

PROCUREMENT POLICY



THE MICO UNIVERSITY COLLEGE

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Office of Accountability:	VP, Administration
Office of Administrative Responsibility:	Accounts Department
Document Number	Mico.Adm.Po.13.001
Effective Date of Policy	September, 2013
Date of any Policy Revision	
Policy Prepared by:	
Date Policy Created:	October, 2011
Date Approved by Executive Management Com.:	
Authorized by:	
	President and Chairman of Executive Management Committee
	VP Administration
Date Approved by the Board of Directors:	
Authorized by:	
	Pro Chancellor and Chairman of the Board
	Chairman of the Sub-Committee

Draft

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1. Overview

The Mico University College as an entity supported by the Government of Jamaica (GoJ) and being part of Jamaica's Public Sector, is bound by the government's procurement guidelines for all goods, services and works as per the government's Handbook of Public Sector Procurement Procedures (October, 2010) issued under the authority of the Ministry of Finance, pursuant to Section 19B of the Financial Administration and Audit Act and the National Contracts' Commission in accordance with the Contractor General's Act.

2. Purpose

The Mico University College within the structure of the GoJ guidelines will establish an internal framework for its procurement requirements.

The Mico University College is at all times procuring a wide variety of goods and services and to ensure that the University College receives the best value for money, policies and procedures shall be implemented to ensure accountability and transparency. The University College will therefore seek to provide a framework within which the University College can –

- a) Obtain efficiencies
- b) Standardize the procurement processes
- c) Improve turnaround time
- d) Rely on a system that is fair, reliable and engenders confidence

3. Scope

The policy is applicable to all personnel at the University College and covers all aspects of The Mico procurement activities. At all times efforts will be made to ensure that the most cost effective solutions are sought. The policy is not applicable to the recruitment of personnel.

The procurement of items using government funds shall be directed by the GoJ's guidelines, however where government funds are not used the GoJ guidelines shall provide a framework allowing the University College some latitude in its procurement arrangements.

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There are some exceptions to the GoJ Procurement Guideline, which are governed by the industry norms. The following are not subject to GoJ procedures:

- a) acquisition or rental of land, existing buildings, or other immovable property
- b) procurement of works of art; artistic and cultural performances; creative products and services associated with the staging of cultural productions and services in support of, and associated with the staging of cultural events,
- c) contracts of employment;
- d) procurement of legal services
- e) procurement of services of medical professionals/facilities;
- f) procurement of services related to pension funds;
- g) procurement of media services as relates to the selection of a media house for advertising to reach a target audience.
- h) procurement of motor vehicles for assignment to Public Officers/officials, but must be guided by the Motor Vehicle Policy issued by the Ministry of Finance;
- i) procurement of travel services and hotel accommodation; and
- j) procurement of Group Health and Life Insurance.

In other circumstances where non-government funds will be used, the procedures set out in the government's procurement guidelines may be followed for good order.

4. Definitions

For purposes of this policy, unless otherwise stated, the following definitions shall apply:

Capital Expenditure:	Expenditure on a single item with a unit cost of \$10,000 or more and/or equipment with a useful life of more than one (1) year. This type of expenditure is usually used to buy fixed assets or to add to the value of the existing fixed assets.
Consultant:	A service provider whose services are primarily intellectual in nature
Contractor / Supplier:	The names are used interchangeably. Refers to a provider or prospective provider of goods (under a goods contract), works (a contractor under a works contract) or services (under a services contract)
Contract Sum:	The contractor's / consultant's estimate for providing the goods, service or works.
Cost Overrun:	A cost overrun is deemed to be an increase in the contract sum resulting from escalation in the price of labour and/or material.

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Goods:	Objects of every kind and description (except land or interest in land), including raw material, products and equipment, electricity and objects in solid, liquid or gaseous form – The term “goods” could also include services incidental to the supply of the objects if the value of those incidental services does not exceed that of the goods themselves.
Human Resource (HR):	The Department that deals with employment
Procurement:	Is the acquisition of goods, services and works by any method, using public funds, and executed by the Procuring Entity or on its behalf.
Procurement Contract:	A contract for the provision of goods, services or works, between the Procuring Entity and a contractor, resulting from a procurement process
Procurement Officer:	A person with the authority to conduct procurement activities on behalf of the Procuring Entity, as delegated by the Accounting Officer
Procurement Plan:	A plan that aligns a Procuring Entity’s policies with its resources through an annual and projected multi-year operational schedule, taking into account all lead times of the procurement process - There are two levels of procurement plans: (a) annual procurement plans and (b) project-specific procurement plans.
Public Sector Procurement:	Acquisition of goods, works and services, by any method, by or on behalf of Procuring Entities for their use
Services:	Any object of procurement other than goods or works
Variation:	A variation is a change to the deliverable(s) under a contract caused by an increase or decrease in the scope of works to be performed, amount/type of goods to be supplied or services to be provided, and must be directly related to the specific contract.
Works:	All work associated with construction, re-construction, demolition, repair or renovation, which includes civil, electrical, mechanical and other related engineering works – “Works” could include supply and installation of equipment and specialized engineering incidental services that are related to the works.

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5. Policy Content and Guidelines

The Policy content and guidelines shall remain in effect, unless otherwise changed by the Board of Directors. However, the policy shall be reviewed at least every three years and recommendations on updates made to the Board. The following constitute the content and guidelines.

5.1. Compliance

5.1.1. Monitoring of Compliance

It is the responsibility of the Bursar to ensure that there are adequate controls over the University College's procurement processes including adequate financial controls to safeguard the financial resources of the University College. All serious deviations shall be reported to the VP Administration in the first instance, as soon as practicable.

Where the particular procurement needs of an individual employee or a group within the University College require deviation from this policy, a written request for the deviation will be made to the Bursar for prior approval.

