MksU/DVC-APF/PPA/PD009

MACHAKOS UNIVERSITY

PROCUREMENT AND ASSET DISPOSAL PROCEDURE MANUAL

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APPROVAL

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Approved by the University Council:

Sign………………………………………………………… Date………………………..
PROF. JOYCE J. AGALO, PhD
VICE CHANCELLOR

Sign………………………………………………………… Date………………………..
DR. CHRISTOPHER GATAMA GAKAHU, PhD
CHAIRMAN OF COUNCIL

FOREWORD

This Procurement Manual seeks to give guidance, advice and operating instructions on all matters relating to procurement within Machakos University, which is a public entity. It provides the essential information and brief step by step procedures for the procurement of goods, works and services as well as the disposal of idle, unserviceable and obsolete items of the University. The document is intended to guide all the stakeholders involved in the procurement process within the University. It also helps in achieving uniformity in the procurement process and compliance with the laid down rules and regulations governing public procurement.

The manual shall operationalize the Public Procurement and Asset Disposal Act, 2015 and the Public Procurement and Asset Disposal Regulations, 2020 in the University set up. It has information and instructions that must be followed by all the University staff. Therefore, all University staff are expected to read and familiarize themselves with these instructions.

Though every effort has been made to produce a comprehensive Manual, there may be unique cases of procurement needs that may not be covered. Users are therefore required to use this Manual together with the University's Financial manual and policy, in addition to obtaining the advice of Procurement Staff.

The Manual will be amended from time to time as new procedures, systems and operating methods are introduced.

The scope of activities covered by the Manual include:

a) The internal institutional arrangements for carrying out public procurement;

b) Procurement planning and its relationship to sound budget preparation and execution;
c) Methods of procurement of goods, works, services and consultancy services;
d) Inventory management and distribution of supplies; and
e) The disposal of unserviceable, obsolete or surplus stores, equipment and other assets;

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PROF. JOYCE AGALO, PhD
VICE-CHANCELLOR

UNIVERSITY FUNDAMENTAL STATEMENTS

VISION

Excellence in transformative scholarship and community service

MISSION

To provide scholarship through teaching, training, research and innovation; and community service for sustainable industrial and socioeconomic transformation

Machakos University Identity Statement

Machakos University is an Academic Institution Committed to Generating and Transmitting Knowledge, Skills, and Attitudes through Science, Technology, Research, and Innovation for the Benefit of Humanity.

Machakos University Philosophy Statement

The Philosophy of Machakos University is 'Education for Industrial and Economic Transformation'

Mandate

The mandate of Machakos University is to Teach, Train, Conduct research, Innovate, Collaborate, generate new knowledge and Community Service

Core Values

Creativity: We shall use imagination and original ideas to create value for our customers.

Agility: We shall embrace urgency and flexibility in responding to customer demands

Meritocracy: We shall promote merit-based services

Professionalism: We are committed to high standards of training, research and service delivery

Integrity: We shall uphold honesty and high moral standards

Inclusivity: We shall offer equitable access to opportunities and resources

ACRONYMS AND ABBREVIATIONS

The following acronyms have the following acronyms/abbreviations have the following meaning as used in the manual:

DVC APF	~	Deputy Vice Chancellor, Administration, Planning & Finance
EOI	~	Expression of Interest
GRN	~	Goods Received Note
HOD	~	Head of Department
LPO	~	Local Purchase Order
LSO	~	Local Service Order
PPADA, 2015	~	Public Procurement and Assets Disposal Act, 2015
PPADR, 2020	~	Public Procurement and Asset Disposal Regulations, 2020
PPDGM	~	Public Procurement and Disposal General Manual
PPRA	~	Public Procurement Regulatory Authority
VC	~	Vice Chancellor

DEFINITION OF TERMS

The terms in subsequent sub-paragraphs shall have meanings

Act	Means Public Procurement and Assets Disposal Act, 2015.
Asset	Tangible and intangible property owned by the University.
Authority	Refers to the Public Procurement Regulatory Authority.
Bidder	A candidate who submits a tender/ quotation/ Proposal to the University.
Disposal	Refers to divestiture of assets, including intellectual and propriety rights and goodwill and other rights and goodwill and other rights of a procuring entity by any means.
Goods	Refers to "Goods" as being any item or package that can be procured through the purchase, off-the-shelf or made to design, that does not require any other works or services than necessary to ship, inspect, deliver, install and test the specifications, quality and functioning. Goods may include food, consumables such as stationery, fuel, computers, furniture, software, machinery, lab equipment.

Services	All services except those requiring a high level of intellectual application.
Works	Construction, repair or demolition of building, roads or structures and includes installation of equipment and materials, site preparation and other incidental services in the University.
Procurement	Acquisition of goods, works and services by the University.
Procurement Cycle	The steps the procurement of an item goes through from identification of need, sourcing, receiving and storage.
Procuring Entity	Means Machakos University as the public entity making a procurement or asset disposal to which this Act applies.
Procurement Professional	Means an employee of the University who has professional qualifications in Procurement or supply chain management from a recognized institution and is a member of the Kenya Institute of Supplies Management established under the Supplies Practitioners Management Act, 2007; No. 20 of 2007.
Procurement Function	Means the procurement department of the University staffed with Procurement professionals who are officially concerned with managing the procurement and asset disposal process and reports directly to the Vice-Chancellor/Accounting Officer functionally and administratively

Professional Opinion A judgment based on special knowledge and given by the Head of Procurement (an expert who has special skill or knowledge in procurement).

