



THE UNIVERSITY OF THE WEST INDIES, MONA CAMPUS

Procurement Policies and Procedures Manual

2 PROCUREMENT POLICIES

This section of manual defines the procurement policy framework of the University, describing Mona Campus-approved policies for the procurement of goods and services. The section covers policies for the full spectrum of procurement, including but not limited to:

- Procurement Planning
- Application of appropriate procurement methods
- Code of Conduct and Sanctions for breaches of approved campus policies.

2.1 Procurement Planning

Departments shall perform forward planning for all procurement in order to ensure that the University meets the needs in the most effective, economical and timely manner. Annual procurement plans shall coincide with budgets and shall address technical, operational, management and other significant considerations.

2.2 The Lease or Purchase Decision

Procuring departments should address this issue on a case-by-case basis, evaluating the comparative life-cycle costs, the nature of the procurement and other relevant factors. At a minimum the procuring department should consider:

- Estimated period of time the equipment is to be used and the extent of use during that time
- Financial and operating advantages of alternative types and makes of equipment
- Cumulative rental or lease payments for the estimated period of use
- Net purchase price
- Opportunities for re-deployment or equipment after completion of intended use
- Maintenance and other service costs
- Potential obsolescence, due, for example, to imminent technological improvements
- Net present value of either option.

As a general rule, purchase is appropriate if goods or services will be used beyond the point in time when cumulative leasing costs exceed the purchase costs.

Leasing is appropriate if it is to the University's advantage under the circumstances of the particular procurement. Leasing may also serve as an interim measure when the circumstances require immediate use of goods or service to meet objectives or do not currently support acquisition by purchase.



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2.3 Procurement Methods and Conditions for their Use

Officers involved in procurement must plan the process to ensure that the most appropriate methods of procurement are employed having regard to the nature and value of the goods, works or services required and the circumstances surrounding the procurement. Persons requiring assistance are encouraged to check with the Purchases Unit.

The use of personal means of payment for the procurement of goods, services and works for and on behalf of the UWI Mona Campus shall only be permitted with prior approval of the Bursary.

Following are the methods that have proven to be effective:

2.3.1 Formal Contract and Purchase Order

Procurement shall be made by way of a formal contract (Appendices 1-1 and 1-2) on the basis of the following criteria:

- value equal to or greater than \$500,000 and
- the procurement is not recurrent in nature (ie fixed/capital asset or a non-recurrent service of a consulting nature or otherwise) or
- the procurement is the first time purchase of an item that will become recurrent

A purchase order shall be required for all external procurement which includes procurement made under a formal contract.

2.3.2 Direct Contracting

Direct contracting consists of the contracting of a firm without following a competitive procedure. Direct contracting may be appropriate in circumstances such as the expansion of contracts for works or the acquisition of goods, when compatibility of equipment and spare parts is required, or in emergency cases or to extend a structure or entity originally completed through the contracting firm's intellectual property.

2.3.3 Limited Tender

Limited tendering involves express invitations to predetermined firms rather than a public announcement. Procurement offered through limited tender is generally not advertised. These firms must be qualified firms, selected in a nondiscriminatory manner, including eligible foreign firms, when available. At least three firms must be invited to ensure competitive prices. Limited bidding, which must be authorised in advance by the Procurement Manager, may be appropriate in cases such as:

- Contracts for amounts under \$50,000
- The failure of competitive public tendering



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- The acquisition of highly complex or specialised products
- A limited number of suppliers of a specific article or service
- An urgent need for key materials
- The need to standardise equipment.

Criteria for selecting suppliers or contractors should include:

- Nature of the work required
- Relevant experience
- Past performance record
- Current financial and technical capacities.

2.3.4 Selective Tender

Procurement opportunities offered through selective tender are open to all appropriately registered and qualified suppliers or contractors and are generally advertised as described in Section 4 of this manual. Procuring departments should endeavour to plan their procurement in order to allow sufficient time for interested suppliers or contractors to complete the required registration and/or pre-qualification processes in time to prepare and submit responsive tenders.