5.1.2. Consequences of Non-compliance

Full compliance with this policy is required. A breach of this policy may constitute misconduct or, depending on the circumstances, seriousness of the misconduct and shall be referred to the HR Director. Where an employee breaches the policy the University College may apply one or all of the following:

- a) Seek reimbursement of costs directly from the employee;
- b) Decline to use the funds of the University College to meet the financial commitment arising from the procurement transaction;
- c) Terminate the services of the employee.

5.2. Legal and Ethical Conduct – Procurement

a) Governing Laws

- The legal and ethical conduct of all employees particularly those in the procurement process must comply with all the laws governing procurement and financial operations and be in keeping with the highest moral, legal and ethical standards.
- All the procedures at the Mico University College must be strictly followed to ensure fairness and integrity of the system. Employees must therefore execute procurement transactions in a manner which ensures that the University College maintains its good reputation.

b) Reporting

All employees have a moral and ethical responsibility to report any unethical conduct by a colleague, a bidder or a supplier/contractor to the Bursar or VP Administration.

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c) Confidentiality

Employees involved in procurement must respect the confidentiality of information they are exposed to in the course of their work, and must not disclose this information to third parties. Furthermore, this information must not be used for personal gain.

d) Conflict of Interest and Unethical Conduct

All personnel involved in the procurement process are expected to observe the GoJ Code of Conduct for Civil Servants outlined in the Staff Orders. These personnel shall:

- Have the relevant authorization for the use, acquisition or the disposal of the University College's assets and any decisions about these assets are to be made solely in terms of the benefits to the University College.
- Employees involved in procurement must declare any actual or potential conflict of interest to the Bursar in writing to advise of the circumstances, as soon as practicable, for a decision to be taken and the course of action to be taken.

No employee shall use his/her authority or office for personal gain and shall refrain from unethical behaviour, which may include but not limited to the following:

i) Unauthorized Purchases

No employee shall enter into purchase contracts or in any way obligate the Mico University College for procurement indebtedness unless specifically authorized to do so by the President or the VP Administration. Firms doing business with the University College should be aware that purchases chargeable to the Mico University College must be authorized by an official Purchase Order, exclusive of the Petty Cash Form and Invoice Payment Form.

ii) Gifts and Gratuities

No employee shall accept any gifts in cash or in kind or gratuity from any bidder or supplier, save and except those of small value e.g. business diaries or pens. Door prizes or raffle prizes of significant value i.e. in excess of \$500.00 obtained at the expense of the Mico University College are the property of the University College.

iii) Alter Documents

No employee shall destroy, change or otherwise modify any procurement document to influence an outcome, or favour or discriminating against any Bidder, prospective Bidder or consultant in procurement process

iv) Personal Purchases

The Mico University College will not purchase any goods, services or works for any employee or student for personal use.

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5.3. Approval Limits

Approval limits are established to ensure security of the approval process, so that the person who approves the request shall not be the same person to approve the Purchase Order.

The Dean of the Faculty or Head of Department /Section who shall approve the request shall be integral in the planning process, leading to the formulation of the budget and therefore familiar with items to be procured, the estimated cost of the items and the timing of the procurement of the items. The Dean of the Faculty or Head of Department/Section shall ensure that the faculty/department/section operates within the budget tracking the operations within the period.

a) Request Limits

Requisitions shall be approved by either the Dean of the Faculty, Librarian, Registrar, HR Director, Food Services Manager, Director of Student Services, or the VP Academics, the VP Administration, or the President depending on the Department/Section, the need within the Department/Section and the budget allocation for the request.

The Requisition shall then be passed to the Bursar to indicate the availability of funds.

b) Purchase Order Limits

Purchase Orders shall be approved by either of the Vice Presidents or the President up to \$275,000.00 in accordance with the limits set out in Appendix 9A.

c) Other Limits

Purchase of items above \$275,000.00 shall be in accordance with the Procurement Guidelines set out in Appendix 9A.

The Limits shall be reviewed from time to time by the Management who shall make a recommendation to the Board. The Board will authorise changes as necessary.

5.4. Procurement Methods

Procurement shall only be done using the University's approved procurement tools. The choice of procurement method at The Mico University College depends on:

- a) the nature of the goods, services and works to be procured;
- b) the value of the procurement; (see Appendix 9)
- c) the likelihood of interest by foreign Bidders, which is a function of the local availability, capacity and costs;
- d) critical dates for delivery; and
- e) transparency of procedures proposed.

The types of procurement methods are:

- a) International Competitive Bidding where the procurement opportunity is opened to any interested local or foreign contractor

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- b) Local Competitive Bidding where the procurement opportunity is all appropriately registered and qualified contractors.
- c) Limited Tender where a specific number of contractors are invited to bid
- d) Direct Contracting, where only one contractor is invited to participate. This method however, is usually limited to contracts below \$275,000.00.

5.4.1. Tendering

- a) The Mico University College may use a variety of strategies to solicit bids. These include –
 - i) Request for Quotes
The supplier is asked to commit to price, quality, quantity, service and delivery, where details of the requirements are known.
 - ii) Request for Proposal
Where details or the requirements are not known i.e. where a process or some technical job is needed, the supplier is asked to submit a proposal. This allows for information gathering without commitment to purchase until the best sources are identified and specification made final. A Request for Quote or Invitation to Bid or Purchase Order Award may be used when specifications have been determined.
 - iii) Request for Information.
This is an informal request and is not binding on either the requester or the supplier. This is used when general information about the products or services being purchased or the supplier is needed.
- b) The documentation for tender must be developed in accordance with the GoJ's Handbook of Public Sector Procurement Procedures and shall have details of the technical specifications
- c) Approval shall be sought from the VP Administration to go to tender if the value of the goods, service or works is greater than J\$275,000.00
- d) Only the bids from eligible Bidders shall be evaluated.
- e) The submitted bids shall be reviewed by an Evaluation Committee, who shall make a recommendation to the Procurement Committee, who in turn shall make a recommendation to the President of the University College.
- f) The tendering process should be within the general timelines at Appendix 9C
- g) Post-tender negotiations (i.e. after receipt of formal tenders but before signing of contracts) with a view of improving price, delivery or other tender terms, could be entered into provided:
 - It would not put other tenderers at a disadvantage
 - It would not affect confidence and trust in the tendering process

In each case, a Statement of Justification should be approved by the Principal prior to the event, showing

 - Background to the procurement

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- Reasons for proposing post-tender negotiations
- Demonstration of the improved values for money.

