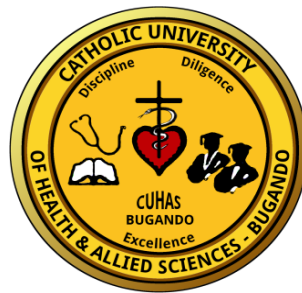


CATHOLIC UNIVERSITY OF HEALTH AND ALLIED SCIENCES



PROCUREMENT POLICY AND PROCEDURE MANUAL

February, 2022

Foreword

In CUHAS Procurement & Supply Services' mission is to directly support the University's educational, environmental and administrative needs, by assisting faculty and staff to obtain high quality products and services at a possible fair and reasonable cost and in a timely manner. Procurement Services Department is responsible for assisting university units in the procurement process and for overseeing all procurement activities. Only Procurement Services has the authority to negotiate and sign agreements.

All procurement activities conducted on behalf of the University must be in compliance with the standards outlined in state and local laws: PPRA and CUHAS policies. Other department end users are not authorized to sign contracts. The University is not bound by and does not recognize as binding any promise or obligation made by an unauthorized person.

The University encourages competition among suppliers in providing goods and services to the University, thereby assuring that the mix of quality, service, and price best matches the stated needs of the University's programs and activities. This procurement Policy and procedure Manual has been developed to provide guidance to departmental personnel on the proper procedures to follow when an acquisition is deemed necessary and to assist CUHAS personnel in their procurement related activities.

Any goods and/or services purchased with University funds or University-managed funds are bound by the policies and procedures included in this manual. This Policy applies to the acquisition of all goods and services, either purchased or leased, from suppliers external to the University. The policy outlines the principles regarding the acquisition of all goods and services at the University and *in tandem* with the Procurement and Purchasing Guidelines, will guide procurement decisions to enable a fair value for money to be achieved for the University. Compliance with this policy will ensure that both the University and the valued suppliers: 1st - shorten procurement cycle times: 2nd - improve operating efficiencies and 3rd - adhere to the appropriate probity and legislative, and PPRA requirements.

It is also crucial that the acquisition of goods and services by the University is free from corruption, fraud and conflict of interest while observing Code of Conduct. Care must be taken to avoid the intent and appearance of unethical practice in relationships, actions and communications with suppliers. Prior to the purchase of goods and services there must be sufficient justification to demonstrate that there is a need for the goods and services to be provided and that funding is available to cover all relevant costs associated with the acquisition of a good or service.

Transactions must be valued as a total transaction and not split into components or parts such as installments or individual item. The value of the order/agreement is either the total acquisition cost (if purchased) or the total lease cost (if leased).

The need to obtain the required number of quotations or to run a tender: For supplier engagements that use the Tender process, probity requirements must be taken into account to determine an appropriate methods to achieve the best outcome. University tenders should be open to the public so that the market is assessed for the goods or services required. Either by fully Open Tender or a multi-stage tender which initially involves the calling of an Expression of Interest (“EOI”), followed by a Selective Tender. Comprehensive and well documented records must be maintained on all acquisitions of goods or services, and all files in the Purchasing Services Department are to be maintained in an up-to-date and confidential manner.

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Acronyms and Abbreviations

APP	Annual Procurement Plan
CUHAS	Catholic University of Health and Allied Sciences
DVC - ARC	Deputy Vice Chancellor (Academic, Research, Consultancy)
DVC - PFA	Deputy Vice Chancellor (Planning, Finance and Administration)
EOI	Expression of Interest
GRN	Good Receive Note
HoD	Head of Department
ISO	International Organization for Standards
LPO	Local Purchase Order
PR	Procurement Requisition
RBCF	Request and Budget Form
RFI	Request for Information
RFPs	Request for Proposal
RFQs	Request for Quotations
TBS	Tanzania Bureau of Standards
TMDATanzania	Medicine Medical 1 Devices Authority
VAT	Value Added Tax
VC	Vice Chancellor

Definitions of the Key Terms

Coercive practice - means impairing or harming, or threatening to impair or harm directly or indirectly, any party or the property of the party for the purpose of influencing improperly the action or that party in connection with procurement or in furtherance of corrupt practice or fraudulent practice.

Competent authority - means a person, body of person, organs or an agency to take actions as may be referred to or directed to it by the CUHAS University Council under this Manual.

Competitive selection - means the method of procurement whereby consultants or providers of services are invited to compete each other in submitting either un-priced or priced tenders, where the tenders are evaluated either on the basis of quality or on the basis of a combination of quality and cost.

Competitive buying or tendering - means the method of procurement whereby suppliers, contractors or consultants are invited to compete each other in submitting their proposal bids for undertaking the provision of goods, works or services.

Consultant - means a firm, company, corporation, organization, partnership or an individual person engaged in or able to be engaged in the business of providing services in architecture, economics, engineering, surveying or any field of professional services, and who is, according to the context, a potential party or the party to a contract with CUHAS.

Contractor - means a firm, company, corporation, organization, partnership or an individual person engaged in civil, electrical or mechanical engineering or in construction or building work of any kind including repairs and renovation, and who is, according to the context, a potential party or the part to a procurement contract with the CUHAS.

Consultancy services - means activities of an intellectual and advisory nature that do not lead to a measurable physical output and includes design, supervision, training, advisory, auditing, software development and similar services.

Corrupt practice - means the offering, giving, receiving or soliciting of anything of value to influence the decision and action of an officer of CUHAS in the procurement process or contract execution; to act / decide contrary to the acceptable /norms /principles

Cost Control means the execution and completion of the procured project within the contract price.

Disposal- means the divestiture of CUHAS assets including intellectual and proprietary rights, goodwill and any other rights as the disposing entity by any means, including sale, hire - purchase, licenses, tenancies, rental, lease, franchise and auction.

Disposal process - means the successive stages in the disposal cycle, including planning, choice of procedure, measures to solicit offers from tenderers, examination and evaluation of those offers and award of contract.

Lowest evaluated cost- means the price offered by a bidder that is found to be the lowest price after consideration of all relevant factors and the calculation of any weighing for these factors, provided that such factors have been specified in the tender documents.

Highest evaluated price - means the price offered by a tenderer for revenue collection services or for the asset to be disposed of, that is found to be the highest after considering relevant factors specified in the tender documents and apportioning weight for such factors.

Procurement- means management of the process of purchasing, renting, leasing or otherwise acquiring any goods, works or services and includes all functions that pertain to the obtaining of any goods, works or services, including description of requirements, selection and invitation of tenderers, preparation, award of contracts and contract management.

Procurement contract- means any license, permit, or other concession or authority issued by a CUHAS or entered into between CUHAS and a supplier, contractor or consultant, resulting from procurement proceedings for carrying out construction or other related works or for the supply of any goods or services.

Procurement expert or specialist- means a person who is engaged in a profession, occupation or calling in which recourse to procurement is directly or indirectly involved and has such knowledge and experience of the practice of procurement and has been certified or registered by the Procurement Supplies Professional and Technician Board.

Procurement department - means a division or department responsible for the execution of the procurement functions in CUHAS.

Procurement proceedings-means the proceedings to be followed by CUHAS when engaged in procurement.

Procurement process- means the successive stages in the procurement cycle, including planning, choice of procedures, measures to solicit offers from tenderers, examination and evaluation of those offers, award of contract and contract management;

Quality Control means the execution of the work/ project in conformance with the technical requirements and /or specifications;

Resources control refers to the management of human and material resources (personnel, equipment, and supplies

Specification- means full descriptions of any commodity or works by reference to its nature, quality, strength, purity, composition, quantity, dimensions, weight, grade, durability, origin, age or other commercial requirements and characteristics or to any substance or material of, or

with which, or the manner in which, any commodity or works may be manufactured, produced, processed, treated, built or installed.

Successful tenderer-means a bidder evaluated and selected 1st - offering a competitive evaluated cost/price and has the capacity and capability to execute the contract, in case the method of procurement used was competitive tendering; or offering the lowest evaluated cost and has the capacity and capability to execute the contract, in case the method of procurement used was competitive tendering; or 2nd - being the most responsive to the needs and if procurement used was competitive quotations, single source procurement, competitive selection or where goods or services of minor value were procured; 3rd - the highest evaluated price.

Supplier- means company, corporation, organization, partnership or individual person supplying goods or services, hiring equipment or providing transport services and who is, according to the contract, a potential party or the party to a procurement contract.

Terms of reference- means the statement issued ,giving the definition of the objectives, goals and scope of the services, including where applicable the means to be used.

Time Control means execution and completion of the procured project within the agreed time schedule.

Works-means all CUHAS works associated with the construction, reconstruction, demolition, repair or renovation of a buildings and structure or any other civil works, such as site preparation, excavation erection, building, installation of equipment or materials, decoration and finishing; and Building, structure or service which is tendered and contracted on the basis of performance of a measurable physical output such as drilling, mapping.

1.0. The University Procurement Policy and Procedures

1.1. Introduction

The Catholic University of Health and Allied Sciences (CUHAS) is located at Bugando Hill, within the Bugando Medical Centre (BMC) premises in Mwanza. Its core business is training, research and consultancy services. It trains health professionals in the fields of Medicine, Pharmacy, Medical Laboratory Sciences, Nursing, Radiology and Public Health through Diploma, Bachelor, Masters and PhD programmes. The University works in close partnership with the Bugando Medical Centre (BMC) in the training of the students and in offering services that address health challenges in the local and global contexts, thus contributing to the Health Sector Improvement in a purposeful and meaningful way.

The University works in close partnership with the Bugando Medical Centre (BMC) in the training of the students and in offering services that address health challenges in the local and global contexts, thus contributing to the Health Sector Improvement in a purposeful and meaningful way. Procurement of goods and services for the university must be conducted in an open and competitive environment to ensure that prices paid are fair and reasonable observing principles of procurement.

This Manual has been prepared to provide direction and guidance with integrity. It is intended to serve as a portal to enter this vast area and draw attention to basic norms and practices governing procurement in our University. This Manual is to be taken as a generic guideline, broad in nature but nevertheless provides on the observance of these guidelines, in the initiation, authorization of purchasing and other pre-quests prior execution of goods and services procurement contracts.

This Manual will be useful to head of Departments in various faculties and Departments as operating instructions and transparency and predictability in procedures and help in improving the ease of doing business with the wide range of suppliers. The Manual is extensively obsessive to the fundamental principles of transparency, fairness, competition, economy, efficiency and accountability. Efforts have been made to cover all major aspects of procurement in this Manual in a user-friendly manner. This manual is a living document as from time to time, the policy and procedures will be reviewed and updated.