2.3.5 Open Tender

Open tender means the procurement opportunity is open to all interested local and foreign suppliers or contractors unless restricted by an external funding source, where applicable. Procurement with estimated value equal to or greater than \$4 million for construction works, including the associated consulting services, goods, and services as determined by the Procurement Manager must be offered through open tender.

2.4 Competition Requirements

The resources of the UWI must be used with strict attention to considerations of economy and efficiency. The method that best achieves this objective is competitive bidding. For this reason, procuring departments should employ competitive procedures best suited to the circumstances of the procurement action as guided by this manual and consistent with the need for efficient use of resources.

All qualified and appropriately registered suppliers of works, goods and services shall be given an equal opportunity to participate in the bidding process.



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2.5 Publication Requirements

2.5.1 Publicising Procurement Opportunities

Publicity is one of the most important elements of public bidding because it attracts the maximum possible number of eligible bidders. This publicity requires that the public notice of pre-qualification or registration, and that of the invitation to bid, when invitation is not restricted to pre-qualified firms, must be published on at least two occasions in a newspaper of wide national circulation. In the case of bidding with a value estimated to be equal to or above the thresholds set for international competitive bidding, in addition to the national publicity referred to above, international publicity may be carried out. In such cases, the public notice of pre-qualification or registration and that of submission of bids, when there has been no pre-qualification, may be published in a newspaper or recognised technical journal of wide international circulation.

2.5.2 Public Accessibility to Procurement Documentation

Select guidelines and procedures contained in this manual are available to prospective suppliers or contractors, who have been invited to provide works, goods or services to the UWI Mona Campus.

The procuring departments shall provide to suppliers and contractors, clear, specific descriptions of all materials, components and supplies required to complete the contract and shall provide such drawings, documents and models as are required to fully inform the contractor.

2.6 Rejection of Tenders or Proposals

UWI Mona may reject all tenders or proposals at any time prior to the acceptance without incurring liability to tenderers. Tenders that do not fulfill requirements of the tender documents or that contain irreparable errors or omissions should be returned without being evaluated. Tenders may be rejected if no bid complies with the tender documents, prices offered are not reasonable, or where there is evidence of collusion or lack of competition. Once the envelopes containing tenders are opened, the procuring department must, upon request, provide the grounds for any such rejection, but is not obliged to justify those grounds.

2.7 Contractor Registration and Classification

The Contracts Officer shall be responsible for the registration and classification of suppliers or contractors who wish to sell goods, services or works to the UWI Mona Campus. Qualification requirements for approved status include documented proof that applicants are capable of satisfactory performance in the categories and grades within which they apply to be registered.



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Evaluation criteria for registration shall include the following:

- Experience and results obtained in similar jobs
- Professional qualifications
- Performance record
- Personnel and equipment available
- Legal capacity to enter into contract
- Any litigation or arbitration resulting from prior contracts during the last five years
- Tax compliance
- Capacity (managerial, technical and financial)

Inclusion of the supplier or suppliers or contractor on the approved list does not automatically guarantee participation in UWI Mona procurement opportunities. Pursuant to the terms and conditions for participation in particular procurement opportunities, procuring departments may require that suppliers or contractors demonstrate eligibility in accordance with stated criteria which shall relate only to performance, experience, professional qualification, technical, managerial and financial competence and tax compliance. All UWI Mona departments that engage in procurement activities are required to utilize the register of suppliers or contractors except in the following circumstances:

- No qualified firm in the particular discipline desired has been registered
- No response to tender or proposal invitation is received
- Where open tendering is utilized.

2.7.1 Addition of Suppliers or contractors to Approved List

The UWI Mona Campus will not engage in contractual relations with suppliers or contractors that are not on the approved list. Where the need arises for goods and services, which can only be obtained from a supplier or contractor that is not on the approved list, the contracting department or unit shall request in writing, the addition of the contractor.

2.7.2 Debarment, Suspension and Ineligibility

A supplier or contractor may be disqualified and/or struck from the register of approved contractors, without liability to UWI Mona Campus, if it is found, at any time, that the information submitted concerning the qualifications of the supplier or contractor was deliberately false. Procuring departments should promptly report any such findings, along with any evidence and the reasons for its findings of falsification to the Contracts Officer in writing.