All post-tender negotiations should be reported to the Board of Directors through the Procurement Subcommittee and be included in the Tender Report.

5.4.2. Contracts

- a) All contracts to be implemented with successful tenders shall be in accordance with the General and Specific requirements for Contracts in the GoJ's Handbook of Public Sector Procurement Procedures.
- b) Any change to a contract shall not only be subject to the terms and conditions of the contract but shall require the prior **written approval** from the President of the University College.
- c) The Limits for the approval of a variation shall be in accordance with the limits set out in the GoJ's Handbook of Public Sector Procurement Procedures.

5.4.3. Requisitions and Purchase Orders

The procurement of all goods, services or works must be supported by some documentation. However before purchases are implemented the goods, services or works, must be requested to allow for the preparation of the correct documentation.

a) Planning

- i) It is incumbent on all Faculties and Departments to plan for purchases including regular supplies as well as "one-off" purchases, to allow for proper arrangements to be made in the Purchasing Department, for securing the goods, services or works.
- ii) The Planning activities shall be for a twelve month period and take place annually and be completed by the end of March for the academic year beginning September of the same year.
- iii) The process shall be coordinated by the VP of Administration.
- iv) The process shall be in accordance with the process detailed in the GoJ Handbook of Public Sector Procurement Procedures.

b) Authority to approve Requisitions

- i) Requisitions must be prepared and approved for any purchase to be made. Each requisition should identify a single supplier. It is important that a single requisition not include several items to be purchased from a variety of suppliers.
- ii) Only the person or persons responsible for a particular budget account or their designated representative shall have the authority to approve requisitions.
- iii) A person who has created a requisition cannot approve the document.

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- iv) Authority delegated below the level of Vice President, Dean or Asst. Dean or Administrative Department Head must be supported by a detailed memo from the Vice President Administration.

c) Requisitions

- i) Requisition books shall be assigned to the Faculties, Library, Registry, Administration, Estate Department, Student Services, Health Department, Halls of Residence, Housekeeping, and the Cafeteria for General Purposes, as well as, for Special Function purposes.
- ii) Requisitions must have detailed specifications for the goods, services or works. The specifications will be regarded as a technical, as well as, legal.
- iii) Requisitions can also indicate possible suppliers.
- iv) Although there shall be an annual planning process, day to day requisitions shall be submitted to the Planning Department giving at least a 7-calendar day lead time for the preparation of the Purchase Order. Delivery times will vary depending on the item to be supplied.
- v) Specifications determine the quality level and basis for evaluation and shall be reviewed each time they are used as they are not static. Brand names of items shall be avoided;
- vi) Specifications shall include any special requirements.

d) Use of Account Numbers

- i) No purchase shall be charged to a Department's Revenue Account
- ii) The general ledger account number has been established so that use of a specific code signifies a certain category of expense.
- iii) Capital expenditure on equipment shall not be charged to a Department's operating budget. Instead the charge shall be to software, supplies or equipment with a per unit cost of under \$275,000.00 to the appropriate expense code.

e) Purchase Orders

The Purchase Order issued by the Mico University College, like any other Purchase Order is a written sales contract between buyer and seller detailing the exact merchandise or services to be rendered from a single supplier/contractor. It will specify payment terms, delivery dates, item identification, quantities, shipping terms and all other obligations and conditions.

- i) Purchase Order forms are created for the purchase of all items and shall be generated by the Mico University as pre-printed, numbered documents.
- ii) The Purchase Department shall be the only Department authorised to generate Purchase Orders.

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- iii) Purchase Orders shall also be generated for items that are rented or leased. The Purchase Order in this case should also indicate the period for which the item is rented or leased.
- iv) Should a change be necessary on a Purchase Order, a cancellation or change order shall be issued by the Purchasing Department, when the Requesting Department, Purchasing Department and Supplier all agree to the modification, and to any new terms or charges that may result. Any of the parties may request a cancellation or change order.
- v) All invoices relating to a Purchase Order must be sent to the Accounts Payable Department for payment.
- vi) All Purchase Orders shall be approved by the VP Administration or President or their delegated representative.
- vii) Goods collected on credit
All goods which are collected on credit shall be governed by documented and approved credit arrangements.
- viii) Cash on Delivery (COD)
Goods to be purchased COD shall also have a Purchase Order generated, however "COD" should be noted on the Purchase Order and on the Pro forma Invoice or Suppliers Quotation. These documents shall be used to make the payment. Accounts Payable shall monitor the transaction to ensure that the invoice is received and that the goods are not paid for twice.