Public Funds Monetary resources appropriated to the University through the

exchequer, including aid grants, credits and other revenue.

Procurement Plan - An annual plan of all procurement activities to be undertaken by the University during any given financial year.

Regulations Refers to Public Procurement and Assets Disposal Regulations, 2020.

Urgent need The need for goods, works or services in circumstances where there is an imminent or actual threat to public health, welfare, safety, or damage to property such that engaging in tendering proceedings or other procurement methods would not be practical. Also the need was not foreseeable and is not a result of failure to plan.

User Department A section of the University that forwards its needs through a requisition to Procurement Department for purchase or disposal.

INTRODUCTION TO MACHAKOS UNIVERSITY

Machakos University is a premier University whose core mandate is to teach, train, conduct research, innovate, offer community service, generate new knowledge and facilitate technological transfer. Being the only public University in Machakos County, the University plays a leading role in providing scholarly education through training, research and innovation for industrial and socio-economic transformation for the community and the Country at large.

Machakos University as an institution was founded in 1957 as a Technical Rural Training School. It became Machakos Technical and Trade School in 1958 and Machakos Technical School in 1967. Later in 1987, it was converted to a Technical Training Institute, known as Machakos Technical Training Institute (MTTI). By a Legal Notice No.130 of 16th September 2011, the Institute became Machakos University College, a constituent college of Kenyatta University. On 7th October, 2016, Machakos University College was chartered and became a full-fledged public University by H.E Uhuru Muigai Kenyatta, the President and Commander in Chief of the Kenya Defense Forces of the Republic of Kenya. Machakos University has therefore, a Technical background and has a niche towards Engineering, Technology and Business. The University has been able to attract, develop and retain highly trained, motivated and experienced academic and administrative staff who continue to support the wide range of courses offered in its schools.

The University is located at the heart of the Lower Eastern Region, and a kilometer away from Machakos town center along Machakos/Wote Road. It is about 66 km from Nairobi and 28 km from Konza Techno polis.

Machakos University has three divisions; namely, Academic and Student affairs, Administration, Planning and Finance and, Research, Innovation and Linkages. The University has grown in terms of staff and student numbers, linkages and partnerships with public, private, national and global organizations.

The University's stakeholders include: Students, staff, Alumni, Parents/guardians, Sponsors, Regulatory Bodies, Ministry of Education, Primary and Secondary Schools, Other Ministries, Departments and Government Agencies, County Governments, Local community, Other institutions of higher learning both local and international, Suppliers/contractors, Non-governmental Organizations , Community Based Organizations, International Organizations, Industries, Religious Organizations, Trade Unions and the public in general.

The principal activities of Machakos University are Teaching/Training, Research, Innovation, and community service.

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1.0 SCOPE, PURPOSE AND LEGAL AND ADMINISTRATIVE FRAMEWORK.

1.2 Scope and Purpose.

This Procurement and Assets Disposal Manual deals with the procurement of goods, works and services, storage, contract management and distribution of goods/ services and disposal of goods, unserviceable, obsolete, or surplus stores in the University.

The purpose of the Procurement Manual is to establish a guiding document on the procedures followed in acquisition of goods, works and services in the University as well as the disposal of idle, unserviceable and obsolete items.

The manual aims to enable the University to:

a) Maximize economy and efficiency.

b) Promote competition and ensure that competitors are treated fairly.

c) Promote integrity and fairness.

d) Increase transparency and accountability.

e) Ensure prudent use of public funds and resources.

f) Increase public confidence in the procurement process

1.3 Legal and Administrative Framework

This Manual is alligned to the provisions of the Constitution of Kenya (2010), the Universities Act (2012), (Ammendment) Act (2016), Public Procurement and Assets Disposal Act (2015), Public Procurement and Asset Disposal Regulations (2020), Executive Orders and Circulars, the University Charter and Statutes.

1.4 Implementation of the Manual

The Vice Chancellor shall be responsible for full implementation of the contents of this Procurement and Assets Disposal Manual. However, such responsibility may be delegated in writing to a relevant and competent Officer.

1.5 Conflict with the Law

This Procurement and Assets Disposal Manual is not a statute or a regulation but a document for guidance purposes. It shall, therefore, be read together with Constitution of Kenya (2010), Public Procurement and Assets Disposal Act (2015), Public Procurement and Asset Disposal Regulations (2020), Executive Orders and Circulars in existence and as issued from time to time. Should this Procurement and Assets Disposal Manual be found to be inconsistent with the written law, then the law shall prevail.

2.0. INTERNAL ORGANIZATION OF THE PROCUREMENT UNIT

The Procurement Cycle has many players who include the Vice Chancellor, User Departments, Procurement Staff and other external bodies such as the Authority among others.