Prior to the purchase of goods and services there should /must be sufficient justification to demonstrate that there is need for the goods and services to be provided and funds are available. Procurement Services provide support to the University community in the selection, acquisition, use and disposal of goods and services by:

- 1.1.1. Maximizing the University's purchasing power by focusing on strategic sourcing and obtaining the best value
- 1.1.2. Leveraging its expertise in contract negotiations and supplier management to advantage the University, Streamlining processes and investing in new technologies to provide administrative efficiency.
- 1.1.3. Thus the overall purpose of procurement policy is to ensure that, Catholic University of Health and Allied Sciences get the highest quality of desired goods and services at the best price possible, and at a reasonable time.
- 1.1.4. Further, the policy aims at streamlining the process of procurement while maintaining adequate controls in accordance to principles and guidelines in acquisition of goods and services within the University's ethical manners.

1.2. General Statement

The University recognizes the need that procurement should provide the best goods and services to all user departments in the most effective and efficient manner. Therefore it has been regarded necessary to introduce the written standardized procedures for proper guidance, while enforcing probity to achieve value for money in the most efficient way possible. It is important to ensure that the acquisition of goods and services by the University is free from corruption, fraud and conflict of interest.

1.3. Purpose of Procurement Policy

Established and observed procurement policy shall assist the organization in particular the procurement personnel:

- (a) To provide general and specific guidelines for managing the buying of goods and services.
- (b) To encourage and enhance internal control measures for goods and services
- (c) To act as a management tool for better decision-making and better stewardship of the resources entrusted to Catholic University of Health and Allied Sciences by its donors/ partners/ development partners.

(d) Departments identify needs through purchase requisition mentioned in **2.4** and appearing in **Appendix 8**.

(e) Provide guideline on how items are received, and issued to and from store to users.

1.4. The Scope

This procurement policy document applies to the procurement of goods, works and services. Also this policy document is intended to guide the procurement decisions to enable a fair value for money to be achieved for the University. The procurement policy manual is not intended abolish the financial regulations nor any other University regulations and policies but to establish University principles of procurement as stipulated in **Appendix 6**

1.5. Responsibility

The procurement policy manual defines the limits within the purchasing procedures; by operate and convey authority to procurement function to act within these limits. It should be indispensable by the top management and in particular the property and Procurement Officer if the policy is to be effectively enforced.

The University procurement services department will be responsible for encouraging selection of its suppliers is appropriately accomplished and achieved in a fair value for money for all university procurement activities.

There shall be proper separation of duties between members of the department:

- a) The person who initiates the order (department).
- b) The person who orders a particular purchase from a vendor.
- c) The technically qualified person who satisfies / ensures that the goods supplied are satisfactory.
- d) The person who accepts goods into store that are in good order,
- e) Receives, takes on ledger charge and takes custody of the store.
- f) The person who reviews and authorizes payments.

1.6. Departmental Organogram

Departmental Organogram is important as to specify procurement staffs' duties and responsibilities, that is, segregation of duties, responsibilities and accountability. *See the organogram below*

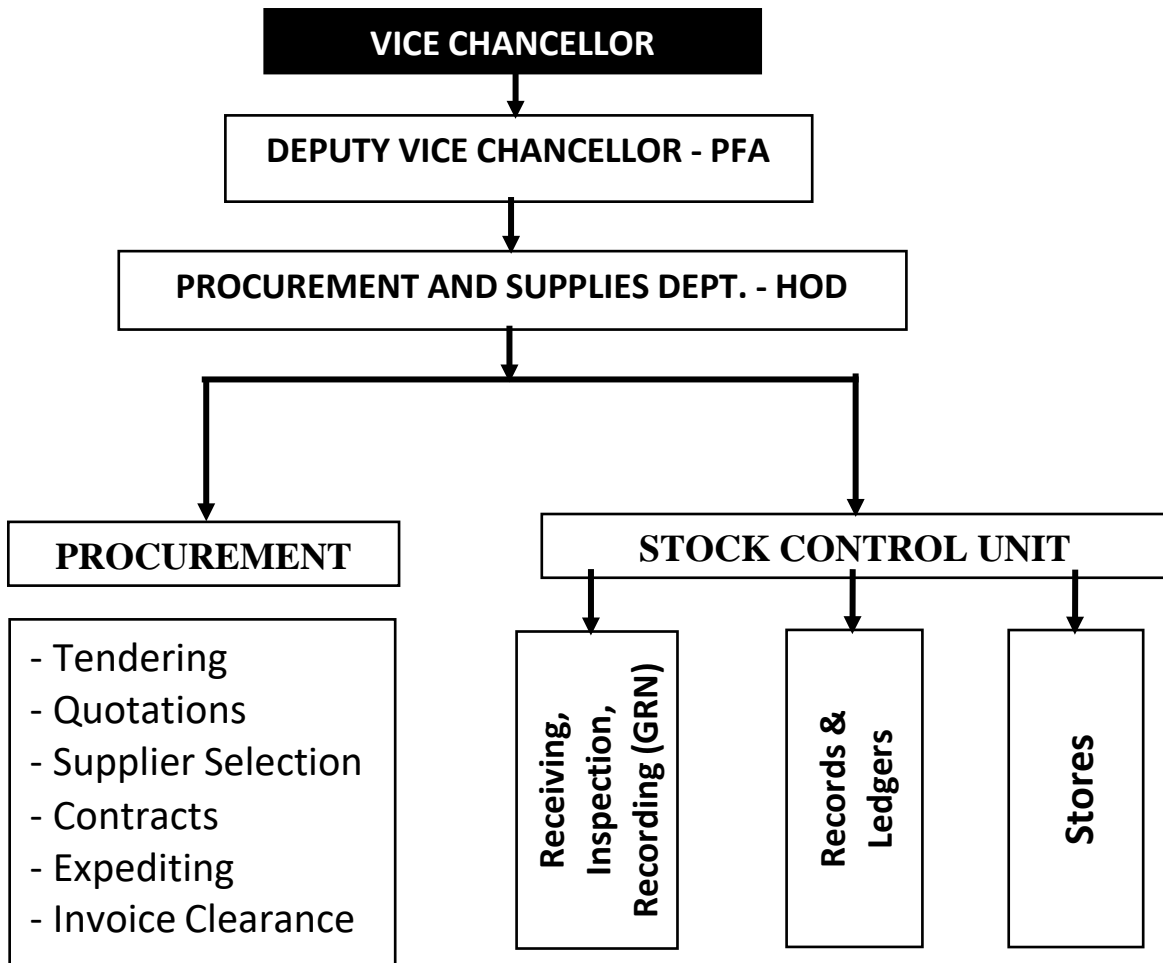


Figure 1: Procurement Department Organizational Chart

2.0. PROCUREMENT PLAN AND PURCHASE PROCEDURES

2.1. Preparation of Annual Procurement Plan

The procurement office shall use the user department's proposed procurement plans to prepare annual procurement plan. It is the responsibility of procurement department to consolidate Annual Procurement Plans (APP) two months (**by 31th July**) before the beginning of each academic year and as need may arise within the academic year.

The APP shall require the review of the tender committee and approval of the University Management. Implementation of APP will be subject to fund availability and budget allocation. Procurement plans are an integral part of the annual budget process. A bottom up approach is recommended for the procurement planning process with each department preparing and submitting their plans to the procurement department which in turn prepares a consolidated Annual Procurement Plan (APP) for approval by the Management. Heads of Department are required to submit signed APP to their Accounting Officer at least thirty (30) days before the start of the fiscal year and academic year. Procurement plans for projects may be prepared on a multi-year basis, in which case they should be integrated into the medium-term budgetary expenditure framework.

The procurement plan shall include but not be limited to the following information:

- a) Detailed breakdown of the goods, works, consultancies and services required;
- b) A schedule of the planned delivery, implementation or completion dates for all goods, works, consultancies and services required;
- c) Estimate of the value of each procurement package of goods, works, consultancies and services and the source of funding, if different from other packages;
- d) Source of funding;
- e) Indication of items or sections of the services, consultancies or works that can be aggregated for procurement as a single package;
- f) Procurement method;
- g) Details of any committed or planned procurement expenditure under existing multiyear contracts;
- h) Price adjustment mechanism for long projects (those lasting more than one year); and
- i) Timelines for critical stages of the delivery or implementation programme.

2.2. Purchase Procedures

The purchasing procedures manual apply to all faculties, schools, institutes, departments and units of the University (CUHAS).

Procurement being a function in an organization is centrally carried out by the procurement services department, which will be responsible for the acquisition of goods, services, and works, and shall need effective and well set procedures in place to guide internal operations of an organization.

2.3. Initiating Orders from Users

- 2.3.1. Departments, schools, institutes and directorates shall anticipate and initiate their requirements at appropriate time to allow adequate lead time for processing and delivery.
- 2.3.2. Each department is required to submit a purchase requisition to Procurement & Supply Services unit prior to purchase of goods/products, services and works.
- 2.3.3. Item descriptions should be complete and accurate.
- 2.3.4. A Purchase Requisition cannot be submitted to Purchasing & Supply Services unless funding is currently available. The requestor and final approver must be different individuals.
- 2.3.5. In the case of recurring demand for product such as stationeries or service by a user department, Procurement & Supply Services can take action to place such an item on a Blanket Order.
- 2.3.6. Individual departments, schools units are not permitted to sign contracts or agreements on behalf of the University.
- 2.3.7. Contracts ,proposals and letter of interest signed and returned to suppliers directly by departments without going through Procurement & Supply Service will be disclaimed by the University and may lead to legal liability in the event of they lack appropriate contractual safeguards.

2.4. Purchase Requisition (PR)/Request & Budget control Form (RBCF)

Each specific procurement process shall be initiated by a purchase requisition /Request and Budget control form and must be approved by the Head of Department /vote holder and Bursar. The final approval by the authority (DVC - PFA) thereafter submitted to procurement department for further procurement proceeding.

The Purchase Requisition/Request and Budget Control Form allows the department's flexibility within the overall annual plans regarding specifications, exact quantities, delivery dates, etc. Requirements for the item(s) being requested should also indicate that the item is budgeted for or not. The forms are also used to cater for un-planned or emergency procurement accompanied with supporting reasons why it is emergency and its importance for execution.

The Purchase Requisition/Request & Budget Control Form should contain detailed specifications as follows:

- a) Specification of items required. Clear specifications must be developed and attached to the Purchase Requisition.
- b) Quantities of units or episodes required annually or per order.
- c) Estimated total sum plus any known charges.
- d) Delivery dates and locations.
- e) Unit price estimated price unit is known.
- f) Accounting information/Grant charged.
- g) Whether procurement is within Annual Procurement Plans /budget) or emergency or unplanned (Indicating reference by APP).
- h) Signature of the preparing person and approval signatures and stamp from HoD.

2.5. Specifications

Clear specifications of the requested works, goods or services must be developed and attached to the Purchase Requisition. Use of Brand are not allowed.

2.5. Authorization

Purchasing office shall review the purchase requisition details. Upon receipt of requisitions, the procurement officer shall first verify if the requisition is properly preferred and approved according to the signing authority.