5.4.4. Staff reimbursement and Petty Cash

- i) Members of staff shall not make purchases without a purchase order. However, in an emergency (as defined in Clause 5.7.3) they may make a purchase within the petty cash limit and claim afterwards. In these cases the application must be on a Payment Form accompanied by the receipt and an approval from the person(s) who would otherwise have the authority to sign the Purchase Order.
- ii) Petty Cash Reserve shall be held by the Accounts Department and shall not exceed \$10,000.00, unless otherwise authorized, by the VP Administration.
- iii) Individual Petty Cash Vouchers are limited to One Thousand Five Hundred Jamaican Dollars (J\$1,500.00) for each purchase and are used to reimburse employees for small miscellaneous out-of-pocket expenses incurred on behalf of the University College. Petty Cash forms can be ordered from the Purchasing Department through the Stock Room and the transaction is through the Cashier's Office. The VP Administration shall authorize any variation to this limit.
- iv) Pre-numbered petty cash books shall be supplied by the Accounts Department and shall be used to record all amounts. Requisitions for reimbursements for the petty cash float shall be sent to the Accounts Department along with receipts and/or vouchers, before the total amount held is expended.

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- v) A statement of the balances held shall be completed by the member of staff responsible for the float and counter-signed by the Dean of the Faculty/Head of Department periodically as directed by the Bursar.
- vi) Cash advances will not be normally allowed to effect purchases, however, in exceptional circumstances approval must be obtained in writing by the VP Administration or his delegated representatives.

5.4.5. Payment and Taxation

- a) The Bursar shall be responsible for making all payments and shall decide on the most appropriate method of payment for the categories of invoices.
- b) In accordance with GoJ's Income Tax Legislation and the University's payment policy, all expenditure must be supported by an original itemised invoice or receipt complete with the GCT Number. Invoices shall be sent to the Accounts Department where checks will be made to establish that the goods have been received, examined and approved with regard to quantity, quality or that the services received or the works done are satisfactory and that the prices are matched and arithmetically correct. If suitable matches cannot be made the Procuring Officer will be advised.
- c) Budget holders shall be responsible for ensuring that expenditure within the Faculty/Department does not exceed the funds available or the amount budgeted and allocated.
- d) In instances where a Credit memo is received to indicate the University College reduced indebtedness to a particular supplier, where goods were returned, were defective or there was an accounting error; the Credit Memo must be forwarded to the Accounts Department, with the Purchase Order information.
- e) All goods, works or services must be accompanied by an itemised invoice from the supplier, which is to be submitted to the Bursar.
- f) The Accounts Department will be responsible for centrally managing the storage of the documentation supporting expenditure, for a minimum of 7 years.

5.4.6. Terms of Trade

- a) Suppliers shall not make sales calls to Departments / Faculties save and except by appointment. Door-to-door solicitation and random calls are discouraged. Use of the Mico University College's resources i.e. bulletin boards, telecommunications systems and interdepartmental mail, to solicit individuals or department is strictly prohibited except where contracted exemptions exist. Suppliers are required to comply with all the rules and regulations of the University College while on its premises and to comply with posted access restrictions.
- b) The University's standard terms of trade with suppliers is that payment of invoices is by the 14th of the month following the date of invoice. Differing terms will only be agreed to if there is a cost benefit to the University in doing so. The terms of trade must not be signed by anyone other than the Bursar or the VP Administration.

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5.4.7. Emergency Procurement

- a) In an emergency it may be necessary to dispense with parts of the procurement process, so that the University College can react quickly to unforeseen events.
- b) Emergency procurement shall be used only in genuinely unforeseen circumstances. Poor planning or poor procurement organisation does not justify using the emergency process.
- c) In the context of this policy an emergency is defined as an event which puts:
 - i) Life, property or equipment at immediate risk; or
 - ii) Standards of public health, welfare or safety have to be re-established without delay, such as in the case of disaster relief; or
 - iii) The University College service delivery would be significantly impaired if it failed to respond promptly.
- d) Emergency procurement shall be limited to what is required to cope with the particular emergency.
- e) Any Emergency procurement shall be in accordance with the GoJ's Handbook of Public Sector Procurement Procedures.

5.4.8. Capital Expenditure

All capital expenditures create future benefits to an entity.

- a) All capital expenditure purchases must normally have an approved budget allocation before purchase can take place (except for emergency purchases and externally funded assets).
- b) All capital items must be noted on the Asset Register, so long as they meet the requisite criteria.
- c) Any capital expenditure in excess of J\$10 Million will constitute a major financial decision and shall therefore be approved by the Board of Directors through the President of the University College
- d) All capital expenditures in excess of J\$10 Million dollars shall be adequately planned and sufficient time shall be given to the Accounts Department to budget the expenditure.
- e) The Accounts Department shall make the necessary arrangements to "capitalize" the item and so increase the asset base of the University College.

5.4.9. Source of Funds

The University College shall use the funds from four main sources to procure goods, services or works that are necessary for the continued operation of the University College. The four main sources are:

- Government Funds
 - Government of Jamaica subvention
 - Local funds, from tuition fees and other charges (Cost Sharing)

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- Non-government Funds
 - Other funds such as alumni donations
 - The Lady Mico Charity in England and the Mico Foundation

The University College may also secure funds through debt financing, as approved by the Board of Directors.

5.5. Receiving Goods

All goods shall be received at the designated points. A delivery note shall be obtained from the supplier at the time of delivery and/or a receival note from the University College. The note shall be signed off by the Delivery Personnel and the Receival / Inventory Clerk as per the Procurement Procedure.

5.5.1. Stationery Items

- a) Most Office supplies i.e. Stationery including envelopes are received by the Stock Room or any other approved location. However, exceptions are the Department of Science, Examination and Visual Arts, which are requested through the Stock Room, but are purchased directly and received directly by the requesting Department.
- b) All Business cards are ordered through the HR Department with approval from the HR Director.
- c) All Letterhead Stationery and envelopes with The Mico return address are ordered through the President's Office.

5.5.2. Other Items

- a) Office Equipment
All purchases of office equipment e.g. computers, fax machines, printers and photocopiers must be made through the IT Department. The IT Department shall coordinate all requests and procure the items dependent on budget and cash flow.
- b) Maintenance / Janitorial Services/Supplies
The Mico University may contract with a selected supplier for maintenance and janitorial services/supplies based on competitive tendering. The contract shall be subject to periodic review.
- c) Security
The Mico University shall contract with a selected supplier for security services based on competitive tendering. The contract shall be for a period of two years and reviewed at the end of the contract period.

