures are completed.
        i. **Goods to be traded in:**

            Goods for disposal may be traded in if, based on the estimated price obtainable, the University Procurement Committee finds it advantageous to UAEU.

        ii. **Goods to be donated:**

            Goods for disposal may be donated as appropriate and as determined by the University Procurement Committee.

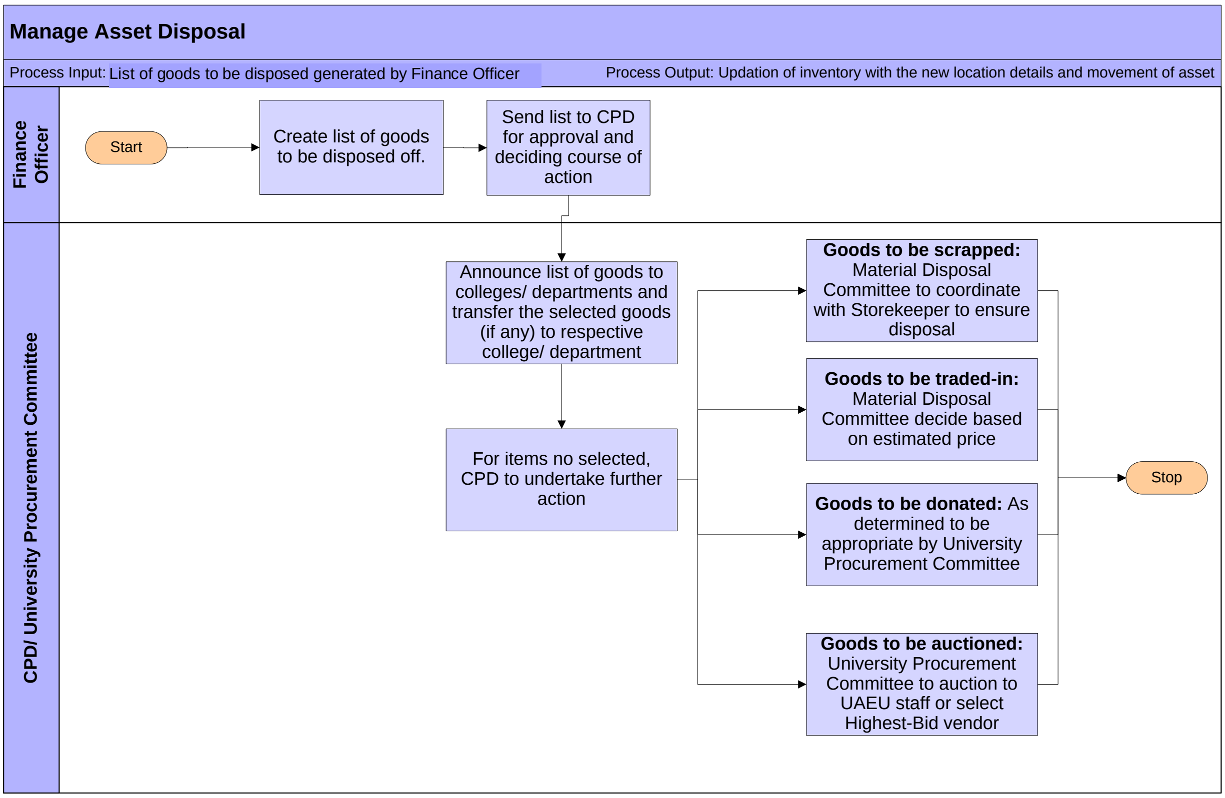
        iii. **Goods to be auctioned:**

            The University Procurement Committee may consider the option of auctioning surplus goods to UAEU staff, if deemed appropriate, or procure and appoint a "Highest – Bid" vendor to collect the goods from the respective college/division/department.

            The University Procurement Committee may cancel an auction at its own discretion.

6.4.5 Process Maps

1. Manage Asset Disposal



Appendix A: Procurement Approval Matrix

Section	Details	University Procurement Committee	College/Division Procurement Committee	College Dean, Division Head or Department Head	Director Of CPD	CFO	Secretary General	Provost	Vice Chancellor	Chancellor
	Changing or amending policies or initiating new policies									X
	Changing, amending, or initiating new procedures							X		
	Handling of complaints against procurement function					X	X			
	Goods categorization (Centralized or Decentralized)	X								
	Any Exception to method of procurement				X					
	Exception to documentary requirements				X					
	Procurement Plan	X			X					
	Purchasing Via existing pricing agreement			X						
Procurement Via Direct Procurement Method and Limited/Public Tender	Final Recommendation	X	X							

Appendix A1: Contracting Approval Matrix

Section	Details	Department Head	College Dean or Division Head	Director Of CPD
Purchase Orders And Contracts	Signing Purchase Orders up to and including AED 25,000	X		
	Signing Contracts up to and including AED 1,000,000		X	
	Signing Contracts above AED 1,000,000			X

Appendix B: KPIs

Procurement Planning

Critical Success Factor	Key Performance Indicator
Accurate and timely procurement planning	Compliance with defined timeline to complete procurement plan for respective department/college or University
	Percentage compliance with procurement plan for each department/college or University
	Reduction on total cost of the procurement process

Purchasing

Critical Success Factors	Key Performance Indicators
Improvement in overall purchasing process	Time to deliver goods or services covered under the various procurement methods
	Deviation from the value of the actual purchase order and the estimated value on the purchase request
Increased efficiency in Pre Tendering Process	Cycle time to prepare tender documents (RFP, RFQ, Quotations, terms of conditions etc)
	Cycle time to issue RFP/contact vendors from the time a Purchase Request is created
	Number of clarifications raised by vendor with regards to scope of work etc
Improvement in Evaluation Process	Lead time for evaluating proposals

Contract Management

Critical Success Factor	Key Performance Indicator
	Percentage compliance with UAEU terms and conditions
	Time taken to create the purchase order or contract from the time vendor is finalized
Accurate and robust contract management	Time taken to get final approval on purchase order or contract since creation
	Total cost to develop/maintain vendor contracts
	Percentage improvement in vendor performance as a result of continuous monitoring

Inventory Control & Security

Critical Success Factor	Key Performance Indicator
	Number of times material is accepted without an approved Purchase order
	Number of days delay in issuance of final receiving note
Improving efficiency of inventory receiving process	Number of days delay in issuing items to requestor
	Number of days delay in returning the rejected material
	Number of days delay in updating the inventory records
Improving efficiency of month end period close	Number of days delay in preparing inventory statement