After this, the procurement office shall begin the process of sourcing for the goods, works and services. This process includes application of various sourcing techniques and procurement methods, as per regulations based on the values of goods and services. (Refer to table 1 Section 10.0 of Procurement methods and financial threshold)

All requisitions must be signed by the departmental heads or designated, who shall ensure that the item(s) are in APP or shall seek authority to procure emergency or unplanned as per policy.

2.7. Placing Order Procedure

- 2.7.1.** Final responsibility for placing order is centrally carried out by procurement services department. The Procurement Department shall be the point of origin at University for all information pertaining to on-going and future procurements. Procurement officer shall ensure that competitive quotes have been obtained as per prescribed procurement methods. A minimum of three quotations must be obtained from reputable suppliers if competitive quotation is to be in use. Direct purchasing is not allowed. (Refer to section 10.0 of Procurement methods and financial threshold).
- 2.7.2.** The procurement officer shall agree on appropriate terms and conditions of purchase with suppliers and obtain further authorization as required from DVCPFA or the Tender Committee as the case may be, then place an order.
- 2.7.3.** The Procurement Department should issue all competitive bid quotations, requests for proposals, contract documents, purchase orders and purchase order changes, and correspondence relating to any of the above documents or projects.
- 2.7.4.** A Purchase Order will be prepared only by the Procurement Department from an appropriately authorized Requisition form. Once prepared, copies shall be distributed to the vendor/supplier and appropriate departments as required. Only the Procurement Department is authorized to assign a Purchase Order number to a requisition. The most common use of a Purchase Order form is for the one-time. When a department has frequent, recurring needs for a variety of incidental items, the Purchase Order form may be used as a Blanket Order.

2.8. Receiving Goods

This shall involve receiving deliveries, checking for quality and quantities as per purchase specifications. Then the received goods shall be issued using issue note to department (as per consignee detailed by responsible staff, user and purchasing). For recurring demand of goods, they shall be procured in bulk/blanket order whereby some of them will have to be transferred to the main store.

3.0 CONTROLS ON PROCUREMENT

3.1 The Policy

Purchase orders shall not be processed until the user unit/department verifies that funds are available to cover the amount to be purchased. The policy prohibits procuring supplies or services on behalf of or for the personal use of any University employee. Goods and services shall only be procured within approved budgets except in case of emergencies, which have to be approved by the Management. Thus, in addition to being responsible for preparing the APP/budget:

- a) The departmental heads shall have to ensure that actual procurement throughout the year remains within the approved budget.
- b) Each requisition should have the reference of APP line bearing the item or requisition and if need be attached to the page of the APP where such line is contained.
- c) The Deputy Vice Chancellor for Administration and Finance (DVC-PFA) shall supervise the procurement officer in conducting periodic checks on procurement activities to ensure that they conform to APPs, internal CUHAS annual budgets and financial procedures.
- d) It is the responsibility of the Procurement department/Unit that initiated and signed the purchase order after receipt and order completion to liaise with requisitioner to verify that the following have been completed and accurately verify all paper work for the goods, or service concerned.
 - i) That the correct quantity has been received and signed.
 - ii) That the quality and price of goods is as agreed.
 - iii) That all goods delivered have been securely kept and entered in inventory records appropriately updated.
 - iv) That the delivery note is checked, verified, signed and attached to all the paperwork in the package of documents, including invoice and VAT exemption certificate if applicable. The user should conform real specification

3.2. Non –Purchase Order Process

This is applicable where reimbursement had been authorized by for value of TZS. 100,000/=or/ and less than TZS. 100,000/=

3.3. Donations

Donations to the University of supplies, equipment or materials (other than samples) furnished without charge to the University may be accepted but must be reported to the office of the DVC - PFA and Supplies Office must ensure that they are properly recorded and an appropriate acknowledgment provided to the donor. According to financial regulation, all donations shall be revalued to get the market price.

3.4. Declaration of Interest

Procurement staff and all members of the Tender Committee shall be required to sign a 'conflict of interest' declaration stating that they shall not purchase goods or services from a company they have vested interest.

4.0 SUPPLIER SELECTION

In dealing with suppliers, the University shall always observe suppliers relationship principles as stipulate in **Appendix 4**.

Careful selection of suppliers shall be done to ensure that best possible price, quality and delivery time available within the markets is obtained. A list of capable suppliers (the list of pre-qualified suppliers) for each type of goods and services based on letters of introduction and past performance shall be maintained. This will make the process of supplier identification much faster.

The supplier list shall be reviewed and updated periodically to ensure that current known factors are taken into consideration. Once the previous year's list of vendors has been updated and approved by the Tender Committee, procurement of goods and services can be effected. Supplier selection for inclusion on the list of pre-qualified suppliers will take place once per year and will be done by the Tender Committee.

4.1. Suppliers/Contractors/Service Providers Selection Criteria

The following set of criteria is essential for deciding on choice of a supplier/contractor/service provider:

- a) Capacity of supplier/contractor/service provider to meet demand
- b) Competence in Quality of goods/services. Such a justification must be verifiable.
- c) Favorable Price and payment terms
- d) Availability of goods/services within the required delivery time.
- e) After sale services, including availability of parts/supplies.
- f) Bidder's previous records of performance and service/good record/reputation.
- g) Ability of bidder to render satisfactory service in this instance.
- h) Financial stability of the vendor.
- i) Availability of bidder's representatives to call upon and consult with
- j) Payment terms
- k) Warranty offered.
- l) Ability to provide samples
- m) Control system used to ensure quality

- n) Registration in relevant field (contractors and medical requirements such as ISO, TBS, CRBT, Registered to ensure consistence supply of quality goods/ work and service.
- o) It is the responsibility of procurement department and the Tender Committee to conduct vendor evaluation process for both goods and services approved.

5.0. DETERMINATION OF PROCUREMENT METHOD/MODEL

Quantity/ value of goods/services will determine the method of procurement. This stage will also involve detailed description of requirements of what is needed and how it is to be used. User department are expected to provide clear information which will comply with prescribed standards. Basing on specifications provided, procurement office shall prepare tender documents.

5.1. Procurement Method

The number of methods for the procurement of goods, works and services to be used by:

- a) International Competitive Tendering (ICT);
- b) National Competitive Tendering (NCT);
- c) Restricted Tendering (RT);
- d) Competitive Quotations/Shopping (CQ);
- e) Single Source Procurement (SSP);
- f) Minor Value Procurement (MVP);
- g) Micro Value Procurement (MCVP)
- h) Force account (FA).

Table 1: Thresholds and corresponding procurement methods

Method of Procurement	Goods	Works	Non Consultancy Services	Disposal of Assets
International Competitive Tendering	No limit	No limit	No limit	No limit
National Competitive Tendering	Up to TZS 1,000,000,000	Up to TZS 5,000,000,000	Up to TZS 1,000,000,000	Up to TZS 5,000,000,000
Restricted Tendering	No limit but must be justified	No limit but must be justified	No limit but must be justified	No limit but must be justified
Competitive Quotation (Shopping)	Up to TZS 120,000,000	Up to TZS 200,000,000	Up to TZS 100,000,000	Not Applicable
Single Source	No limit but must be justified	No limit but must be justified	No limit but must be justified	Not Applicable
Minor Value Procurement	Up to TZS 10,000,000	Up to TZS 20,000,000	Up to TZS 10,000,000	Not Applicable
Micro Value Procurement	TZS 5,000,000	Not Applicable	Not Applicable	Not Applicable

6.0. PROCUREMENT PROCEDURES

6.1. Invitation to Tender and Advertising

- a) Whenever a need to commence competitive tendering proceedings, a tender inviting notice requires tenderers to submit priced offers for the supply of goods and services. Provision of non-consultancy services or for undertaking the works required and such tender notice shall be submitted within reasonable time before the planned issue of the tender to the Tender Committee for approval.
- b) The approved tender notice shall be advertised by the procurement office as set out in annual procurement plan and shall ensure widest reach of potential tenderers.
- c) Any tender notice should be published in sufficient time, as prescribed in the manual, to enable prospective tenderers to obtain tender documents and prepare and submit their proposals before the deadline for receipt of tenders.
- d) The time specified for the opening of the tenders submitted shall be the same as the deadline for receipt of tenders or immediately thereafter, and be repeated, together with the place for tender opening, in the invitation to tender.
- e) Subject to section (d) above CUHAS may prior to the deadline for submission of tenders, modify the tender documents and extend the deadline for submission of tenders if deemed necessary.

6.1.1. Minimum Procurement Processing Time for Bidders for Goods, Works and Non-Consultancy Services

Time given under this Schedule is intended to give bidders adequate time to prepare their bids and shall not be reduced under any circumstances, except where a tender has been rejected provided that:-

- a) During re-tendering there are no major changes which necessitate preparation of new tenders; and
- b) The same bidders are invited, in which case the minimum processing time may be reduced by half.

Table 2: Minimum Time for Preparation and Submission of Prequalification Documents and Tenders for Bidders

Serial Number	Method of procurement	Period (calendar days)
PREQUALIFICATION STAGE		
1	International competitive tendering	30
2	National competitive tendering	21
TENDERING STAGE		
3.	National competitive tendering	21
4.	International competitive tendering	30
5.	Restricted national competitive tendering	21
6.	National shopping	4
7.	International shopping	8
8.	Where large works are involved	90

6.2. Issue of Tender Documents

- a) CUHAS shall provide tender documents immediately after first publication of the tender notice to all suppliers, contractors, service providers who respond to the tender notice and pay the requisite fee, if required, for which a receipt shall be given.
- b) All prospective bidders shall be provided with the same information, and be assured of equal opportunities to obtain additional information.
- c) Tender documents shall not include requirements and terminologies which discriminate unfairly.
- d) Subject to section (iii) may be deviated where circumstances demand provided that, any deviation is made on basis of provisions of the manual.
- e) The scale of fees payable for tender documents shall be as set out in the directive made under this manual.

6.3. Content of Tender Document

- a) CUHAS shall use the appropriate standard model tender documents specified in the manual for the procurement in question.
- b) The tender documents shall be worded so as to permit and encourage competition and such documents shall set forth clearly and precisely all the information necessary for a prospective tenderer to prepare tender for the goods, services and works to be provided.

6.4. Validity of Tenders and Tender Security

The CUHAS shall require bidders to make their tenders and tender securities including tender securing declaration valid for periods specified in the tendering documents, sufficient to enable the CUHAS to complete the comparison and evaluation of the tenders and for the appropriate tender board to review the recommendations.

6.5. Evaluation Criteria

- a) The basis for tender evaluation and selection of the successful bidder shall be clearly specified in the tender document.
- b) The tender documents shall specify factors, in addition to price, which may be taken into account in evaluating a tender and how such factors may be quantified or otherwise evaluated.
- c) Notwithstanding the provisions of section (ii), where tenders based on alternative materials, alternative completion schedules or alternative payment terms are permitted, conditions for their acceptability and the method of the evaluation shall be expressly stated in the tender documents.