5.5.3. Rental or Lease of Items

- a) Any item for rent or lease should be processed in a manner similar to an item for purchase i.e. requested, authorised and a Purchase Order / contract prepared.

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- b) The Purchase Order should also indicate the period for which the item is rented or leased and any other term or condition of the rent or lease.
- c) Any lease of an item over \$10,000.00 shall be evaluated by the Bursar or the Purchasing Manager, who shall make a recommendation to the VP Administration for the rent or lease of the item

5.5.4. Items that are Damaged or Short

- a) The “Receiving Personnel” at all times shall ensure that the University College receives value for money.
- b) If items are seriously damaged the “Receiving Personnel” shall refuse to accept the goods, services or works, however –
 - i) If it is noticed that the items received are not badly damaged or are less than the quantity ordered, the “Receiving Personnel” shall make proper notations on the invoice/delivery note and when necessary enters a damage claim with the Supplier / Contractor to compensate the University College.
 - ii) If the damage or shortage is not immediately noticed by the Receiving Personnel, the “Using Department” shall contact the “Receiving Personnel”; keep any evidence to demonstrate the disparity between what was ordered and what was received. The Supplier / Contractor shall then be contacted with a view to receiving compensation for the University College.

5.5.5. Return of Goods

Goods will have to be inspected before it can be determined that they are to be returned. The “Using Department” has ultimate responsibility to receive the goods, supplies, works ordered and to inspect, the goods, services, works received to ensure that it conforms to the order.

- a) If there are any discrepancies, the “Using Department” shall –
 - i) notify the “Receiving Personnel”, within one working day, giving relevant information such as Purchase Order Number, Supplier / Contractor and specifics of item(s) to be received,
 - ii) work with the “Receiving Personnel” to protect the University’s interest and to complete the transaction.
- b) If goods are to be returned, repaired or for any other reason where reimbursement is due to the University College :
 - i) the “Using Department” shall notify the Purchasing Department as soon as possible after receipt of the goods, and provide to the Purchasing Department details such as Purchase Order Number, Supplier / Contractor and specifics of goods.
 - ii) the Purchasing Department will contact the Supplier / Contractor to resolve the matter.

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6. Roles and Responsibilities

a) The Board of Directors

The board of Directors has responsibility for fiduciary oversight and institutional performance of the University College and the Board's decision and policies are made for the best interest of the institution and not for any particular constituent.

The Board shall:

- i) evaluate and approve the budget for implementation
- ii) evaluate the recommendations from the Procurement Committee and through the President of the University College approve as it sees fit.
- iii) evaluate and approve the recommendations from the President of the University College as it sees fit.

b) The President of the University College

The President of the University College is the chief operating officer and shall:

- i) submit an annual Budget to the Board;
- ii) advise the Board of the financial condition and needs of the University College;
- iii) make recommendations to the Board regarding the Procurement Policy including items to be tendered and shall execute and administer contracts approved by the Board and/or within any limits delegated to the Office of President;
- iv) ensure that the procurement policies and procedure are implemented;
- v) perform other duties consistent with the Procurement Policy and as required by the Board.

c) The VP Administration

The VP Administration shall

- i) have overall responsibility for the procurement process
- ii) be responsible along with the Bursar for the Procurement Plan each year.
- iii) have the responsibility for approving Petty Cash limits
- iv) see to the review of the Procurement Policy at least every three years and make recommendations for changes to the Board of Directors through the President of the University College

d) The Internal Purchasing/Evaluation Committee

The Internal Purchasing/Evaluation Committee shall not have a static composition of members, but shall have a core of three (3) members and at least two (2) co-opted members depending on the item being procured. The Committee shall be chaired by the VP Administration or any other suitably qualified person in Administration. The Committee shall consist of

- i) The Procurement Manager

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- ii) One member from the Admin Department
- iii) At least two (2) co-opted members, with expertise in the field.

The Internal Purchasing/Evaluation Committee shall be responsible for the evaluation and comparison of the bids received and for the preparation of the Bid Evaluation Report. The Committee shall:

- i) ensure that the bid evaluation process is strictly confidential; and therefore reject any attempt or pressure to distort the outcome of the evaluation and reject any proposed action likely to lead to fraud and corruption;
- ii) ensure that only the evaluation and qualification criteria specified in the bidding documents are applied;
- iii) facilitate responses to contractors inquiries; and
- iv) make recommendation to the Procurement Committee, where the estimates are in excess of \$1,000,000.00

e) The Procurement Committee

The Procurement Committee shall be chaired by a Board Member, and shall consist of at least five (5) members:

- i) At least three (3) members of the Board of Directors (with the exception of the Chairman of the Board and the President of the University College).
- ii) VP Administration
- iii) The Chairman of the Internal Purchasing/Evaluation Committee
- iv) The Bursar
- v) The Purchasing Manager

Voting

- i) Persons who are members of the Procurement Committee who also sit on the Internal Purchasing/Evaluation Committee who bring matters from the Internal Purchasing/Evaluation Committee, to the Procurement Committee shall not vote on those matters.
- ii) Any person presenting a matter to the Procurement Committee shall not vote on that matter.

The Procurement Committee shall:

- i) Review all procurement tender documents and contracts
- ii) Examine the recommendations from the Evaluation Committee, with a view to assessing the tender process and outcomes to ensure transparency of the procurement processes and consistency with this policy.
- iii) maintain proper records of Committee meetings, including records of the recommended procurement and contract awards;

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- iv) ensure compliance with relevant polices, guidelines, procedures and standard reporting obligations; and
- v) make recommendations to the Board through the Principal of The Mico University College.