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A supplier or contractor may be disqualified, suspended or struck from the registers of approved contractors, without liability to UWI Mona Campus, for reasons of poor performance, pursuant to the contract documents. Procuring departments shall promptly report any such findings, along with any evidence and the reasons for its findings to the Procurement Manager in writing.

Any Supplier or Contractor, whether or not he has submitted a bid, who attempts to gain any advantage or concession for himself or any other person, by offering to a member of any Committee or officer of the University, a gift of money or any other favour, or approaches any member of Committees with respect to any matter that is before the Committees, or that is expected to come before the Committees shall be subject to disqualification and may be struck off the list of approved contractors.

Suppliers or Contractors shall be removed from the approved list for any of the following reasons:

- failure to observe the terms and conditions of the contract
- evidence of collusion between the contractor(s) and/or University employee(s)
- notification of the Supplier or Contractor's bankruptcy
- failure to immediately notify the University of any changes in the data supplied by the supplier or contractor upon which his registration was based
- at the supplier or contractor's own request
- failure to provide insurance coverage for the duration of the contract.

2.7.3 Continuous Retention of Contractor Services

No department is to retain any individual or the provision of services on a continuous basis such that the University will be exposed to the incurring of certain statutory costs.

2.8 Addition of Suppliers to Approved List

The University will not honour liabilities in respect of purchases from unapproved suppliers. When the need arises for goods/services which can only be obtained from a supplier which is not on the UWI Mona Campus list of approved suppliers, the requisitioning department shall write to the Purchases Unit to request the addition of the supplier (See Appendix 1-5). The request shall include justification for adding the supplier as well as the proposed suppliers GCT Number, TRN and proof of registration.

The Purchases Unit will carry out checks, including review of the approved suppliers list, to ensure that it is necessary to add a new supplier to the list.



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2.9 Deposits and Prepayments

2.9.1 Deposits for Goods, Services and Works

The maximum limit for deposit and prepayments on goods, services and works shall be 50% of the agreed contract price/total.

2.9.2 Performance Bond

Contracts in excess of \$4 million shall include a performance security bond. This is a written instrument executed by the supplier or contractor (the principal) and a second party (the surety) to guarantee fulfillment of the principal's obligation to the UWI Mona Campus. In the event of non-performance by the supplier or contractor, UWI Mona Campus shall request in writing that the supplier or contractor show just cause why the bond should not be realised. If the supplier or contractor fails to show just cause, the bond shall be realised and applied as payment to another supplier or contractor to complete the work

2.10 Requirements for Contract Formation

2.10.1 Separation of Contracts

No employee or committee of the University shall sub-divide the quantity of goods to be supplied or services or works to be undertaken into two or more portions so that the value of the portions will be within the limit of their authority.

2.10.2 Routing of Contracts

All contracts must be routed to the Contracts Officer prior to signing to ensure that the terms of contract protect the interests of the University.

2.10.3 Review of Contracts

All contracts entered into by the UWI Mona Campus which depart in any way from the standard UWI Mona Campus contract as set out in the appendices shall be the subject of review by the Contract Officer and or Legal Officer, prior to signing by authorized representatives of the UWI Mona Campus as set out at Section 1.7.14 of this manual.

2.10.4 Applicable Law

The laws of Jamaica shall govern the terms of all contractual agreements entered into by the UWI Mona Campus and the parties shall submit to the jurisdiction of the Jamaican courts.

2.10.5 Inclusion of Mediator

In the case of contracts for goods, services and works in excess of \$1 million, the contract shall provide for a mediator.



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2.10.6 Use of Seal

Ordinance 3 of the UWI shall govern the use of the Common Seal of the University with respect to contracts.

2.11 Code of Conduct

2.11.1 Conflict of Interest

UWI Mona procurement procedures shall be afforded the highest practicable degree of objectivity. In circumstances of conflicting interests, e.g. parties involved in the procurement process and who have connections with UWI Mona officers, the UWI Mona officer must so declare at the start of the procurement process or whenever the party becomes aware of the conflict and shall immediately disqualify himself/herself from participation in the particular procurement.

2.11.2 Confidentiality

Every person who is in any way involved in the procurement process shall regard and deal with all documents and information relating to the functions of the procurement process as confidential.