6.6. Receipt of Tenders and Tender Opening

- a) The Secretary of the Tender Committee shall receive tenders using procedures set out in this manual or any other way prescribed in the tender document.
- b) The secretary to the tender board shall give each bidders a receipt showing the time and the date that the tenders were received, and any tender received after the deadline shall be returned unopened to the tenderer.
- c) All tenders submitted before the deadline time and date for submission shall be opened in public, in the presence of the tenderers or their representatives and other parties with a legitimate interest in the tender proceedings and the tender opening shall take place at, or immediately after the deadline time and date given in the tender documents for

the receipt of the tenders and the names of all those present at the tender opening and the organizations they represent shall be recorded by the Secretary of the Tender Committee.

- d) The names and addresses of each tender the total amount of each tender or and of any alternative tenders, if they have been requested or permitted, shall be read and recorded during the tender opening.
- e) After the public opening of tenders, information relating to examination, clarification and evaluation of tenders and the recommendations concerning awards shall not be disclosed to tenderers or other persons not officially concerned with the process until the notice of intention to award a contract is notified to the tenderers who participated in the tender process.

6.7. Evaluation and Comparison of Tenders

- a) The evaluation committee shall evaluate on a common basis tenders that have not been rejected in order to determine the cost to CUHAS of each tender in a manner that permits a comparison to be made among the tenders on the basis of the evaluated costs, but the lowest submitted price, may not necessarily be the basis for selection for award of a contract.
- b) Any relevant factor or factors in addition to price to be considered in tender evaluation and the manner in which they will be applied for the purpose of determining the lowest evaluated tender shall be specified in the tender documents.
- c) Any procedure under which tenders above or below a predetermined assessment of tender value is automatically disqualified may not be accepted.
- d) The evaluation committee shall prepare for submission to the Procurement department of CUHAS a detailed report on the evaluation and comparison of tenders, setting out the specific reasons on which its recommendations for the award of each contract are based.
- e) The procurement department shall review the evaluation report submitted pursuant to section (iv) and submit the report and their recommendations to the Tender Committee.

6.8. Approval of Award of Contract

- a) The Tender Committee shall review the evaluation and recommendation made by the procurement department and may either –
- b) To recommend the acceptance of the tender for contract award; or
- c) Refuse to authorize recommendation for award of the tenders and refer the evaluation to the Procurement department with an instruction to re-evaluate the tenders or re-tendering or other action.

6.9. Negotiation and Award of Contracts

Subject to the conditions stipulated in the manual, a bidder evaluated to have the capacity and capability to supply the goods, undertake the works, provide the services or purchase the assets shall be invited for post tendering negotiations by the CUHAS.

NOTE: Negotiations shall not be conducted in the following areas:

- a) To change the specifications or details of the requirement.
- b) To materially alter the terms and conditions of contract stated in the tender document;
- c) Purely for the purpose of increasing prices in case of disposal of assets; or
- d) To substantially alter anything formed a crucial or deciding factor in the evaluation of tender.

NB:

- a) Where single source method or a competitive procurement method used but only a single tender was received, negotiations may relate to other areas of the tender including the price tendered provided that the negotiation shall not increase price or affect the quality of the goods, works or services.
- b) Where the negotiation fail to result in an acceptable contract, CUHAS shall terminate the negotiations and after consultation with the Tender Committee, invite the next ranked firm for negotiations

6.10. Authority to Sign a Contract

- a) The authority to sign a contract is limited to the CUHAS Management.
- b) Before signing, one is to ascertain oneself on the legality of the procedures even by contacting persons with sufficient knowledge and expertise in the area of contracting and the goods or services being procured such as experience with the principles of sound contracting and procurement and familiarity with the process of contract formation, execution and administration.
- c) The University must maintain a written record of all persons authorized to sign contracts and transmittals.
- d) In any case, CUHAS shall abide and respect all tender procedures according to its financial and procurement regulations. When the terms are finally agreed with supplier the procurement officer will confirm funding and issue contract document or purchase order to the selected supplier.

7.0. REJECTION OF ALL TENDERS

In spite of being selected by the Tender Committee, and if so specified in the solicitation documents, the CUHAS Management may, prior to awarding the contract and notwithstanding the stage reached in the proceedings leading to the conclusion of the contract:

(a) either decide to reject all tenders at any time or annul the tender or selection proceedings in accordance with paragraph (2) and order that the proceedings be recommenced, if necessary, using another method; or

(b) where the project is divided into lots, award only certain lots and possibly decide that the other lots be the subject of another tender or other tenders, if necessary, using another method.

Rejection of a tender or selection proceeding may take place whenever:

- a) No tender or proposal is responsive to the tender documents or request for proposals;
- b) No tender or proposal satisfies the criteria for the award of the contract as set out in the tender documents or request for proposal;
- c) The economic or technical data of the project have been significantly altered;
- d) Exceptional circumstances render normal performance of the contract impossible;
- e) Every tender or proposal received exceeds the budgetary resources available;
- f) The tenders or proposals received contain serious irregularities resulting in interference with the normal play of market forces;
- g) Funds voted or earmarked for the procurement have been withheld, suspended or have otherwise not been made available; or
- h) There has been no fair competition

CUHAS Management shall apply for the approval from Council prior to rejecting all tenders. The Council shall consider the application for rejection of all tenders and shall respond of receipt of such application. In the event of rejection of all tenders or annulment of selection proceeding, all tenderers who submitted tenders or proposals shall be notified. Neither the CUHAS Council nor the CUHAS Management shall incur liability solely by virtue of invoking paragraphs (1) and (3) towards tenderers that submitted tenders. If the rejection of all tenders or annulment of selection proceeding has not been caused by circumstances which do not necessitate the opening of tenders, the unopened and sealed envelopes containing the price proposals, where appropriate, and in any event, the other elements of the tender or proposal shall be returned to the tenderers. Where all tenders are rejected pursuant to this paragraph; the

University shall review the causes justifying the rejection and consider whether revision of the specifications or terms of reference or modification in the project or both are required.

7.1. Rejection of abnormally low tender

CUHAS may reject a submission after determine that the price in combination with other constituent elements of the submission are too low in relation to the expectations and the ability of the tenderer that presented that submission to perform the contract.

7.2. Before rejecting abnormally low tender CUHAS shall:

- a) Request an explanation of the tender or of those parts which it considers contribute to the tender being abnormally low;
- b) Take account of the evidence provided in response to a request in writing; and
- c) Subsequently verify the tender or parts of the tender being abnormal.

The decision to reject a submission in accordance with this manual and reasons for the decision shall be recorded in the procurement proceedings and promptly communicated to the tenderer concerned. The CUHAS Management shall seek the approval of the CUHAS Council prior to rejecting a tender under this regulation. Neither the CUHAS Council nor the CUHAS Management as the procuring entity shall incur liability solely by virtue of invoking paragraph (1) and (4) towards tenderers that submitted tenders.

8.0. INSTITUTIONAL ARRANGEMENTS OF CUHAS

8.1. University Council/Budget Approving Authority of CUHAS

The role of the University Council shall provide the overall strategic guidance as well as review and monitor the implementation of the Annual Procurement Planning (APP) as in accordance with the University approved budget. The Budget approving authority of the University shall be required to perform the following roles;

- a) Reviewing and approving Annual Procurement Plan based on its budget and action plan;
- b) Reviewing of quarterly procurement report submitted by the accounting officer;
- c) Ensuring that the organization complies with the provisions of the procurement manuals;
- d) Disciplining of the staff implicated on wrongdoings

8.2. Establishment of the Tender Committee and its Responsibilities

There shall be a tender committee known as The Tender Committee of the Catholic University of Health and Allied Sciences

8.2.1. Composition

The committee shall consist of the following members:

- a) The chairperson who shall be from the rank of Senior staff as per CUHAS Charter of Incorporation appointed by the VC after consultation with the DVC PFA
- b) The head of the Procurement Unit who shall be the ex officio secretary of the committee
- c) Eight other members of the rank of at least heads of departments appointed by the VC after consultation with the DVC PFA
- d) The chairperson and the secretary shall represent the committee to the management for submission of recommendations

8.2.2. Functions

- a) Deliberate on recommendations from the Procurement Unit and recommend award of contracts to management;
- b) Review all applications for variations, addenda or amendments to ongoing contracts and submit recommendation to management;
- c) Approve tendering and contract documents;
- d) Recommend to management procurement and disposal by tender procedures; and
- e) Ensure that best practices in relation to procurement and disposal by tender are strictly adhered by CUHAS.

- f) Discuss the annual procurement plan as proposed by the procurement unit and recommend it to management

8.2.3. Powers of the Committee

- a) In order to fulfill its functions the committee have the following powers;
- b) To invite any person in a meeting in order to profit from his/her profession or technical advice, such a member shall have only advisory role
- c) To establish advisory committees to discuss technical issues

8.2.4. Meetings

Meetings of the committee shall be convened by the Chairman, or in his absence or inability to act, the Secretary, by a notice specifying the date, time and place of such meeting which shall be sent to each member at his usual place of business or residence not less than two full working days before the date of such meeting and the committee shall meet at such times and places.

- a) The tender committee shall meet every month to receive reports from the procurement unit; however, it can meet at an *ad hoc* meeting when necessity arises to be determined by the chairperson
- b) The composition and proceedings of the committee will abide with the enacted laws and regulations of the country, regulations of TEC, and CUHAS policies
- c) A member who has participated in an advisory committee shall not be allowed to participate in the tender committee discussing the same issue

8.2.5. Term of Office

1. The term of office of the tender committee shall be three years and a member may be appointed for a maximum two consecutive terms. However membership may cease due to the following facts:
 2. Removal by the appointing authority, namely the VC; in case one of the following circumstances:
 - a) Abuse of office
 - b) Corruption
 - c) Incompetence
 - d) Physical or mental incapacity that renders the person incapable of performing the duties
 - e) Failure to attend three consecutive meetings without reasonable grounds
 - f) Conviction of an offence involving moral turpitude
 - g) Being adjudged bankrupt by a court of law

- h) A member may resign by giving a one month notice in writing to the VC
- i) The chairperson of the committee shall advise the VC whenever about the state of the committee members

8.2.6. Attendance by Non– Members

The Board may invite public officers or staff from within the procuring authority or other public/partner authority to attend its meetings for the purpose of assisting the board, but such person shall have no vote.

8.2.7. Quorum

- a) One third of the members of the committee shall form a quorum for a meeting of the committee.
- b) In the absence of the Chairperson, the members present at a meeting of the board shall elect one of the members to act as Chairperson for that meeting and the member who is so elected shall be responsible for reporting the findings of such meeting to the Chairman.
- c) At any meeting of the board, **a decision of the majority of the members present and voting shall be recorded as a decision of the committee**, apart from that a member who dissents from that decision shall be entitled to have his dissenting decision and the reasons for it to be recorded in the minutes of that meeting.

8.2.8. Notification of Decisions

Notification of decisions made by the committee and all other communications sent on its behalf shall be signed by the Secretary and the chairperson.