The roles and responsibilities assigned to the various internal players in the Procurement Cycle ensures a smooth flow of operations as indicated below;

2.1 The Role of the Vice Chancellor.

The Vice-Chancellor shall be the accounting officer and primarily responsible for ensuring that the University complies with the Act. More specifically, the Vice-Chancellor shall -

i. Ensure that procurement of goods, works, and services of the University are within the approved budget of the University;

ii. Constitute all procurement and asset disposal committees within the University as per the Act;

iii. Ensure procurement plans are prepared in conformity with the medium-term fiscal framework and fiscal policy objectives and submit them to the National Treasury;

iv. Ensure proper documentation of procurement proceedings and safe custody of all procurement records as per the Act;

v. Ensure compliance with sections 68, 147, 148, and 149 of the Public Finance Management Act, No. 18 of 2012;

vi. Approve and sign all contracts of the procuring entity;

vii. Ensure the procurement and asset disposal process of the public entity shall comply with the Act;

viii. Ensure that the procurement processes are handled by different professional officers with respect to procurement initiation, processing, and receipt of goods, works, and services;

ix. Submit to the Authority the part in its procurement plan demonstrating the application of preference and reservations schemes in relation to the procurement budget within sixty days after commencement of a given financial year; and

x. Ensure compliance with any other responsibilities assigned by the Act or any other Act of Parliament or as may be prescribed in the Regulations.

2.2 Responsibilities of the Delegated Authority:

The Vice-Chancellor may appoint a delegated authority in writing to make procurement approvals and awards on his/her behalf.

2.2.1 The responsibility for each approval made in the procurement procedure shall rest with the individual signatories and the Vice-Chancellor, whether he or she delegated the authority or not.

2.2.2 The delegated authority may review user's requests and make approvals for commencement of procurement processes.

2.2.3 The delegated authority may approve Local Purchase Orders

2.3 Responsibilities of the User Departments

User Departments must be actively involved in the Procurement cycle from the time of budgeting and procurement plans to the inspection and acceptance of the procured goods, works, and services.

Responsibilities of the User Departments include: -

a) Initiating procurement and disposal requirements and forwarding them to the Procurement Department.

b) Participating in the evaluation of tenders, proposals, and quotations.

c) Reporting any departure from the terms and conditions of the contract to the Procurement Department.

d) Forwarding details of any required variations to contracts to the Procurement Department for consideration and action.

e) Preparing any reports required for submission to the head of the Procurement Department or the Vice-Chancellor.

f) Maintaining and archiving records of contract management.

g) Undertaking conformity assessment of supplied goods works and services with the specifications of the contract documents

h) Preparation of technical specifications and submitting the same to the Procurement Department.

i) Preparing the Division's/ Department's procurement and disposal plans.

j) Making clarifications on tenders, request for quotations, and any other matter as may be required and;

k) Carrying out any other functions and duties as may be provided under the Act or the Regulations or as may be stipulated by the Authority from time to time.

2.4 Responsibilities of the Procurement Department.

In order to carry out and manage the procurement procedures and processes, the University has established a Procurement Department and staffed it with procurement professionals. The Department is expected to offer professional advice to the University management on procurement-related matters to ensure that the University's strategic objectives are met while ensuring value for money spent.

The Head of the Procurement Department shall be a procurement professional who shall report directly to the Vice-Chancellor.

Though there are many functions of the Procurement Department the list below highlights some of the major duties and responsibilities of the Department.

a) To maintain and continually update standing lists of registered suppliers for the procuring entity under sections 57 and 71 of the Act;

b) To liaise with the Authority in respect of the Authority's register of procuring agents;

c) To prepare tender and asset disposal documents to facilitate fair competition;

d) To prepare, publish and distribute procurement and disposal opportunities including invitations to tender, request for quotations and proposals, pre-qualification documents, and invitations for expressions of interest;

e) Coordinate the receiving and opening of tender documents;

f) To submit a list of registered or prequalified suppliers or contractors or consultants to the accounting officer for approval;

g) To issue procurement and asset disposal documents to candidates per the Act and these Regulations;

h) To propose the membership of relevant committees under the Act to the accounting officer for consideration and appointment;

i) To coordinate the evaluation of tenders, quotations, and proposals;

j) To recommend for consideration the negotiation of procurement by the evaluation committee where negotiations are allowed by the Act and these Regulations and participate in negotiations;

k) To prepare and publish tender awards;

l) To prepare contract documents in line with the award decision;

m) To prepare and issue debriefing letters;

n) To prepare contract variations and modifications documents;

o) To maintain and archive procurement and asset disposal documents and records for the required period;

p) To provide information, as required, for any petition or investigations to debar a tenderer or contractor or any investigation under review procedures.