The Procurement Committee meetings shall be convened pursuant to the needs of the entity. Proper minutes must be recorded and maintained for each meeting. The required quorum shall be 50% of the Committee + 1 and a meeting shall not be properly convened in the absence of this quorum. In an urgent situation, a 'round-robin' may be carried out.

f) The Bursar

The Bursar shall

- i) be responsible for ensuring that adequate control over the University College's procurement process are in effect. These controls shall include financial controls to safeguard the financial resources of the University College.
- ii) report all serious deviations to the VP Administration in the first instance as soon as practicable.
- iii) approve at his/her discretion any application for a deviation from the policy, if there sufficient reason.
- iv) Prepare a Procurement Plan for each year.
- v) Ensure that all purchases have appropriate supporting documents and approvals.
- vi) Ensure that contracts are in place where necessary and that they are duly signed and authorized.
- vii) Prepare and submit directly to the Office of the Contractor General, a Quarterly Contract Awards (QCA) Report comprising the particulars of each contract over \$275,000 to a maximum of \$10,000,000.00

g) The Accounts Department

The Accounts Payable Department shall

- i) Ensure that all payments have supporting documentation with the requisite approvals. In the case of Purchase Orders, these documents should correspond to the Invoice for specific goods, services or works. Once the invoice is matched to the Purchase Order and the Receivals, it shall be authorized for payment.
- ii) In the case of a discrepancy – notify the Requesting Department. The "Requesting Department" shall then notify the "Receiving Personnel" of the discrepancy and arrangement shall be made with the Purchasing Department to have corrections effected. Once the correction has been effected and the match, between the Invoice, Purchase Order and Receival is done, the invoice shall be authorized for payment.

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h) The Purchasing Manager

The Purchasing Manager shall –

- i) Be responsible for establishing, maintaining and ensuring compliance with the Procurement Policy and Purchasing Procedures.
- ii) Supervise the operations of the Purchasing Department to ensure that the established goals are met.
- iii) make annual procurement plans to be submitted to the VP Administration.;
- iv) advise the VP Administration of
 - specific Suppliers / Contractors to be added to the Bid List
 - specific sources of supply for a specific item or commodity
 - supplier services or products not in compliance with specifications or expectations.

The Purchasing Manager shall:

- i) assist the Requesting Officer with information about sources of supply;
- ii) manage quotation requests and the bid process for selection of the most appropriate source of supply;
- iii) establish and conduct negotiation with successful bidders;
- iv) communicate with suppliers for information prior to and during the purchasing process;
- v) update the Requesting Officer with information relative to prices, quality of merchandise and delivery of goods during the purchasing process;
- vi) Maintain all notes, reports and correspondence communicated between Suppliers / Contractors and Requesting Departments in relation to the negotiations and purchase decisions;
- vii) Arrange Supplier / contractor conferences and obtain product information and other pertinent information when requested;
- viii) Take remedial action when information about damaged or shortage of goods is received.

i) The Purchasing Department

The Purchasing Department shall be the operational arm of the Mico University for purchasing goods, services and works. The Department shall ensure that the Mico University College gets value for money in its purchase of all goods, services and works.

The Department shall:

- i) provide the necessary skills to ensure efficiency in the purchasing of goods, services and works and to this end shall
 - Receive all requisitions for goods, services or works
 - Ensure the receipt of comparable quotations from eligible Supplier / Contractors
 - Oversee the preparation of all Purchase Orders.
 - Communicate with Suppliers / Contractors regarding price, quality of merchandise and delivery.
 - Negotiate with Suppliers / Contractors

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- ii) ensure that the acceptable terms and conditions for procurement are maintained;
- iii) be aware of the Budgetary limits and shall liaise with the Accounts department to monitor cash flow limitations;
- iv) liaise with Departments to stay current with planned requirements and to stay within budgetary and cash flow limits and hence implement cost control programmes;
- v) Offer operational support in areas such as Accounts Payable, Inventory control, Physical Distribution and surplus asset disposal;
- vi) Define, maintain and provide access to process and records to support the objectives of the Mico University College.

j) The Requesting Officer

The Requesting Officer shall:

- i) make annual procurement plans to be submitted to the Purchasing Department;
- ii) advise the Purchasing Department of
 - specific Suppliers / Contractors to be added to the Bid List
 - specific sources of supply for a specific item or commodity
 - supplier services or products not in compliance with specifications or expectations.

7. Legislative Compliance

The Mico University College is required to manage its policy documentation within a legislative framework for public financial management and procurement outlined in Jamaica's Constitution.

However, the legislation guiding this policy are covered in the

- Financial Administration and Audit Act (FAA) 1959
- The Contractor General's Act 1983

The Mico University College shall also comply with its own statutes and ordinances.

8. References

- a) Procurement Procedure Manual
- b) Investment Policy
- c) Asset Management Procedure
- d) HR Policy Manual