8.2.9. Minutes

Minutes of each meeting of the committee shall be recorded by the Secretary in a proper form and shall be confirmed by the committee and signed by the Chairperson and the Secretary at the next following meeting of the committee.

8.2.10. The Tender Committee Reporting

The Tender Board reporting shall report regularly its activities to University Management for consideration and further action.

8.3. Responsibilities of the Accounting Officer/VC

The Vice Chancellor is responsible for providing the necessary support and guidance required in undertaking procurement related activities and in this case is responsible for the following functions:

- a) Establishing a Tender Committee;
- b) Appointing the members of the Tender Committee;
- c) Causing to be established a Procurement Department staffed to an appropriate level;
- d) Approving all procurement opportunities;
- e) Appointing the evaluation committee and negotiation team;
- f) Communicating award decisions;
- g) Certifying the availability of funds to support the procurement activities;
- h) Signing contracts for the procurement activities on behalf of the University;
- i) Handling complaints by suppliers, contractors or consultants;
- j) Ensuring that the implementation of awarded contracts is in accordance with the terms and conditions of the award;

8.4. Establishment and Responsibilities of Procurement and Supplies Department

Procurement and Supplies department shall be established at CUHAS to an appropriate level consisting of procurement and other technical specialists together with the necessary supporting and administrative staff. It shall be headed by a person with appropriate academic and professional qualifications and experience in procurement functions registered by the PSPTB and shall perform the following functions:

- a) Manage and coordinate all procurement and disposal by tender method, except adjudication and the award of contract;
- b) Support the functioning of the Tender Committee;
- c) Implement the decisions of the Tender Committee;
- d) Act as a secretariat to the Tender Committee;
- e) Develop an Annual Procurement Plan and disposal by tender activities of CUHAS.
- f) Recommend procurement and disposal by tender procedures;
- g) Check and prepare statements of requirements;
- h) Prepare tendering documents;
- i) Prepare advertisements of tender opportunities;
- j) Manage all contracts in the best interest of CUHAS

- k) Maintain and archive records of the procurement and disposal process;
- l) Maintain a list or register of all contracts awarded;
- m) Prepare monthly reports for the Tender Committee;
- n) Prepare and submit to the management meeting quarterly reports on the implementation of the APP;
- o) Prepare other reports as may be required from time to time.
- p) Manage suppliers and Contractors in the best way to achieve the best rest for CUHAS
- q) Conduct proper sourcing for CUHAS requirements by critically performing cost and price analysis
- r) Institute acceptable culture/behavior in the procurement unit and ensure that, Ethical practices are adhered
- s) Identify and apply cost reduction and cost saving opportunities during procurement action

8.5. Responsibilities of User Departments

User Departments shall perform the following functions in the University;

- a) Liaise with and assist the Procurement department throughout the procurement or disposal by tender process to the point of contract placement;
- b) Initiate procurement and disposal by tender requirements and forward them to Procurement department;
- c) Prepare technical inputs to statements of requirements and or terms of reference for procurement requirements to the Procurement department;
- d) Propose technical specifications to the Procurement department when necessary;
- e) Participate in tender evaluation;
- f) Certify for payments to suppliers, contractors or consultants;
- g) Report any departure from the terms and conditions of an awarded contract to the Procurement department;
- h) Forward details of any required contract amendments to the Procurement department for action;
- i) Maintain and archive records of contracts management;
- j) Prepare any reports required for submission to the Procurement department, the Tender Board or the AO;
- k) Oversee contract implementation including reviewing and approving technical reports, design or any outputs as per contract;

1) Liaise with the Procurement department during budgeting;

8.6. Evaluation Committee

The Evaluation Committee shall be formed in accordance for each tender to conduct the evaluation and report to the Procurement department (PMU) of CUHAS for transmission to the Tender Committee. The membership of this committee shall be recommended by Procurement department (PMU) of CUHAS and approved and appointed by the Accounting Officer/VC. The number of the members of the evaluation committee shall depend on the value and complexity of the procurement normally three or five; they shall also be of an appropriate level of expertise and experience. The members may be external to CUHAS, where the required skills or experience are not available within CUHAS or where members are indisposed or have a conflict of interest.

Moreover, all members shall sign the Code of Ethics provided under CUHAS, declaring that they do not have a conflict of interest in the procurement requirement. The meetings of this committee, the conduct of the evaluation and the evaluation methodologies shall be executed in accordance with the tendering document issued to the bidders.

9.0. CONTRACT PREPARATION, AWARD AND SIGNING

The contract form, contract terms and conditions are included in and constitute an integral part of the tender document. The Bidder, when preparing and submitting a tender, should be familiar with the type of agreement he/she will enter into, should he/she be selected. Preparation of the Contract must take into consideration the following;

- a) To clearly identify the parties to the contract, the term of the contract, the contract price (or in-kind value), and a contract sets forth terms, conditions, and the statement of all work to be performed (dates or length of time).
- b) To clearly express the maximum amount to be paid and the basis on which payment is to be made: e.g., a fixed amount regardless of time spent, billing based on time spent at a specified rate plus actual expenses, or cost recovery), and other unique terms and conditions of the agreement.
- c) Forms and documents used to support contracting parties, their accuracy and correct use assures maximum clarity in communication and provides legal protection for all parties.
- d) To be signed by a person's for each party who is authorized to bind the parties.
- e) The necessity of retaining accurate and complete documentation regarding every contract awarded by the University. Procurement Record, Contract documentation in the form of a conformed contract, will be properly compiled and submitted to be stored in the Procurement file room or software.

NB: Sound contract management of a project revolves around the control of cost, time, quality and resources.

NB: For each contract entered into, the CUHAS must designate a member of staff, or a team of staff, as the Contract Administrator responsible for administering the contract. It is recommended that the CUHAS should implement a team approach to the contract management of large and complex projects.

9.1. Project Implementation Team

It is recommended that the CUHAS Accounting Officer appoint the Project Implementation Team (PIT) as early as possible and that the team members possess a diverse set of expertise required for the specific project. The project team will typically include staff from the Procurement department, Technical/End User, Finance Unit and the Project Manager. The PIT will receive and review progress reports submitted by the Contractor. The PIT will meet

periodically with the Contractor to review implementation progress and related issues. The PIT should channel all communications through the Project Manager.

9.2. Project Manager

One of the most critical appointments should undertake, before any contract award, is the designation of the Project Manager. The Project Manager shall have the required technical expertise to effectively carry out the day-to-day contract management and supervision. If this expertise does not exist in-house, CUHAS shall hire a consultant with a clear scope of work and authority. The same consultant, hired to conduct the feasibility study, requirements design, and tender evaluation, may carry out this task. The Project Manager's full name, contact information, terms of reference and authority should be stated in the signed contract in the SCC section. The Contractor shall only take instructions from the Project Manager.

The Project Manager shall have no authority to amend the contract, but shall have the following functions:

- a) Ensuring that work proceeds in accordance with the project design and specifications;
- b) Ensuring that defects are remedied by the contractor;
- c) Preparing performance reports;
- d) Monitoring compliance with environmental, health and work safety standards;
- e) Monitoring quality management systems;
- f) Clarifying service requirements with the end users; for complex projects, such as hospitals, there may be need for extensive consultations with the medical team;
- g) Integrating new facilities into existing operations and ensuring that existing operations are not disrupted by the construction work;
- h) Integrating the major components of the project and coordinating with related projects under separate contracts;
- i) Dealing with the consequences of delays or changes;
- j) Maintaining contingency plans;
- k) Acting as a conduit for variations and dealing with the consequential price adjustments;
- l) Determining when each project stage has been completed and payment can be made;
- m) Resolving disputes and maintaining a good relationship with the contractor;

- n) Managing the defects liability period; and
- o) Working with the procurement unit and end users during the commissioning stage, when the equipment is procured and installed and the facility is made ready to become operational.

9.3. Decision Making

One of the most common causes of problems in project implementation is the lack of decision making. CUHAS should ensure that the Project Manager is empowered to make day to-day decisions to allow the performance of the project to proceed smoothly. However, specification of limitations on areas should be clearly defined.

9.4. Contract Plan

The Project Manager shall ensure that a plan for implementing the particular contract is produced as early as possible. It is normal practice to ask the contractor to produce a plan within a set period from signing of the contract.

9.5. Contract Documents

The following documents are the essential components of the contract documents:

- a) Form of Contract;
- b) Contract Data Sheet (CDS);
- c) General Conditions of Contract (GCC); and
- d) Appendices to the General Conditions of Contract (Payments, Warranties, Liquidated Damages, Drawings, Price, Technical Specifications, etc.)

NB: In case of conflict between the contracts documents listed above, the order of precedence shall be the order stated in the Contract Documents. The Contract Data Sheet (CDS) supplements the General Conditions of Contract (GCC). It provides specific details pertaining to the particular contract.

9.6. General Conditions of Contract

The clauses to be incorporated in the General Conditions of the Contract should be prescribed. Special requirements for an individual contract must be covered in the Contract Data sheet so that it is clear to all what is different for the contract in question. The Contract is a key tool in managing any project. It should be readily accessible to all those involved in managing the

contractor and referenced on a daily basis. It provides many tools to assist CUHAS in its contract management as outlined below.

9.10. Contractual Considerations

These include but not limited to the followings:

9.10.1. Governing Law and Jurisdiction

In most cases this will be the laws of the United Republic of Tanzania under the jurisdiction of the Tanzania courts, but for the case of the international procured projects, particularly one involving neighboring countries, may require different provisions.

9.10.2. Language

This will normally be English for all communications concerning the contract.

9.10.3. Disputes

When disputes arise over the amount of payments due or the standard of the work or service provided or goods delivered or any misunderstanding from the contractual agreement, it is usually desirable for the parties to try to resolve the dispute amicably among themselves before resorting to the formal resolution procedures in the contract, such as arbitration, or seeking redress through courts. The latter procedures may be expensive for both parties, may not lead to an optimum solution and may damage goodwill for the remainder of the contract. Therefore, the aim should be to seek a solution that is based on mutual benefit and takes account of commercial considerations as well as contractual rights.

9.10.4. Assignment

Any assignment of contract in part or in full to third parties should require the prior written consent of CUHAS.

9.10.5. Sub-contracts

The Contractor shall not enter into any contract or contracts that will result in the Contractor exceeding the maximum percentage of subcontracting permitted by CUHAS in respect of the Design-Build Services and the Operations Services, as set out in the Bidding Documents. Except with respect to the Subcontractors named in the Contractor's Bid, the Contractor shall not enter into a significant contract (i.e. one for more than 1% of the contract value) with any

Subcontractor without the prior consent of the CUHAS, which should not be unreasonably withheld.

The Contractor should remain responsible for the observance by Subcontractors of the terms and conditions of the Contract and should ensure that all relevant terms of the Contract are included in its contracts with Subcontractors. Subcontracting by the Contractor shall not relieve the Contractor of any of its obligations under the Contract and the Contractor shall be responsible for the acts, omissions and defaults of all Subcontractors, and the Subcontractors, employees, agents and sub-subcontractors, as fully as if they were acts, omissions or defaults of the Contractor or the Contractor's Personnel.