q) To implement the decisions of the accounting officer, including the disposal committee, and coordinate all procurement activities

r) To act as a secretariat to the evaluation, inspection and acceptance, and disposal committees;

s) To liaise with the National Treasury or relevant county treasury and the Authority on matters related to procurement and asset disposal;

t) To prepare and submit to the National Treasury or relevant county treasury and the Authority reports required under the Act, these Regulations and guidelines of the Authority;

u) To monitor contract management by user departments to ensure implementation of contracts per the terms and conditions of the contracts;

v) To report any significant departures from the terms and conditions of the contract to the head of the procuring entity or accounting officer;

w) To recommend for transfer of a procurement or asset disposal responsibility to another procuring entity by the head of the procuring entity when the need arises;

x) To prepare consolidated procurement and asset disposal plans;

y) To advise the procuring entity on the aggregation of procurement to promote economies of scale;

z) To co-ordinate internal monitoring and evaluation of the procurement and supply chain function;

aa) To carry out market surveys to inform the placing of orders or adjudication by the relevant awarding authority;

ab) To conduct periodic and annual stock taking;

ac) To certify the invoices and vouchers to facilitate the processing of payment to suppliers;

ad) To recommend an extension of the tender validity period;

ae) To verify that the available stock levels warrant initiating a procurement process; and

af) To carry out any other functions and duties as are provided under the Act and these Regulations and any other functions that might be stipulated by the National Treasury or relevant county treasury, or the Authority.

2.5 Responsibilities of the Head of Procurement Function

Under the PPADA 2015, the Head of the Procurement Department has several responsibilities. Specifically, the Act stipulates that the Head of Procurement Department shall:-

a) Receive and review the tender evaluation report and provide a signed professional opinion to the Vice-Chancellor on the procurement or asset disposal proceedings;

b) Maintain and continuously update lists of registered suppliers, contractors, and consultants in various specific categories of goods, works, or services according to their procurement needs;

c) Issue a certificate to the contractor confirming delivery and acceptance of goods, works, and services, where the contract is not complex and specialized;

d) Arrange for occasional visits of inspection to the stores, at least quarterly in each calendar year, and conduct quarterly and annual inventory and stock-taking to ensure compliance with all respective governing laws and submit the report to the Vice-Chancellor;

e) Receive lists of unserviceable, obsolescent, obsolete, or surplus assets from designated employees and bring the matter to the attention of the disposal committee;

f) Liaise with the disposal committee to verify and process all disposal recommendations;

g) Be the Secretary to the Evaluation and Disposal Committees

3.0 PROCUREMENT PLANNING

3.1 Introduction

3.1.1 A key constraint to meeting the procurement needs in the University is finances which are limited while the needs are unlimited. There is therefore strict need to prepare procurement plans to limit procurement requests to the items in the procurement plans, which in turn should be closely tied to the allocated budgets.

3.1.2 Procurement plans define what is to be procured, the estimated cost and when to procure.

3.1.3 A procurement plan shall be prepared for each financial year as part of the annual budget preparation process as per section 40(1) of the Regulations.

3.1.4 HOD's shall prepare departmental procurement plans and submit to the Head of Procurement Department. When preparing the departmental procurement plans the HOD's will consider the following:

a) Overall institutional priorities in the light of resource allocation
b) Estimated expenditure
c) Budgetary allocation
d) Available options and alternatives
e) Opportunity costs
f) Value adding for other activities
g) Developments in the industry
h) Market trends
i) Applicable/relevant legislation especially with regard to preference groups
j) Ongoing research and development

3.1.5 Upon receipt of departmental procurement plans, the Head of Procurement shall consolidate the plans into a consolidated annual procurement plan

3.1.6 The consolidated annual procurement plan shall include:

a) A detailed breakdown of the goods, works, or services required;
b) A schedule of the planned delivery, implementation or completion dates for all goods, works, or services required;
c) An indication and justification whether it shall be procured within a single-year period or under a multi-year arrangement;
d) An indication of which items may be aggregated for procurement as a single package or for procurement through any applicable arrangements for common-user items;
e) An indication of which items shall be packaged into lots;
f) An estimate of the value of each package of goods, works or services required and an indication of the budget available and sources of funding;
g) An indication of the appropriate procurement method for each procurement requirement;
h) Where transfer of responsibilities is justified, the optimal period for such transfer taking into account seasonal price variations, warehousing and distribution capacity, and product shelf life; and
i) The estimated cost for procurement of items which shall include insurance, clearing and forwarding, demurrage charges, warehousing, advertisement and all other incidental costs where applicable.

3.2 Preparation of the Procurement Plans

3.2.1 In the month of March of every year, the DVC APF shall request all HoDs and to submit their annual procurement plans in the prescribed format.

3.2.2 Upon receipt of the request, the HoDs shall prepare their departmental procurement plans in the prescribed format guided by their proposed budgets.

3.2.3 Upon receipt of the departmental procurement plans, the DVC APF shall forward them to the Head of Procurement for consolidation.

3.2.4 Upon receipt of departmental procurement plans, the Head of Procurement shall consolidate the plans into a draft consolidated procurement plan.

3.2.5 The Head of Procurement shall then forward the master draft procurement plan to the DVC APF who shall in turn table it in a University Management Board meeting for review and input before making recommendations to the University Council.

