



BETHLEHEM UNIVERSITY

Procurement Policy & Procedures

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Approved by: Bethlehem University Executive Council
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A. Purpose and Scope

To outline the general procurement policies and responsibilities of the University. The policy contains guidelines and procedures with regard of purchasing goods and services.

Purchasing is centralized for efficiency and is designed to relieve the faculty, research personnel, and departmental staff of certain duties and responsibilities connected with procurements. The office serves as coordinator between the requester and the supplier.

B. Responsibilities

B.1 Procurement Office Responsibilities

Bethlehem University Procurement Office is responsible for managing all procurement activities of the University.

Work involves coordinating and facilitating the acquisition of goods and services. Duties include reviewing requests and authorizing the purchase of commonly used goods and services and/or assisting higher level buyers in the preparation of bid invitations, the analysis of bids, and the award of contracts.

B.2 Departments' and Units' Responsibilities

- Departments are responsible for following the proper procurement procedures as outlined in this document.
- Departments are also responsible to inform new Department members of the University Procurement Policy.

B.3 Engineer's Office Responsibilities

All construction, maintenance, and renovation projects related to University facilities and utility services are managed by the University Engineer in coordination with the Procurement Office. The Engineer's Office is responsible for providing all appropriate documents (such as blue prints and design, estimated project cost, contractor list form, bid proposal description) necessary to carry out the bidding process. The Procurement Manager is responsible for reviewing construction procurement documents and contracts for compliance with purchasing procedures before forwarding to the Vice President for Finance and Administration for signature.

C. Procurement Procedures and Steps

C.1 Requisition Form

The Requisition Form is the procedural tool by which different Departments of the University may request the purchase of goods and/or services, which require processing by the Procurement Office.

The Requisition Form which is available at the Procurement Office and on the intranet should be filled by the requestor and signed by the Department head the requestor belongs to. Department head should review the requisition form and make sure that all information requested is completed (date, account number, full description and specifications). Item descriptions should be complete and accurate to allow bidders to bid the requirements expeditiously. After filling in all required information the requisition should be forwarded to the Procurement Office.

Departments should anticipate their requirements to allow adequate lead time for order processing and delivery.

C.2 Purchase Order/Contract

Purchase orders and contracts are issued by the Procurement Office only after the approval of the requisition and performing the appropriate bidding process.

- Purchase orders are used for all materials, parts, supplies, and equipment. The establishment of a purchase order is required for all purchases over \$500.
- Contracts are issued for all services and jobs including construction activities.
- The Purchase Order and contracts are used as a tool for the Finance Office to verify and control payments made to vendors.
- Purchase orders and contracts constitute a legally binding document that cannot be changed without the consent of both parties.
- Departments should obtain a copy of the purchase order/contract to use for verifying the goods and services received and for record keeping.

C.2.1 Invitation to Bid/Request for Quotations

After receiving the Requisition Form and identifying the suppliers, the Procurement Office prepares all bidding documents within one week from receiving the Requisition Form. Bidding documents include the date of issuance, time of issuance, bid number, full description and specifications of the requested items, and a deadline for date and time of receiving the bid/quotation.

Invitation to bid and requests for quotations for the purchase of all goods are subject to the following guidelines:

- \$1 - \$999: quotations are recommended but not required.
- \$1,000 - \$4,999: at least two written or faxed quotations are required depending on the availability of the goods requested.
- \$5,000 - \$9,999: three written bids are required. Faxed bids can be accepted if the supplier gives reasonable justification for sending it by fax.
- \$10,000 and above three or more written bids are required.

C.2.2 Pool of Suppliers

The selection of suppliers is open to all qualified suppliers and mainly is the responsibility of the Procurement Office and the Department involved. Departments may suggest names of suppliers to added to the pool available.

C.2.3 Receiving Bids/ Quotations

- All quotations must be received in sealed envelopes.
- Quotations should be delivered to the Administrative Assistant of the Vice President For Finance & Administration.
- The Administrative Assistant holds quotations in the Finance Office and delivers them to the Procurement Office on evaluation date.
- Faxed quotations can only be accepted if proper justification is provided by the supplier.
- Faxed quotations should be directed to the Office of the Financial Vice President For Finance& Administration to keep until evaluation date.

C.2.4 Evaluation of Bids/Quotations

All official bids or quotations are evaluated by a committee of at least three members. For University regular procurements not exceeding \$8,000 the committee is composed of the Purchasing and Auxiliary Enterprises Manager and two members of the Department requesting the purchase. If the amount exceeds \$8,000 the Vice President For Finance & Administration will be on the committee.

For construction, renovation, and other major maintenance projects under \$10,000 evaluation will be made by the Procurement Manager, the University Engineer, and the Plant and Maintenance Director. If expected project amount is over \$10,000 evaluation will be made by the Vice President For Finance & Administration, the Engineer, the Procurement Manager, the Director of Institutional Technology, and the Grant Comptroller or Accountant.