9.10.6. Contract Records

All data, information, documentation, account, plans, reports, surveys of any kind ("contract records") prepared by the Contractor should become and remain the property of CUHAS.

9.10.7. Performance Security

Within thirty (30) days of the receipt of notification of award from CUHAS, the successful bidder shall be required to furnish the performance security in accordance with the Conditions of the Contract in the Performance Security Form provided in the tender documents, or in another form acceptable to CUHAS. The Performance Security should be valid for sufficient days after the end date to enable a thorough assessment to be made that all obligations have been met.

Failure of the successful bidder to comply with these requirements constitutes sufficient grounds for the annulment of the award and forfeiture of the tender security, in which event CUHAS may make the award to the next lowest evaluated Bidder or call for new tenders. The Performance Security amount shall not exceed 10% of the total contract price and should be reduced by the value of any retention held. CUHAS should accept all forms of security permitted in respect of tender security, notably insurance company guarantees as well as bank guarantees.

9.10.8. Contractor's Personnel

In case of international contracts the Contractor may import any personnel necessary for the execution of the Project. The Contractor should ensure that these personnel are provided with

the required residence visas and work permits. The contractor should be encouraged to use local labor that has the necessary skills. The contractor should be responsible for repatriation of all of its and its subcontractors' personnel employed on the contract. The Contractor should observe all recognized official holidays, religious or other customs and all local laws and regulations applying to the employment of labor as well as CUHAS regulations.

9.10.9. Changes

This clause will spell out each Party's rights, obligations and procedures to manage Changes originating from CUHAS or Changes by the Contractor, service providers or suppliers of the goods. For major projects that extend over several years, there may be unavoidable changes in specifications, as the end-users' requirements will change and there may be need to capture advances in technology. These changes should be anticipated and contractually priced, and the impact on the overall project cost assessed. If these changes lead to unacceptable cost overruns, compromises in other areas may be necessary to bring the project cost within budget. Changes must be properly authorized and documented. No change should be instructed until the cost and impact on the contract programme are known.

9.10.10. Variations

All variations must collectively not exceed 10% of the original contract quantity for goods and services and 15% of the original contract quantity for works. Any price variation must be based on the market price.

9.10.11. Insurance

CUHAS shall require Contractors to take out and maintain in effect, during the performance of the contract adequate insurance. The identity of the insurers and the form of the policies should be subject to the prior approval of the Procuring Entity and the Contractor should submit appropriate certificates of insurance demonstrating that it has met its obligations. Some of the insurance policies that may be required include:

- a) Cargo Insurance (transport)
- b) Installation All Risks Insurance
- c) Third Party Liability Insurance
- d) Professional Liability Insurance

9.10.12. Limitation of Liability

Except in cases of criminal negligence or willful misconduct, the Contractor shall not be liable to CUHAS in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits of interest costs, provided that this exclusion should not apply to any obligation of the Contractor to pay liquidated damages to the CUHAS; and

The aggregate liability of the Contractor to the CUHAS, whether under the Contract, in tort or otherwise, shall not exceed the aggregate of the total Contract Price (including the Monthly Operations Payment times the original estimate of months during the New Operations Period) and the total available Performance Incentive Compensation, provided that this limitation shall not apply to any obligation of the Contractor to indemnify the CUHAS with respect to patent infringement.

9.10.13. Liquidated Damages

Under this provision, parties to a contract agree to the payment of a certain sum as a fixed satisfaction for not meeting certain obligations in the contract, particularly timely delivery. They may be appropriately used when damages are uncertain and not capable of being ascertained by any satisfactory or known rule but they must not be punitive and must be related to the damage the CUHAS is likely to suffer.

Liquidated damages may be appropriate when a) the Contractor fails to meet technical standards asset out in the GCC; and b) the Contractor fails to attain completion of the project within the time schedule, or any extensions thereof in accordance with the contract terms and conditions. The liquidated amounts shall be specified in the SCC. The aggregate amount of liquidated damages shall not exceed the maximum amount specified in the SCC. Typically this is 15% of the contract value for plant and equipment and 10% for works.

9.10.14. Indemnification

Contractor shall be required to indemnify and hold harmless CUHAS, its employees and officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of whatsoever nature, including attorney's fees and expenses, in respect of the death or injury of any person or loss of or damage to any property, arising in connection with the Contractor's performance of the Services and by reason

of the negligence of the Contractor or its Subcontractors, or their employees, officers or agents, except any injury, death or property damage caused by the negligence of the CUHAS , its contractors, employees, officers or agents.

9.10.15. Force Majeure

If either party is prevented, hindered or delayed from or in performing any of his obligations under the contract they shall not be liable for failure to act in accordance with the contract for so long as the relevant event of Force Majeure continues and to the extent that such Party's performance is prevented, hindered or delayed.

- a) **Time for Notification:** CUHAS shall require Contractor to notify it within a set timescale, typically 7 days, of any event or instruction which in the Contractor's view justifies a claim for additional costs.
- b) **Suspension:** CUHAS may request Contractor to suspend performance of any or all of its obligations under the Contract. Such notice shall specify the obligation of which performance is to be suspended, the effective date of the suspension and the reasons.
- c) Contractor may be allowed to suspend performance under the contract if CUHAS : fails to pay the former any sum due under the Contract within the specified period; fails to approve any invoice or supporting documents without just cause under the Contract; or commits a substantial breach of Contract.
- d) **Termination:** CUHAS may at any time terminate a Contract for any reason by giving the Contractor a notice of termination. CUHAS should, upon termination of the contract, make the necessary payments of all services satisfactorily performed prior to the date of termination and all costs incurred by the Contractor to effect the instructions including to its subcontractors. CUHAS may also terminate the Contract for Contractor's Default if the Contractor becomes bankrupt or insolvent OR assigns or transfers the Contract or any right or interest in violation of the provisions of the Contract OR engages in corrupt or fraudulent practices.

10.0. USE OF DEALERS AND SOLE SUPPLIERS/SOLE SOURCE

There are some situations in which a sole source process is the best choice where there is only one supplier. Yet the terms and conditions may need to be negotiated to the advantage of the University (CUHAS).

In order to ensure quality, reliability and timeliness, the procurement officer may establish purchase agreements or contracts with sole suppliers and main dealers of regularly purchased goods. Where possible due to other factors, the procurement officer after receiving permission the Tender Committee shall negotiate rates and discounts with the supplier while consulting with the user department to determine price for invoice justification. These agreements and prices (net of discounts) should be reviewed annually to ensure that they are competitive. Also for vendors who are exclusive dealers of certain products in Tanzania, a letter from manufacturer must be presented to the office along with their company profiles.

11.0. ORDERS FOR RECURRING REQUISITION

Procurement of a recurrent nature, i.e. where the same goods and services may be issued several times a year (eg., stationaries), one vendor may be selected for a period of up to one year. In other cases, particularly for services, contracts for the goods or services can be drawn up once, which may then be referenced every time those goods or services are required without requiring separate quotations and contracts on each occasion if the price remains the same, if price change quotation should be used in such cases.

In other cases, particularly for regularly purchased goods, suppliers can be selected once, but separate contract is to be drawn-up on each occasion the vendors are used.

12.0. RECEIVE THE GOODS OR SERVICES

- a) The procedure for receiving goods and services is therefore important in ensuring that vendors have entirely met their obligations and this assignment will be done by storekeeper in collaboration with the person who have requested.
- b) Responsibilities Related to Receiving: University Procurement Services unit have responsibilities related to receiving goods and services. The CUHAS system of internal controls requires that the proper separation of duties among procurement staff in completing these tasks.

- c) **Restriction on Receiving:** Different individuals perform the different functions of the procurement process. Persons who are initiating orders to the suppliers should not be the same receiving goods from supplier and issuing supplies to end- user.
- d) **Vendors' Direct Shipments:** It is university practice to have vendors' direct shipments to either the location of the departmental project end user or to an appropriate receiving point. Suppliers may only direct shipments to either a university address or other university-approved location.

12.1. Procedure for Receiving Good and Services

In all cases, the qualitative and quantitative verification of receipts of goods and services is a pre-requisite to initiate acceptance or rejection of the goods or services and the following guidelines are essential for that purpose.

- a) The procurement office shall ensure that goods and services are checked against contracts, Local purchase order, Airway bills, invoices, or delivery notes.
- b) User department at the time of delivery will facilitate the receiving and checking of goods and services whereby the receiving person will have to sign the delivery notes or any other documents during delivery.
- c) For technical items, physical checking shall be done by the requisitioning department and not by the stores office alone, and both of them should counter sign the delivery note.
- d) In some cases, receiving of goods and physical checking of goods or services may be delegated to other user department or CUHAS staff at centers of which such identified officers who are so authorized by the procurement officer, shall keep the receiving documents and shall send all the paper work to procurement department. This might include cases where goods or services are delivered directly to a project field location; or where specialist's technical certification is required.
- e) Delivery Note as accompanying document from vendor shall be signed to acknowledge receipt of the good or service.
- f) All goods received should be taken on ledger charge and ledger immediately before being issued.
- g) Any discrepancies between documents and physical checks should be noted and claim raised and reported to the procurement officer for action, who will write a claim letter

to the supplier, refer to the letter for claims for damaged, poor quality and missing items in **Appendix 13**

- h) The purchase order reference number must be prominently displayed on all such items being processed for a claim or return.
- i) It is the responsibility of Procurement to arrange the filing of all claims for damaged materials, as well as to initiate requests for replacement shipments
- j) The return of any supplies or materials to the vendor, whether due to damage, miss shipment, or other reasons, through the Procurement unit should be arranged to assure a rejection form and shall make sure claims are raised and that appropriate credit or reimbursement for the claim is received.

12.1. Certifying Delivered Goods and Services

The procurement process shall not be completed without certification that the goods and services procured have been received entirely to CUHAS offices or premises for use. The procedure of certifying goods and services received is therefore important in ensuring that vendors have entirely met their obligations and this assignment will be done by the storekeeper in collaboration with the requisitioner. In all cases, the certification of receipts of goods and services is pre-requisite to initiate payment and the following guidelines are essential for that purpose.

- a) The procurement office shall ensure that goods and services are checked against contract documents, Local purchase order, Airway bills, invoices, or delivery notes.
- b) All goods received should be been taken on ledger charge immediately before issued and ledger folios reflected in delivery note or Invoice.
- c) Any discrepancies between documents and physical checks noted and claim raised shall be reported to the procurement officer for action,
- d) Discrepancies should be followed up and cleared out before certification documents are completed

NB: Once CUHAS procurement department has certified that goods and services have been received to their satisfaction, and the Good Received Note (GRN) has been filled indicating there are no complaints about a vendor's performance; payment can then be effected to the vendor.