3.2.6 The University Council shall approve the master draft consolidated procurement plan taking into consideration the availability of resources, projected growth and the current University Strategic Plan.

3.2.7 Upon approval by the University Council, the Head of Procurement shall distribute copies of the plan to the HoDs for implementation.

3.2.8 The Head of Procurement shall ensure that the approved procurement plan is submitted to the Public Procurement Regulatory Authority before 31st August in each Financial year

4.0 COMPOSITION AND ROLES OF PROCUREMENT COMMITTEES

4.1 Tender Opening Committee

The Vice Chancellor shall appoint a tender opening committee specifically for the procurement.

The Committee shall:

a) Have at least three (3) members
b) At least one of the members shall not be directly involved in the processing or evaluation of the tenders
c) Open the tenders immediately after the deadline for submitting tenders

d) Assign an identification number to each tender and record the number of pages received
e) Read out loudly and record: The name of the person submitting the tender, the total price, where applicable, including modifications or discounts received before the deadline for submitting tenders except as may be prescribed and if applicable what has been given as tender security.
f) Not disqualify any tender during the opening

4.2 Evaluation Committee

Duly appointed *ad hoc* Evaluation Committees, shall :

a) Deal with the technical and financial aspects of a procurement as well as the negotiation of the process including evaluation of bids, proposals for prequalification, registration lists, Expression of Interest and any other roles assigned to it;
b) Consist of between three and five members appointed on a rotational basis comprising heads of user department and two other departments or their representatives and where necessary, procured consultants or professionals, who shall advise on the evaluation of the tender documents and give a recommendation on the same to the committee within a reasonable time;
c) Have as its secretary, the Head of Procurement Department;
d) Complete the procurement process for which it was appointed and no new committee shall be appointed on the same issue unless the one handling the issue has been procedurally disbanded;
e) Adopt a process that shall ensure the evaluation process utilized adheres to Articles 201(d) and 227 (1) of the Constitution.
f) For greater certainty the University shall where a member of the ad hoc evaluation committee contravenes any provisions of this Act, institute

disciplinary measures in accordance with the University's disciplinary measures and the provisions of PPADA 2015.

g) Where the University lacks capacity to comply with this Public Procurement and Asset Disposal Act 2015 the Vice Chancellor shall seek assistance from the National Treasury.

h) Subject to PPADA 2015, the evaluation committee may invite external technical experts who are not employees of the University to assist in matters that need specific technical expertise.

i) The Evaluation Committee shall ensure adherence to the compliance and evaluation criteria set out in the tender documents in carryout the technical and financial evaluation of the tenders or proposals received by the University

j) The Evaluation Committee should ensure that Tenders are evaluated within a period of thirty days from the date of opening the tenders and that the evaluation is carried out with all due diligence.

k) 4.2.12 Each member of the committee shall evaluate the tenders or proposals received by the University independently from the other members prior to sharing his or her analysis, questions and evaluation including his or her rating with the other members of the Committee.

l) A member of the committee shall not communicate with a tenderer who has submitted a tender or proposal that is under the consideration of the evaluation.

m) The Evaluation Committee shall prepare an evaluation report on the analysis of the tenders received, and final ratings assigned to each tender and submit the report to the HoD (Procurement) for onward transmission to the Vice Chancellor. The Evaluation report prepared under paragraph should include-

   i. The results of the preliminary evaluation, with reasons why any tender or proposal was rejected;

ii. The scores awarded by each evaluator for each tender or proposal;
iii. A summary of the relative strengths and weaknesses of each tender or proposal;
iv. The total score for each tender or proposal; and
v. A recommendation to award the tender to the lowest evaluated tenderer or to the
vi. Person who submitted the proposal with the highest total score.

4.3 Inspection and Acceptance Committee

a) The Vice-Chancellor may establish an ad hoc committee known as the Inspection and Acceptance Committee.
b) The Inspection and Acceptance Committee shall be composed of a chairman and at least two other members appointed by the Vice-Chancellor on the recommendation of the procuring department.
c) The Inspection and Acceptance Committee shall immediately after the delivery of the goods, works, or services—
   i. Inspect and where necessary, test the goods received;
   ii. Inspect and review the goods, works, or services to ensure compliance with the terms and specifications of the contract; and
   iii. Accept or reject, on behalf of the procuring entity, the delivered goods, works, or services.
d) The Inspection and Acceptance Committee shall—
   i. Ensure that the correct quantity of the goods is received;
   ii. Ensure that the goods, works, or services meet the technical standards defined in the contract;
   iii. Ensure that the goods, works, or services have been delivered or completed on time, or that any delay has been noted;
   iv. Ensure that all required manuals or documentation has been received; and

v. Issue interim or completion certificates or goods received notes, as appropriate and per the contract.