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9. Appendix

A. Table of Approval Limits at The Mico

Requisitions	Contract Threshold	Approving Officer	Procedures
All Requisitions		<ul style="list-style-type: none"> • Faculty Deans • Librarian • Registrar • HR Director • Food Services Manager • Director of Student Servs. • VP Administration • VP Academics • President 	<ul style="list-style-type: none"> • Department submit requisition to Approving Officer. • Approving Officer approves (signs off) on Requisition depending on need and allocation in the budget. • Bursar indicates whether or not funds are available.
	Purchases up to \$275,000	<ul style="list-style-type: none"> • VP Administration • VP Academics • VP CARE 	<ul style="list-style-type: none"> • Purchase Order prepared by Purchasing Department after review of supporting documentation including Requisition and comparative analysis of Suppliers' Quotations • Suppliers must provide their TRN • Approving Officer approves (signs off) on Purchase Order depending on <ul style="list-style-type: none"> - need and allocation in the budget. - Recommendation of Purchasing Manager, with supporting documentation - Availability of funds
	Above J\$275,000 to J\$750,000 (for food purchases only)	<ul style="list-style-type: none"> • VP Administration • VP Academics • VP CARE 	Tender by way of Limited Tender, inviting suitable contractors / suppliers to tender as per the GoJ Procurement Guidelines
	Above J\$275,000 to J\$1 Million	<ul style="list-style-type: none"> • Procurement Committee, who recommends to • the President 	Tender by way of Limited Tender, inviting suitable contractors / suppliers to tender as per the GoJ Procurement Guidelines
	Above J\$1 Million to J\$3 Million	<ul style="list-style-type: none"> • Procurement Committee, who recommends to • the President and • the Board of Directors 	Tender by way of Limited Tender, inviting suitable contractors / suppliers to tender as per the GoJ Procurement Guidelines
	Above J\$3 Million to J\$10 Million	<ul style="list-style-type: none"> • Procurement Committee, who recommends to • the Board of Directors, who will instruct • the President 	Tender by way of local competitive bidding through general advertisement in a daily circulated, national newspaper, inviting suitable contractors / suppliers to tender as per the GoJ Procurement Guidelines

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	Above J\$10 Million to J\$ 30 Million	<ul style="list-style-type: none"> • Procurement Committee, who recommends to • the Board of Directors, who will instruct • the President to seek support from • the PS and NCC. 	Tender by way of local competitive bidding through general advertisement in a daily circulated, national newspaper, inviting suitable contractors / suppliers to tender as per the GoJ Procurement Guidelines
	Above J\$30 Million	<ul style="list-style-type: none"> • Procurement Committee, who recommends to • the Board of Directors, who will instruct • the President to seek support from • the PS , NCC & MoF who will make a submission to • the Cabinet for approval. 	Tender by way of local or international competitive bidding through general advertisement in a daily circulated, national newspaper or international publication as required, inviting suitable contractors / suppliers to tender as per the GoJ Procurement Guidelines

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B. Table of Contract Limits, Procurement Methods and Procedures

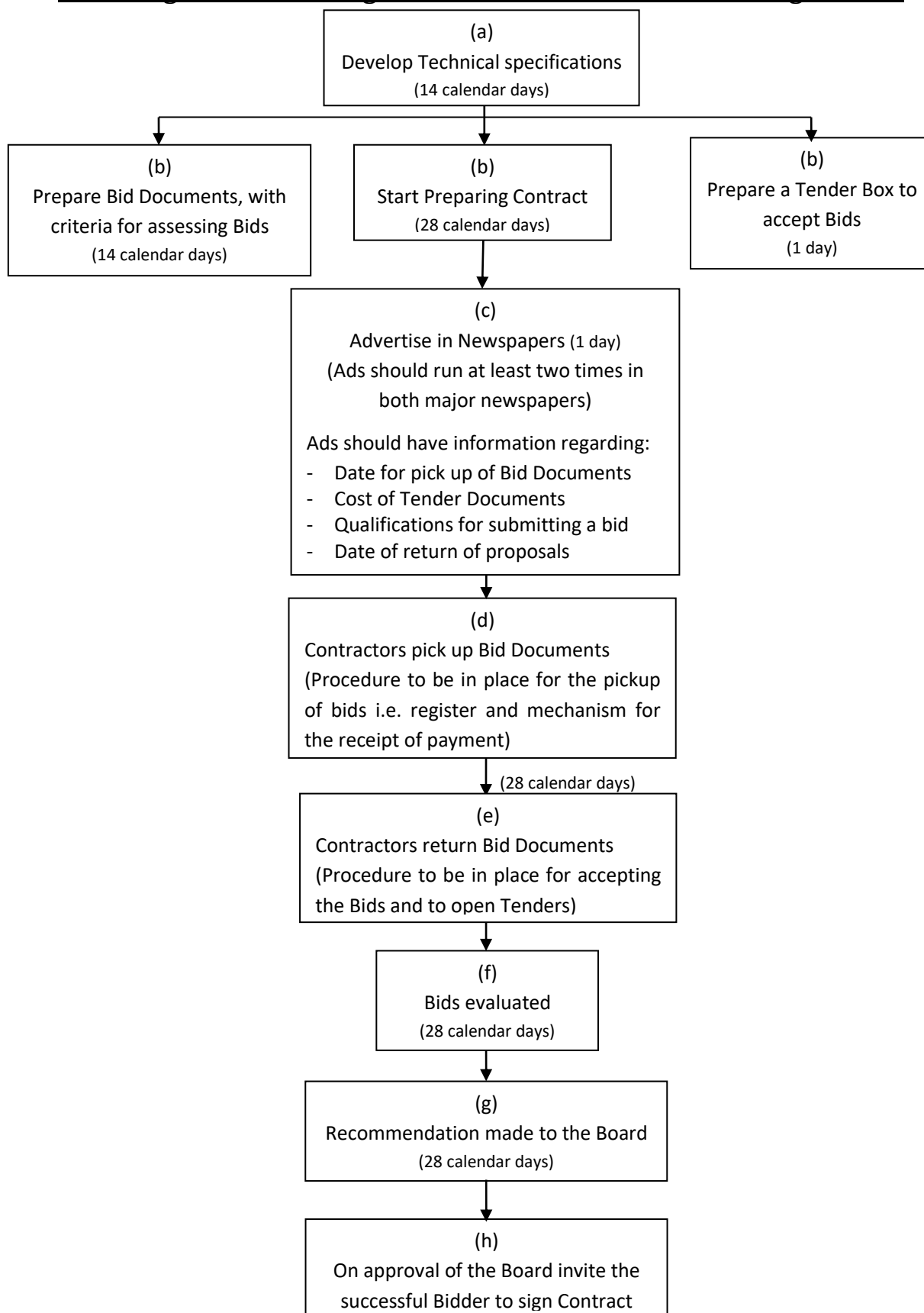
Contract Threshold	Procurement Methods	Procedures
Purchases up to J\$275,000	Direct Contracting	<ul style="list-style-type: none"> - Any contractor can be engaged. - A Tax Registration Number (TRN) is required. (Contractors are not required to be registered with the NCC nor do they require a TCC). Bid Security is not required.
Above J\$275,000 to J\$1 Million	Limited Tender	<ul style="list-style-type: none"> - Invite a minimum of three (3) registered contractors to provide quotations. - Request a valid TCC and NCC registration, which are required at bid submission. - Use GoJ Standard Bidding Documents. - Bid Security is not required. - The Head of The Mico must approve the recommendation for the award of the contract.
Above J\$1 Million to J\$3 Million	Limited Tender	<ul style="list-style-type: none"> - Invite a minimum of five (5) registered contractors to provide quotations. - Request a valid TCC and NCC registration, which are required at bid submission. - Use GoJ Standard Bidding Documents. - Bid Security is not required. - The Procurement Committee must endorse the recommendation for the award of the contract. - The Head of The Mico must approve the recommendation for the award of the contract.
Above J\$3 Million to J\$10 Million	Local Competitive Bidding (Goods and General Services)	<ul style="list-style-type: none"> - Invite tenders from registered contractors, through general advertisement at least once in a daily circulated, national newspaper. - Request a valid TCC and NCC registration, which are required at bid submission. - Use GoJ Standard Bidding Documents. - Bid Security is not required. - The recommendation for the award of the contract is to be endorsed by the Procurement Committee. - The Head of The Mico must approve the recommendation for the award of the contract.
	Local Competitive Bidding (Works)	<ul style="list-style-type: none"> - Invite tenders from registered contractors, through general advertisement at least once in a daily circulated, national newspaper and post the opportunity, on the Procuring Entity's website, the electronic notice board and at a National Works Agency's Parish Office/Parish Council Office where the work will be undertaken. - Request a valid TCC and NCC registration, which are required at bid submission. - Use GoJ Standard Bidding Documents. - Bid Security is not required. - The Procurement Committee must endorse the recommendation for the award of the contract. - The Head of The Mico must approve the recommendation for the award of the contract.