2.11.3 Code of Conduct for Suppliers and Contractors

Contractors and Suppliers doing business with the UWI Mona Campus shall be held to standards promoting sound and ethical business practices. The standards of conduct for contractors or suppliers are as follows:

- Contracts shall be arranged/negotiated only with the officers of the Campus authorised to do so
- the conditions of the contract are binding on all parties concerned
- any supplier or contractor offering gifts or personal advantages to UWI staff or representatives may preclude themselves from current and/or future tenders
- all contract information is to be treated as confidential and contract documentation shall be kept securely
- all meetings between the suppliers or contractors and the UWI staff or their representatives shall be appropriately recorded and minutes taken and filed.
- Officers are required to report to the Procurement Manager or Contracts Officer on any case of attempted Bribery
- If there is uncertainty as to whether dealings with suppliers or contractors are fit and permissible, officers MUST consult the Contracts Officer.



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2.12 Dispute Resolution

2.12.1 Right to Review

Any supplier or contractor who claims to have suffered loss or injury due to a breach under the policies contained in this manual, by UWI Mona Campus, may seek review, except as it concerns the selection of a method of procurement or a decision by UWI Mona to reject all tenders prior to acceptance.

2.12.2 Dispute Resolution Application

Tender documents shall indicate the deadline for submission of protests and the appropriate forum for the resolution of disputes in the event that informal resolution is not successful. A protest shall be recognised when a complaint, objection, rejection or other manifestation of disagreement has been submitted in writing and within the established time limits by the contractor to the Contracts Committee.

When disputes with suppliers and contractors arise, it is in the interest of the parties to the dispute to seek an amicable and speedy resolution. Therefore, in the first instance the dispute will go through the mediation process.

In the event that mediation fails, UWI Mona shall nominate an arbitrator subject to the agreement of the supplier or contractor. The arbitrator shall have full and final powers to determine the final solution.

If litigation becomes necessary, UWI Mona shall nominate its own legal representative as will the supplier or contractor. The procedure will take place in accordance with standard litigation practice.

2.12.3 Battle of Forms

In situations where the terms and conditions of a purchase order differ from the terms and conditions on an invoice for goods or services supplied in respect of that purchase order, the terms and conditions as set out in the purchase order shall prevail. To ensure that the Campus is contracting on its terms and conditions see reverse side of purchase order. Any conflicts arising with suppliers due to differences between their invoice and the Campus' purchase order should be referred to the Contracts Officer.

2.13 Sanctions

The UWI Mona Campus Policies and Procedures for procurement form a part of the campus-approved rules and regulations. Non-adherence to the policies and procedures presented herein will result in the application of appropriate sanctions in accordance with:



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- Ordinance 8
- Monasa and UAWU collective bargaining agreements
- The Laws of Jamaica

2.14 Procurement of Fixed Assets

All purchases of fixed asset must be recorded in the University's fixed Asset Register. (The payment of the invoice for the related asset will alert the Fixed Asset Unit of the Bursary to the purchase.) A member of the Unit shall visit the department to confirm the purchase, locate and tag the asset.

University Assets **MUST NOT BE RELOCATED OR DISPOSED OF** without alerting the Fixed Asset Unit of the Bursary.

2.15 Donor Agency Funds (Project Funds)

Procurement of goods, services and works using externally provided project funds from donor agencies shall apply the policies and procedures of the funding agency.

Without prejudice to the foregoing, matters not dealt with by the funding agency shall fall within the UWI Mona Campus procurement policies and procedures framework.

2.16 Overseas Procurement/ Foreign Purchases

2.16.1 Customs Clearance

The procuring department shall engage the services of a licensed customs broker who is registered and approved by the UWI Mona Campus to prepare the customs entry document and effect clearance of imported items.

2.16.2 Foreign Exchange

The Bursary shall be responsible for liaising with commercial banks to obtain Letters of Credit, Sight Drafts and/or Telegraphic Transfers required for settlement of overseas procurement debts. Copies of purchase orders and contracts shall be sent to the Purchases Unit to facilitate processing of foreign exchange requirements for procurement transactions.