5.0 THE PROCUREMENT PROCESS

5.1 Introduction

The procurement process begins with the identification of needs by the user. Needs are those items or services that should be procured to help the University achieve its strategic plans and goals. All required items have to be budgeted for and included in the annual procurement plan. Therefore, any requirement not included in the annual procurement plan will not be processed for procurement

5.2 The Procurement Cycle

a) The Procurement Cycle is defined as a cyclical process of key steps when procuring goods, works, or services, from identification of a need and conducting market analysis through to the process of selecting the supplier, managing their performance, and reviewing lessons learned.

b) The processing and management of the complete procurement cycle require close coordination with the budget process, expenditure management, and audit for continuous improvement. The Vice-Chancellor shall therefore ensure teamwork between the Procurement unit and the other units at the University.

c) The complete Procurement Cycle shall include but is not limited to:

i. Preparation of procurement plans;

ii. Preparation of procurement specifications and initiation of the procurement process;

iii. Preparation of registration/tender/bid documents;

iv. Advertisement/initiation of bids;

v. Receiving and opening bids;

vi. Evaluation of bids;

vii. Adjudication and contract award;

viii. Notification of contract award;

ix. Negotiations (where applicable);

x. Preparation and signing of procurement contract;

xi. Contract administration;

xii. Receipt, inspection, and acceptance of goods, works, services, and consulting services;

xiii. Storage and inventory management.

d) It is required that all the steps of the procurement cycle are properly documented with each step being approved by the designated authority and the records properly maintained.

5.3 Initiating the Procurement Process

a) All procurement shall be initiated by the User through filling a Purchase Requisition Form duly signed by the HoD allowing for sufficient time to carry out the procurement process i.e.,

i. At least three weeks for Request for Quotations; and

ii. At least eight weeks for RFP and Tenders (Both open and restricted)

b) The Purchase Requisition should have clear, specific requirements relating to the goods, works, or services being procured, that give a correct and complete description of what is to be procured and that allow for fair and open competition among those who may wish to participate in the procurement proceedings.

5.4 Preparing Specifications

a) Users have the responsibility of drawing up the correct specifications for their procurement needs. If need be, users may seek the assistance of technical experts in drawing up specifications.

b) Items should be described in sufficient detail in terms of performance without displaying biases towards particular brands

c) Specifications may be presented by one or a combination of the following:

   i. Description
   ii. Sample
   iii. Drawings
   iv. Capacity
   v. Usage
   vi. Standards

d) Use of brand names or models is discouraged when preparing specifications as it limits competition. Where these are necessary, however, the user may need to liaise with relevant technical departments or procurement departments in drawing up such specifications.

e) Once specifications have been drawn up they shall not be changed without the involvement of the user.

f) The user is discouraged from changing the specifications once the procurement process is underway.

5.5 General Procurement Guidelines

a) In implementing the procurement cycle, there are general guiding principles for the parties that are involved in the cycle. Some of these guidelines are legal while others are borrowed from the global best practice.

b) The user should confirm that funds are available for the purchase/procurement from the Finance Department before submitting the Purchase Requisition to the Procurement Department.

c) The User Department should only initiate procurement for items that had earlier been included in the Procurement Plan.

d) The Procurement Department shall immediately process the purchase requisitions received by choosing the appropriate procurement method discussed later in this manual.

e) The Procurement Department should not split orders to avoid a given method of procurement.

f) The Procurement should carry out a market survey to ensure that goods, works, and services are not procured at inflated prices but the prevailing market prices. The market survey is continuous, however, the Procurement Department shall organize at least one market survey within the financial year for commonly used items.

g) The Procurement Department shall maintain a list of registered suppliers/service providers who shall be requested to submit quotations, and proposals according to the procedure stipulated in this manual.

h) No procurement approval should be made to operate retrospectively to any date earlier than the date on which it is made.

i) The University shall not enter into any procurement contract with its employees or their relatives except as expressly allowed under the Act in the case of disposal.

j) All procurement regarding a procurement proceeding shall be handled with confidentiality and the records properly maintained.

k) The University shall prepare reports on General Procurement Transactions and submit them to the Public Procurement

Regulatory Authority within stipulated timelines. The reports include:

i. Terminations of Procurement and Asset Disposal Proceedings are to be submitted within 14 days of termination.

ii. Direct Procurement of a value exceeding Kshs 500,000 to be submitted within 14 days after notifications of the award.

iii. Disposal of public asset(s) to employees to be submitted within 30 days of the disposal

iv. All contracts awarded through all procurement methods are to be submitted within 14 days after the end of every month.

v. Contract amendment/Variation to be submitted within 14 days after the close of the quarter.

vi. Report on seeking approval for use of Alternative Selection method for consultancy services to be submitted before use of the alternative selection method.

vii. Terminations of Contracts are to be submitted within 14 days after the close of the quarter.

viii. Report on all contracts where preference and reservation schemes are applied with dis-aggregated data to be submitted within 14 days after the close of the quarter. (a copy of the report is to be submitted to the National Treasury)

ix. Six (6) month report on preference and reservation of all contracts awarded to Youth, Women, and Persons with Disability to be submitted within 14 days after the close of the half of the Financial Year (i.e by January 14^{th} and July 14^{th} respectively) (a copy of the report to be submitted to the National Treasury)

x. Part of the Annual Procurement Plan demonstrating the application of the preference and reservation schemes to be submitted within sixty (60) days after commencement of the Financial Year i.e by 31^{st} August

xi. Publication of tender opportunities and contract awards in the Public Procurement Information Portal (PPIP) to be published by the 15th day of every subsequent month.