Evaluation for regular procurements such as chemicals, equipment, spare parts, etc.. is evaluated based on the following criteria:

- Reputation of and experience with the supplier.
- The life of the product or service.
- Quality.
- Risk and occupational health and safety issues.
- Sustainability.
- Price.

C.2.5 Receiving and Inspection Form

The Receiving and Inspection Form (see attachment 3) is designed to assure that items received from vendors are consistent with the Purchase Order in terms of

specification and quantity. It is the Department's responsibility to designate a person from the Department to receive the Department orders. The information on the Receiving and Inspection Form should include the name of the vendor, date of delivery, purchase order number, description and serial number if available of items received, and the name and signature of the person receiving the order. For large equipment purchases the Receiving and Inspection Form should be filled out by the Purchasing and Auxiliary Enterprises Manager with the Department representative to assure that serial numbers are taken and documented.

D. Special Procurement Procedures

D.1 Emergency Procurement

An emergency shall be defined as any situation which, if not corrected immediately, would cause damage to persons or property or result in a hazardous situation to employees and/or students or in any other fashion if not acted upon. Emergency orders are generally used for maintenance repairs. Failure to anticipate a need by any Department is not, of itself, considered as an emergency and will not be acted upon as such.

To initiate an emergency purchase, the authorized person in the Department must call the Purchasing and Auxiliary Enterprises Manager's Office and explain the situation in detail. If the Purchasing Office approves the situation as emergency, an immediate authorization for acquiring all items needed to fix the emergency will be granted. After the emergency is corrected, a Requisition Form should be filled in and sent to the Purchasing Office. The Requisition Form must state on it the nature of the emergency and must include a description of the goods and services requisitioned.

D.2 Single Source Procurement and Justification

The procurement of supplies or equipment without competition is done under exceptional and limited circumstances. When Departments require the purchase of a specific brand name sold by one specific agent, the Department must fully justify in writing the reason for choosing this specific brand. In such cases the Department Head must justify in writing the reason for single source procurement.

The Purchasing and Auxiliary Enterprises Manager reserves the right to request general specifications of the required item to obtain several offers.

D.3 Procurement Under Grants

- Departments requesting purchases under Grants must fill the University Requisition Form and sign it by the Grant Manager. Before placing any request, Grant Managers should make sure that their request is in line with the Grant Agreement.
- The Procurement Office should clear grant procurements from the Grant Comptroller prior to placing purchase orders to confirm availability of funds.
- After verifying requests and obtaining proper approval, the normal procurement procedures are followed.

D.4 Lease Purchase and Rental Agreement

Regardless of the time period involved in these agreements, a formal contract will be issued. All lease or rental contracts must be signed on behalf of Bethlehem University by the Vice President For Finance & Administration after review by the Procurement Manager.

D.5 Daily Purchases from Sole Suppliers

Purchases made for Hotel Management, the Coffee shop, and the Maintenance Department on a daily basis are usually obtained from limited local suppliers. Daily procurements must pass through the Procurement Manager for approval prior to purchase. It is the responsibility of the Procurement Manager to monitor all prices to avoid overpricing by sole suppliers.

D.6 Travel

Please refer to the University Travel Policy.

E. General Regulatory Clauses

E.1 Change or Modification of Purchase Order

Changes or modifications in purchase order documents requested by Departments can only be made through the Procurement Office.

The change may refer to price or quantities ordered. As a result of these changes a new purchase order is issued under the previous serial number. The adjustments should be approved and signed by the Vice President For Finance & Administration.

E.2 Errors in Bids/Quotations

Vendors are responsible for the accuracy of their quoted prices and specifications. In the event of an error between the unit price and its extension, the unit price will govern. Quotations may be amended or withdrawn by the bidder up to the bidding opening date and time, after which, in the event of an error, bids may not be amended but may be withdrawn prior to the issuance of the order. After the order has been issued no bid may be withdrawn or amended unless the Procurement Manager and the Vice President For Finance & Administration consider the change to be in the University's best interests.

E.3 Late Bids/Quotations

All bids or quotations should be received prior to the deadline for submission. It is the responsibility of the vendor to ensure that their bids are received by the responsible person no later than the appointed hour and date stated on the Bid Form. Late submissions will not be considered unless a fair exception is granted to the supplier with the permission of the Purchasing and Auxiliary Enterprises Manager and the Vice President For Finance & Administration.

E.4 Confidentiality of Bids/Quotations

All information supplied by vendors in their bid or quotation must be held in strict confidence by persons evaluating the bid or quotation, and may not be revealed to any other vendor or unauthorized individual.

E.5 Unauthorized Purchases

Departments are liable for purchases that are made contrary to the University purchasing regulations. The Finance Office will not approve the payment of any unauthorized purchase unless it is approved by the Vice President For Finance & Administration and the Procurement Manager.

E.6 Purchases Near Close of Fiscal Year

Purchase requisitions for supplies and equipment at or near the close of a fiscal year are to reflect essential needs only. All requisitions for equipment and supplies should be submitted during the month of June to allow sufficient time to receive and pay before the end of the University fiscal year (August 31).