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Above J\$10 Million to J\$ 30 Million	Local Competitive Bidding	<ul style="list-style-type: none"> - Invite tenders from registered contractors, through general advertisement at least once in a daily circulated, national newspaper. - Request a valid TCC and NCC registration, which are required at bid submission. - Use GoJ Standard Bidding Documents. - Request Bid Security (as applicable) - Get support from the Permanent Secretary for the recommendation for the award of the contract. - The Principal of The Mico must submit the recommendation for the award of the contract to the NCC through Sector Committee. - The award recommendation must be endorsed by the NCC. - The Head of The Mico must approve the recommendation for the award of the contract.
	International Competitive Bidding	<ul style="list-style-type: none"> - Invite tenders from contractors, through general advertisement at least once in a daily circulated, national newspaper and advertise in the appropriate international publication as required. - Request a valid TCC and NCC registration, which are required prior to the contract award. - Use GOJ Standard Bidding Documents (www.mof.gov.jm). - Request Bid Security (as applicable) - Get support from the Permanent Secretary for the recommendation for the award of the contract. - The Principal of The Mico must submit the recommendation for the award of the contract to the NCC through the Sector Committee. - The Cabinet Submission must be supported by MoF. - The award recommendation must be endorsed by the NCC. - The award of contract recommendation and Cabinet Submission must be approved by Cabinet.
Above J\$30 Million	Local Competitive Bidding	<ul style="list-style-type: none"> - Invite tenders from contractors, through general advertisement at least once in a daily circulated, national newspaper and advertise in the appropriate international publication as required. - Request a valid TCC and NCC registration, which are required prior to the contract award. - Use GOJ Standard Bidding Documents (www.mof.gov.jm). - Request Bid Security (as applicable) - Get support from the Permanent Secretary for the recommendation for the award of the contract. - The Principal of The Mico must submit the recommendation for the award of the contract to the NCC through the Sector Committee. - The Cabinet Submission must be supported by MoF. - The award recommendation must be endorsed by the NCC. - The award of contract recommendation and Cabinet Submission must be approved by Cabinet.
	Local Competitive Bidding	<ul style="list-style-type: none"> - Invite tenders from contractors, through general advertisement at least once in a daily circulated, national newspaper and advertise in the appropriate international publication as required. - Request a valid TCC and NCC registration, which are required prior to the contract award. - Use GOJ Standard Bidding Documents (www.mof.gov.jm). - Request Bid Security (as applicable) - Get support from the Permanent Secretary for the recommendation for the award of the contract. - The Principal of The Mico must submit the recommendation for the award of the contract to the NCC through the Sector Committee. - The Cabinet Submission must be supported by MoF. - The award recommendation must be endorsed by the NCC. - The award of contract recommendation and Cabinet Submission must be approved by Cabinet.

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C. Flow Diagram indication general time frame in the Tendering Process



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D. Applicable Laws and Provisions

- Government of Jamaica Handbook of Public Sector Procurement Procedures
- Government of Jamaica Code of Conduct for Civil Servant – Staff Orders
- Income Tax Act
- Money Laundering Act
- Access to Information Act
- Companies Act
- Corruption Prevention (Special Prosecutor) Bill
- Corruption (Prevention) Act (CPA)
- Fair Competition Act (FCA)
- Financial Services Commission Act (FSCA)
- Insurance Act and Regulations
- Public Bodies Management and Accountability Act (PBMA Act)