6.0 METHODS OF PROCUREMENT

The Act provides for different methods of procurement of goods, works, and services namely: -

a) International Tendering
b) open tender;
c) two-stage tendering;
d) design competition;
e) restricted tendering;
f) direct procurement;
g) request for quotations;
h) electronic reverse auction;
i) low-value procurement;
j) force account;
k) competitive negotiations;
l) request for proposals;
m) framework agreements; and
n) any other procurement method and procedure as prescribed in regulations and described in the tender documents.

Out of the above, Open Tendering is the preferred method given its ability to embrace open competition to a larger number of bidders resulting in the best price for the goods, works, and services.

The Procurement Department makes a choice of the method of procurement based on the estimated cost of the procurement and other unique qualities of the goods, works, and services such as availability, security, and urgency.

As a matter of principle, one should always choose the method that ensures the maximum level of competition. However, there might be a preference scheme to be taken into account. Further, the costs of the proceedings should be kept in balance with the estimated value of the procurement requirement.

The PPADA 2015 and the Regulations have also provided a threshold matrix for various methods of procurement given the class of the Procuring Entity.

The table 1 below depicts the thresholds for different methods of procurement and the bodies responsible for approval for the University:

6.1 International Open Tendering

When choosing between having either an international Tender or a national Tender the following two factors should be considered -

i. The technical specifications of the procurement requirement: are the technology, skills, knowledge, know-how, and business process available on the national market?

ii. The existence of potentially more competitive bidders or appropriate solutions for the procurement requirement on the international market. For example, specific systems or business processes may have been developed internationally where International bidders may contribute to the transfer of technology.

When one employs international tendering using the Open Tender Method the following rules should be applied:

i. The invitation to tender and the tender documents shall be in the English language;

ii. The tender should be advertised on the official website of the Authority and the invitation to tender should be published in one or more English-language newspaper or other publications that together have sufficient circulation outside Kenya to allow effective competition;

iii. The period between the advertisement and the deadline for submitting tenders must not be less than twenty-one days;

iv. The technical requirements should be expressed, to the extent compatible with requirements under Kenyan law, international standards, or standards widely used in the industry

v. A bidder submitting a tender may, in quoting prices or providing security, use a currency that is widely used in international trade and that the tender documents specifically allow being used;

vi. If and when a bid is submitted in an acceptable, convertible and widely used international currency, the conversion value to be used for open tender evaluation shall be the Central Bank of Kenya selling rate on the **date of bid opening or any other date specified in the bid documents;**

vii. Where local on citizen contractors participate they shall be entitled to preference and reservations.

6.2 National Open Tendering

a) This is the most preferred method of procurement since it ensures that there is competitiveness in the system thus aiding in achieving value for money.

b) Upon confirmation that the request from the User Department estimated cost is within the threshold of the Open Tender, the Procurement Department prepares bid documents and the Tender advertisement inviting qualified bidders to Tender.

Bid documents are as specified and provided by the Authority from time to time

c) The Procurement Department shall prepare bid documents that must comply with those requirements given by the Authority and includes the detailed specifications of the need as expressed in the User Requisition. The Bid documents must include: -

i. A clear description of the goods works, or services required. In describing the specific requirements of the procurement, the Procurement Department shall provide the necessary advice to the User Department so that specifications are clear, give a correct and complete description of what is being procured, and allow for fair and open competition among those who may wish to participate in the procurement proceedings;
ii. If works are being procured, relevant drawings and bills of quantities are prepared by qualified professionals;
iii. The general and specific conditions to which the contract will be subject, including any requirement for performance security;
iv. Instructions to tenderers on the preparation of bids, including any standard forms to be submitted and the required documentary evidence.
v. An explanation of where and when tenders must be submitted, a statement that the tenders will be opened immediately after the deadline for submitting them, and an explanation of where the tenders will be opened;
vi. Instructions on the sealing, packaging, labeling, and submission of bids, including the location and deadline for submission and procedures for the withdrawal, modification, or replacement of bids;
vii. A statement of the period during which tenders must remain valid.
viii. A statement of whether alternative bids are permitted or should be submitted only in addition to the response to the bid (variant proposal) and any instructions relating to alternative bids;
ix. Any applicable preference programs and the margin of preference to be applied;

x. Information on the methodology for the evaluation of bids, the evaluation criteria to be applied, and how the criteria shall be applied (with clear scale and scoring);
xi. Information on the procedure for contract award, including the requirement for publication of a notice of proposed award and the bidders' right to appeal;
xii. A statement that the University may, at any time, terminate the procurement proceedings without entering into a contract;
xiii. The type of contract to be awarded;
xiv. The terms and conditions of the proposed contract; and
xv. Information on the Government's policy on fraudulent activities and corrupt practices.