13. PAYMENT-PROCESSING PROCEDURE

All payments must be made in accordance with contractual terms and conditions between the vendor and CUHAS and in reference to the financial regulations and policies of CUHAS. As per the university's system of internal controls, persons who are authorized to procure goods and services may not approve those transactions or be connected to the payment of those transactions. The following must be checked by the Procurement department before asking approval for payment:

- a) That the quality and price of goods is as agreed.
- b) That the correct quantity has been received, and delivery note signed and stamped by date.
- c) That all goods delivered have been securely and inventory records appropriately updated.(i.e. taken on ledger charge indicating ledger folios)
- d) That the delivery note is checked, signed, and attached in the payment support Package/documents for payment.
- e) Service to the office have been rendered in accordance to the agreement and proof for service rendered to be attached (i.e. signed LPO that serves that services received in good order and invoice)
- f) Goods received Note (GRN) has been prepared and properly signed as an evidence of receipt and support of payment.
- g) All properly signed documents as an evidence of receipt and support of payment are submitted to the accounts for scrutiny before effecting payment.

14.0 PROCUREMENT OF SERVICES

14.1. Procedure for Engaging the Services of a Consultant

The following procedures shall be observed for engaging the services of a consultant at CUHAS

- a) The need of a consultant service shall be initiated by department through the office of VC, DVC - PFA or DVC- ARC.
- b) The decision to hire the services of consultants shall be taken by the Vice Chancellor/DVC-PFA/DVC-ARC in liaison with the heads of the various departments in consultation with the tender committee
- c) DVC-PFA/ sends invitation to specific appropriate consultant(s) requesting for proposal for the consultancy by a stated date.
- d) The proposals received shall be reviewed by a panel composed of various heads of departments and the ensuing recommended name shall be submitted to DVCPFA/DVC ARC who shall discuss with the selected Procurement committee/Tender Board.
- e) The terms of reference for the consultancy shall be mutually agreed upon and the office of the DVCPFA/ or Bursar's office shall be involved in the negotiation of financial aspects of the terms.
- f) The contract agreement shall be signed by both parties before commencement of the consultancy assignment.
- g) Payment is conditional on satisfactory completion of the whole job unless the agreement provides for advance payment or payment by installments at completion of specifically agreed components/tasks.

14.2. Appointing and Paying Consultants

14.2.1 Consultants' Services shall be sought for:

- a) A job for which the required technical expertise does not exist in-house at CUHAS
- b) A job that is not ongoing and hence does not require full time staff.
- c) A job that does not require more than 6-months continuous engagement.
- d) A service which has been outsourced according to CUHAS regulations and policies

15.0. PROCUREMENT OF TRAVEL SERVICES

15.1. Policy for Travel Services

All travel costs charged / sponsored by CUHAS must meet the provisions of the University policies or sponsoring agency or project requirements.

Administrative units within individual departments, schools, or institutes may require advance approval of travel as determined to meet their individual oversight responsibilities

15.2. Incidental Travels

The travelling expenses must be within budget of respective departments, schools, or institutes except for exceptional uses which will have to be approved by the VC.

15.3. Reimbursements of Travelling Cost

No employee may approve travel costs, cash advances, prepaid expenses or expense. Reimbursements for any official duties of the University. These expenses must be approved and authorized by the DVC-PFA.

16.0. PURCHASE OF PRINTING, COPYING, GRAPHIC & MAILING SERVICES

- a) When a printing, copying, graphic job cannot be produced in-house at CUHAS it shall be obtained from a qualified commercial source.
- b) Procurement of Printing, copying, graphic job services shall be done either by quotation or tendering procedure depending on the value (booklets/documents) to be printed.
- c) Printing, copying and graphic projects are initiated by submitting a Requisition prior to purchase, suppliers receiving an opportunity to price quote are selected from a limited number of approved/contract printing firms (Printing Program) that are currently awarded contracts by Purchasing & Supply Services. Supplier Quotation Form should be written - detailing all aspects of the particular service. All quotations shall be for job or lot prices, to backing up a Purchase Order.
- d) Suppliers commencing work without the benefit of a Purchase Order, issued prior to the job order, may never receive payment.

17.0. PROCUREMENT OF CASUAL LABOUR

- a) Casual labor shall be hired based on the performance to complete specific tasks.
- b) The rate or total cost paid per task shall depend on the need of unskilled, semiskilled and skilled. The skilled workforce shall be paid more than unskilled. Yet more risky tasks shall attract higher rates.
- c) The rate of pay and the rate of time taken to accomplish the job will also determine the award or agreement to covers the total cost of the job.

18.0 MODEL OF PROCUREMENT ASSETS (NEW, USED OR OLD ASSETS)

18.1. It's not the policy of the University to buy or purchase old or used assets. When the need arises the University will either lease or rent services provided by the old or used assets depending on the duration of usage, technical expertise requirement or accumulative cost to be accrued.

18.2. The use sole source or negotiation tender, selected tender or invited tender will be used depending on the value or total cost to be finally accrued.

18.3 When the accumulative cost within five years consecutively equals the unit price and maintenance cost then the option shall be to purchase the asset.

19.0. PROCUREMENT, BY LEASE, RENT OR HIRES PROCESS OF ASSETS AND BORROWING OF ASSETS

- a) The vast majority of the University's equipment shall be purchased outright; therefore lease of items should be exceptional. The decision to lease with capital funds is determined by the office of DVC PFA in collaboration with Finance-Budget Office.
- b) The decision to lease with expense funds is determined by the individual school or administrative unit budget center manager with advice from Purchasing.
- c) Where the duration of need is known to be very short or, highly questionable, items may be rented. This would apply to such items as copiers, equipment or buildings for special events and the like.
- d) Prospective suppliers for lease or hire/rent will be solicited through competitive approach by tender or quotations unless they're the sole suppliers.
- e) Rentals and lease shall be applicable for the temporary use of assets (land, buildings, or machinery) when the expectation is that it will not be needed long term.
- f) The decision to buy, lease, or rent is made on an individual case basis, after the development of standards, specifications, materials and systems, in concurrence with the user departments. The Purchasing & Supply Services is additionally responsible for advising considering factors of purchase price, maintenance/service costs, and life expectancy of equipment, obsolescence, cash flow, interest rates, and funding source.
- g) Borrowing of assets may arise when a memorandum of understanding (MOU) exists.

20.0. FOREIGN PURCHASE (INTERNATIONAL TENDERS)

- a) In the interest of ensuring quality, reliability and conformity, the procurement officer may find it viable to establish purchase agreements or contracts with sole suppliers or main dealers abroad for specific required goods.
- b) Where possible due to other factors, the procurement officer in collaboration with the Tender Committee shall negotiate rates and discounts with the foreign supplier or a method to determine price for invoice justification. Vitally the terms and conditions shall be negotiated to the advantage of the (CUHAS) University.

21.0. CLEARING AND FORWARDING

- a) Clearing and Forwarding may require technical expertise that does not exist in-house at CUHAS. Therefore, this service should be outsourced as Consultants' services according to CUHAS regulations and policies.
- b) The University shall opt for consultancy services from contracted Clearing and Forwarding agent who is experienced in the product or services required also vast experience on the countries of the trade required.
- c) The Clearing and Forwarding agent shall be selected after competitive pre-processes. Range of services of importation intended shall determine the choice of the forwarding agent to be competitively selected
- d) On most cases collaboration with TEC should be utilized due to their elegant existing TEC Clearing and Forwarding

22.0. CODING AND ASSETS REGISTERING AND DE-REGISTERING

22.1. Fixed Assets Coding and Procedures

Property Control is charged with identifying equipment that meets fixed asset criteria, assigning an inventory control number, affixing an inventory control tag, and recording it in the Banner fixed asset system. Property Control conducts annual inventory of all fixed assets.

- a) All equipment, whether obtained by purchase, donation, or other means, with a value of equivalent to TZS 300,000/= or more and a useful life of more than one year is considered a fixed asset.
- b) Fixed assets must be coded to a fixed asset expense code in the Fund, Organization, Account, and Program (FOAP) entered on a register or any other format as the University opts to.
- c) Fixed asset account codes used shall be as per existing fixed asset register in the financial regulation.
- d) The fixed assets shall be deregistered when disposed due depreciation, damage or become obsolete or sold or traded under buyback scheme.
- e) An item may be declared surplus or obsolete or unserviceable, if the same is of no use to the Institute or when the item is beyond economic repair
- f) It is the responsibility of Procurement unit to arrange the filing of all claims for damaged materials, as well as to initiate requests for replacement shipments.

- g) Actual physical disposal of items which have been written-off will be done only after the Director has approved the recommendations of the write-off / condemnation committee.al repair
- h) The Obsolete, unusable unserviceable materials shall be disposed of periodically through open/sealed tendering.

22.2. Stock Taking

The stock taking exercise shall be conducted once a year at the end of Academic year. The exercise shall include counting and weighing of all consumables and non-consumables of the University properties. The stocktaking exercise shall be carried out as per established procedure and being supervised by internal auditor

23.3. Stock Valuation

All University Assets i.e. Building, Plot s, Equipment/Machines and furniture shall be revalued after every five years.

23.4. Expired Chemicals and Reagents

In case of any expired Chemicals and Reagents shall be communicated to the authority bodies to ensure a proper method of disposal is adopted.

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Appendix 1: Procurement Services mission and responsibilities

Mission

The Procurement Services mission is to exceed our Customers' expectations as we provide professional Purchasing services.

Procurement & Supply Services is additionally responsible for advising user departments on the availability and value of materials and services in the market place.

We will meet this challenge with: Enthusiasm! Integrity, Responsiveness Accountability, Commitment, Resourcefulness and in Teamwork

Responsibilities

Responsibilities of the Procurement Services organization include, but are not limited to, the following:

- Participate in source selection activities
- Provide superior customer service to all CUHAS faculty, departments and institutes' units within CUHAS.
- Ensure that procurement services department meets current regulatory and compliance requirements.
- Provide records and information in support of audits and reviews.
- Prepare management reports and analyses.
- Evaluate supplier performance through rating for pre-qualification and post-qualification
- Conduct market intelligence and supply chain analyses on behalf of faculties, and departments
- Analyze and recommend cost-effective purchasing strategies to best meet Institutes requirements.
- Identify and chat out cost reduction opportunities.
- Participate in the development of Institute standards and specifications.
- Maintain records of specifications, standards and supplier history.
- Prepare and issue Requests for Information (RFIs), Requests for Quotations (RFQs), and Request for Proposals (RFPs).
- Analyze quotations, bids and proposals.
- Perform cost or price analysis
- Perform lease vs. buy analyses where applicable. Participate in source selection activities.