2.16.3 Importation

Having regard to cost and quality all reasonable efforts shall be made to acquire goods from local sources, then regional sources or agents and finally international sources or agents.

Goods being imported for and on behalf of the UWI Mona Campus shall be imported in the name of the UWI Mona Campus. Importation by employees of personal goods and effects in the name of the UWI Mona Campus to:



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- circumvent appropriate duty and tax payments
- expedite clearance and receipt of personal items is strictly prohibited.

2.16.4 Insurance

All goods being sent to the UWI Mona Campus shall be sent CIF (Cost, Insurance and Freight) to include the cost of marine insurance in the overall price.

2.17 Green Procurement

Procuring departments shall comply with the provisions of any national policy, regulations or guidelines related to pollution control and prevention, handling of hazardous materials, waste management, recycling and water and energy conservation.

2.18 Internet-Based/Online Procurement

A limited facility is available for internet-based purchases. Internet-based purchase transaction shall not exceed US\$1000 or its equivalent on any one transaction and shall only be executed through the Purchases Unit. Departments that wish to perform internet-based purchases must therefore contact the Purchases Unit.

2.19 Emergency Purchasing

From time to time, it is necessary to procure equipment, goods or services to prevent or alleviate threat to the safety, health or welfare of students, staff or the public. Such situations may include the breakdown of plant and equipment or acts of God.

The department that requires goods/services on an emergency basis may proceed to identify a supplier, obtain quotations and order the necessary goods/services on its own. However, a purchase requisition must be raised and a purchase order number for quotation to the supplier must be obtained from the Purchases Unit. Where goods or services are purchased on an emergency basis, the purchase requisition with notation indicating that goods/services have been acquired must be sent to the Purchases Unit within 48 hours of completion of the transaction with appropriate justification.

Where purchases are required outside of the Bursary Office hours, prior approval may be waived. Purchases on an emergency basis must be authorised by the head of the requesting department, who should seek to obtain the most advantageous price for goods/services purchased. The name of the supplier and the agreed cost must be entered on the purchase requisition prior to approval by the head of department.

The selection of a supplier for emergency purchases shall be made from the list of approved suppliers. In the event that goods/services are only available from a supplier who is not on the list of approved suppliers, the order may be placed with the supplier in consultation with the Purchases Unit, which shall add the supplier to the list in the usual manner on a timely basis.



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2.20 Selection and Contracting of Consulting Services

These policies shall govern all contracts for consulting for goods, services and works except where the application of donor agency guidelines is contractually required.

In selecting consultants:

- the process shall be transparent and equitable
- all efforts shall be made to ensure that consultants selected are fully competent to provide high quality service
- services are delivered in an economic, efficient and timely manner.

In selecting consultants, the Campus shall invite proposals from a minimum of three consultants through a competitive process taking into account the following:

- quality of the proposal
- cost of the services
- and the reliability of the consultant

or it may approach a single consultant of its choice with appropriate justification.

Proper terms of reference shall be prepared. Typical activities to be performed in contracting consulting services include but are not limited to:

preparing advertisements for statements of interest or request for proposal

- processing responses to advertisements
- selecting short-listed consultants
- receiving proposals
- preparing contract documents
- determining proposal evaluation criteria
- ensuring the completion of the performance evaluation report
- preparing and dispatching letters to successful and unsuccessful applicants
- selecting and recommending the first and second placed consultants
- negotiating and awarding the contract.

The review of proposals shall be conducted by the Contracts Committee with:

- technical assistance as required and
- representatives from departments originating the request for consultancy services.

The Procurement Manager shall maintain a register of approved consultants. The Procurement Manager will retain a listing of consultants who were unreliable in the past. The register should



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also include consultants who are unreliable candidates in so far as they accepted invitation and failed to submit proposals or they failed to carry out projects satisfactorily.

Consultants shall not be selected or hired for any assignment that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of not being able to carry out the assignment in the best interest of the University.

2.21 Invoice Settlement

Departments shall not make commitments to pay external suppliers without consultation with the Bursary.

Departments shall ensure that where supplier's invoices provide for discounts if payments are made within a specified period, these invoices are forwarded to the Bursary department on a timely basis to take advantage of such opportunities.