Appendix 2: Standards and Ethics in the University Procurement & Supply Services

Purchasing & Supply Services unit subscribes to the following standards and ethics:

- a. University policy strictly prohibits the receipt of any personal gifts, gratuities, premiums or other incentives by all employees under any circumstances. We prefer that incentives be expressed in acceptable business terms, e.g., quality, service, and price.
- b. To receive no bribes, in the form of money or otherwise, and to denounce all forms of bribery.
- c. To abide by the Conflict-of-Interest Policy, adopted by the Board of Trustees of CUHAS.
- d. To consider first the interests of Catholic University of Health and Allied Sciences (CUHAS) in all its transactions and to carry out and believe in its established policies and objectives.
- e. To buy without prejudice, seeking to obtain the maximum ultimate value for each Tsh of expenditure; recognizing that value represents a combination of quality, service, and price.
- f. To be receptive to competent counsel from colleagues and to be guided by such counsel without impairing the dignity and responsibility, and the autonomy of the procurement service unit.
- g. To accord a prompt and courteous reception, so far as conditions will permit, to all who call on a legitimate business mission.
- h. To demand honesty from sales representation whether offered through the medium of a verbal or written statement, an advertisement or a sample of the product.
- i. To avoid misleading behavior and be willing to negotiate on any major controversies.
- j. To cooperate with trade and industrial associations, governmental and private agencies, engaged in the promotion and development of sound business methods.
- k. To counsel and assist fellow procurement officers in the performance of their duties, whenever occasion permits.

Appendix 3: University Purchase Requisitions – General Rules

- a. The Purchase Requisition is used for requesting that Purchasing & Supply Services purchase materials, parts, supplies, equipment or other services. It is also used to request to handle the repetitive purchase orders of products or services.
- b. Each department is required to submit a purchase requisition to Procurement & Supply Services unit prior to purchase of goods/products and services.
- c. Individual departments, schools units are not permitted to sign contracts or agreements on behalf of the University.
- d. Contract proposals and letters of interest signed and returned to suppliers directly by departments will be disclaimed by the university and may lead to legal liability in the event they lack appropriate contractual safeguards.
- e. The requestor and final approver must be different individuals.
- f. Departments shall anticipate their requirements to allow adequate lead time for processing and delivery. Item descriptions should be complete and accurate.
- g. When only a particular brand name or supplier is acceptable to the requisitioning department, the Purchase Requisition will be accompanied by a memo stating the reason why no substitute is acceptable signed by an appropriate authority.
- h. The memo does not guarantee that the proposed supplier will be selected. Procurement & Supply Services may contact the requestor in situations where the justification for a sole/single source is in question and other alternatives appear to be available to meet the department's needs.
- i. The use of brand names should be considered descriptive rather than restrictive.
- j. In the case of recurring demand for product such as stationeries or service by a user department, Procurement & Supply Services unit can take action to place such an item on a Blanket/bulk Order. The grand total amount is only an estimate and is not a commitment to the supplier that this amount will be spent.
- k. Departments are encouraged to use CUHAS Bulk orders whenever feasible.

Appendix 4: Supplier Obligations and Relations

Accountability

The Procurement Services department is responsible for ensuring that this document is necessary, that it reflects actual practice, and that it supports Institute policy. To define suppliers' obligations to the Institute and state the basic policy concerning supplier relations. It is CUHAS policy to maintain and practice the highest possible standards of business ethics, professional courtesy, and competence in all matters of Institute business.

Supplier Obligations

Suppliers are expected to fulfill these basic responsibilities:

Handle all written and personal communications with the Institute through the Procurement Services Department unless instructed to do otherwise, in which case the Purchasing Services department is to receive copies of all correspondence and be kept informed of any oral communications.

Negotiate contracts and sales only with the Purchasing Services department or other persons with delegated authority. Additionally, to conduct negotiations ethically, without attempts to influence through offering valuable personal gifts or entertainment.

Advise the Purchasing Services department or other authorized representative of any new products as soon as such information is available.

Suggest ways and means of conducting joint efforts in research and development that might benefit both parties.

Inform the Purchasing Services department of changes in economic or other conditions that might affect purchasing decisions.

CUHAS and Supplier Relations

At all times, applicable moral ethics and laws must be scrupulously observed. In this regard, the following should be observed by CUHAS in dealing with suppliers and their representatives:

- a. Accord them prompt and courteous reception, as well as fair and equal treatment.
- b. Provide equal opportunity for all qualified suppliers to make price and specification quotations.

- c. Guarantee the confidentiality of all specifications and price quotations made by suppliers.
- d. Avoid putting the supplier through unnecessary expense or inconvenience for any reason.
- e. Suppliers will be advised of the success of their offer by mail. The Acceptance Letter is regarded as a legal document.
- f. Explain as clearly as possible reasons for rejection of their bids or proposals when needed to do so.
- g. CUHAS remain principally free from obligations to any supplier.
- h. Keep suppliers informed about CUHAS business policy and practices.

Appendix 5: The University Procurement Principles

The Principles that Govern University Procurement Procedures

- a. Value for money, being the benefits achieved compared to the whole-of-life costs (eg, price, quality, reliability, service, delivery, payment terms, strategic suppliers)
- b. Quality, efficiency and effectiveness
- c. Probity and equity
- d. Transparency
- e. Effective competition, including fair dealing
- f. Environmental and sustainability considerations, and
- g. Other risk management considerations.

Appendix 6: The University Ethical Practices in procurement

Personnel engaged in the Purchasing Services process are expected to observe a high level of moral and ethical conduct at all times. It is the responsibility of all personnel to develop and maintain good relations between the Institute and its suppliers as stipulated in **Appendix 4**.

(i) Decline personal gifts or gratuities

It is the responsibility of all personnel participating in the **procurement** process to refrain from soliciting or accepting from any interested party any gratuity or other thing of value, either directly for themselves, or for persons with whom they have personal, business or financial ties.

A gratuity includes any gift, favor, entertainment, employment opportunity, or other item having monetary value. This includes but is not limited to services, conference fees, transportation, lodging, meals, supplier promotional items, discounts not available to the general public, or loans made on a preferential basis by parties that are not financial institutions.

(ii) Give first consideration to the objectives and policies of CUHAS resulting to such that:

- a. Strive to obtain the maximum value for each shilling of expenditure.
- b. Grant all competitive suppliers equal consideration insofar as state or federal statute and institutional policy permit.
- c. Conduct business with potential and current suppliers in an atmosphere of good faith, devoid of intentional misrepresentation.
- d. Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement, or a sample of the product.
- e. Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.
- f. Make every reasonable effort to negotiate an equitable and mutual agreeable settlement of any controversy with a supplier.
- g. Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
- h. Cooperate with trade, industrial and professional associations, and with governmental and private agencies for the purposes of promoting and developing sound business methods.
- i. Foster fair, ethical and legal trade practices.

Appendix 7: The University Tender Opening Checklist



CATHOLIC UNIVERSITY OF HEALTH AND ALLIED SCIENCES BUGANDO

Tender Opening Checklist

(To be filled out for each tender as it is read out)

Date.....

Contract Reference: _____

Tender Opening Data: _____ **Time:** _____

Name of Tenderer: _____

- a. Is outer envelope of tender sealed?
- b. Is tender form completed and signed?
- c. Is there Expiration date of tender:
- d. Is documentary authority for signing enclosed?
- e. Amount of tender security (if required): _____ (state currency)
- f. Is the tender securing declaration (if required) appropriately filled?
- g. Describe any “Substitution,” “withdrawal”, or “Modification” submitted
- h. Describe any alternative tender made:
- i. Describe any discounts or modifications offered:
- j. Additional comments;1
- k. Name of tender or representative present:
- l. Total tender price: _____ (list currencies and amounts or percentages)

Signature of responsible official: _____ Date: _____

Appendix 8: Purchase Requisition Form

PURCHASE REQUISITION FORM

CODE	Item description	Unit of measure	Quantity Approved	Unity price TZS	Total Amount	Remarks
	TOTAL AMOUNT					

Budget line /cost center No.....

Name	Designation	Signature	Date
Requested by.....
Reviewed by.....
Approved by.....

Appendix 9(2): Terms and Conditions for Local Purchase Order (LPO)

1. The supplier must receive an order duly signed by the authorities for all goods or services. Otherwise invoice cannot be passed for payment.
2. Supply of material should be Ex-stock when this is not possible please advise us immediately
3. Quality of goods/services to be supplied should be in the terms of this order, fail to comply with the provision therefore CUHAS shall be entitled to
 - a) Refuse to take delivery or after having taken delivery to reject such material and to recover from the supplier all costs arising from such refusal and or rejection
 - b) Purchased material of the specified quality on the open market in which case the excess between the price so paid and the price agreed in the terms of the order will be payable by the supplier of the material refused and /or rejected.
4. No charge shall be allowed for parking materials or container unless otherwise advised and accepted but empties are returnable carriage forward if also required.
5. Delivery and packing instruction as detailed on this order must strictly be adhered to unless otherwise instructed.
6. No price increases other than that quoted on agreement unless agreed by us in writing.
7. It must be distinctly understood that goods supplied against this shall be accepted after examination by our office as for weight, quality, quantity etc.
8. The acceptance of this order implies that the supplier guarantees to supply our deliverer the material in accordance with terms and conditions of the order. The purchase reserves the right to refuse the delivery for failure to comply with conditions.

All Official Correspondence to be addressed to the Vice Chancellor CUHAS

Appendix 12: University Quotations Tabulation Sheet



CATHOLIC UNIVERSITY OF HEALTH AND ALLIED SCIENCES BUGANDO

ITEM NO.	DICRIPTION	QTY	UOM	UNIT PRICE	EXT AMOUNT	UNIT PRICE	EXT AMOUNT	UNIT PRICE	EXT AMOUNT
Department _____		Vendor Name: _____							
Quotes obtained by _____		Person Contacted: _____							
Requisition No. _____ Date _____		Phone number: _____							
Award Recommendation _____		Fax Number: _____							
		Comments _____							

Appendix 13: Claims of Broken, Missing Items and Poor Quality Goods

Claim letter format



CATHOLIC UNIVERSITY OF HEALTH AND ALLIED SCIENCES BUGANDO

P.O. Box 1464 Phone: (255) 28-250-0881 Email: principal@bugando.ac.tz
Mwanza, Tanzania Fax: (255) 28-250-2678 Website: www.bugando.ac.tz

[Your address and contact number][Date]

[Company/supplier's address]

Dear Sir/Madam,

[Reference: order number]

On [date], I [bought/placed an order for] a [item] and this was delivered to me on [date]. I have discovered that the [item] has the following damage: **[add details]**.

The Consumer Rights Act makes it an implied term of the contract that goods I receive must be of satisfactory quality and for the reasons stated above they are not.

As you are in breach of contract I am entitled to [a refund/have the item repaired/ have the item replaced] and I would request that you confirm by **[dd/mm/yy]** [set a reasonable deadline appropriate to the specific situation] that you will do this.

I also require you to confirm whether you will arrange for the **[item]** to be collected or that you wish me to return this and that you will reimburse me for the cost of returning the **[item]** and arranging adequate insurance.

I look forward to hearing from you.

Yours faithfully,

[Your name]