Tender Advertisement

a) The content of the invitation to tender notice should be sufficient to inform all the bidders of the procurement requirements key specifications and conditions of execution to allow the bidders to make an informed decision to be responsive and competitive. The following is a minimum prescription:

i. The name, address, and contact details of the University;

ii. The tender number assigned to the procurement proceedings by the University (MKSU/OT/~~~~NO.~~~/FINANCIAL YEAR)
iii. An indication of the procurement method being used;
iv. A statement that those submitting tenders or their representatives may attend the opening of tenders
v. A statement of any key technical requirements, qualification requirements and evaluation criteria, and/or any applications of preference margins;
vi. Instructions on obtaining the bidding documents, including any price payable and the language of the documents; and

vii. Instructions on the location and deadline for submission of bids.

b) The Tender advertisement shall be put up in at least two newspapers of wide circulation which are regularly published, on the University website and the national suppliers' e-portal on supplier.treasury.go.ke. The bid documents should be downloaded from the websites free of charge by interested candidates. Those who wish to purchase should do so from the Procurement office at a fee not more than KES1,000 only.
c) The University should ensure that the tender advertisement is put up for at least 14 days.

Tender Opening

a) The Head of Procurement Department shall recommend to the Vice-Chancellor the appointment of the Tender Opening Committee at least three days before the opening of the Tender.
b) The Tender Opening Committee carries out the opening in the manner indicated in this manual.
c) The Tender Opening Committee shall then forward its minutes to the Evaluation Committee to carry out a tender evaluation.

Tender Evaluation and award

a) The Evaluation Committee evaluates within thirty days from the date of tender opening complying with the evaluation criteria as indicated in the bid document. The Evaluation Committee prepares an evaluation report which is submitted to the HoD Procurement Department
b) Upon receipt of evaluation reports, the HoD Procurement Department shall review the tender evaluation report and provide a signed professional opinion to the Vice-Chancellor on the procurement or asset disposal proceedings.

c) In deciding to award a tender, the Vice-Chancellor shall take into account the views of the HoD Procurement Department in the signed professional opinion.

d) If the Tender is awarded the Procurement Department shall issue notification of intention to award letters to all the applicants (both successful and unsuccessful)

e) The standstill period of the notification of intention to award is 14 calendar days. A bidder can request a debriefing (reasons why the bid was unsuccessful), in writing, within three (3) business days of the receipt of the notification of intention to award.

f) The debriefing will be provided within five (5) business days in writing, by phone, by video conference call, or in person. If the University is unable to provide the briefing within the five (5) business days, the standstill period is extended by five (5) business days after the date that the debriefing is provided.

g) After the expiry of the Standstill period without any reviews, the Procurement Department shall prepare the contract documents in consultation with the User Department and the Legal Office.

h) The contract is signed by the Vice-Chancellor on behalf of the University and the awarded bidder within Seven days after the expiry of the appeals period.

Table 1: Threshold Matrix for National/International Tendering

	Procurement Method	Maximum or minimum level of expenditure allowed for the use of a particular procurement method			Segregation of duties for different officers and committees in the procurement cycle under section 45 of part V of the Act			
		Goods	Works	Services	Person responsible for procurement initiation	Body responsible for the awarding of the contract	Person responsible for Signing the contract	Verification of goods, services or works
(i)	**International Open tender (S 89 of the Act)**	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing
(ii)	**National Open tender (S 89 of the Act)**	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing

6.3 Restricted Tendering

a) The University may use restricted tendering if any of the following conditions are satisfied-

i. competition for the contract, because of the complex or specialized nature of the goods, works or services is restricted to prequalified tenderers resulting from the procedure under section 94;

ii. the time and cost required to examine and evaluate a large number of tenders would be disproportionate to the value of the goods, works or services to be procured; or

iii. if there is evidence to the effect that there are only a few known suppliers of the whole market of the goods, works, or services;

iv. an advertisement is placed, where applicable, on the University's website regarding the intention to procure through limited tender.

b) The procedure set out for open tendering shall also apply to restricted tendering.

c) The University identifies prequalified contractors according to 4.3.1 (a) above the normal prequalification procedures used.

d) When restricted tendering is used according to 4.3.1 (b) above, the University shall invite tenders from at least ten (10) persons selected from the list maintained under sections 57 and 71 of the Act.

e) When restricted tendering is used according to 4.3.1 (c) above, the University shall invite tenders from all the known suppliers of the goods, works, or services.

Table 2: Threshold Matrix for Restricted Tendering

	Procurement Method	Maximum or minimum level of expenditure allowed for the use of a particular procurement method			Segregation of duties for different officers and committees in the procurement cycle under section 45 of part V of the Act			
		Goods	Works	Services	Person responsible for procurement initiation	Body responsible for the awarding of the contract	Person responsible for Signing the contract	Verification of goods, services or works
(i)	Restricted tender under sec 102(1)(a) of the Act	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing
	Restricted tender under sec 102(1)(b) of the Act	The maximum level of expenditure shall be KES 30,000,000 above this threshold use open tender	The maximum level of expenditure shall be KES 30,000,000 above this threshold use open tender	The maximum level of expenditure shall be KES 20,000,000 above this threshold use open tender	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing
		No minimum	No minimum	No minimum				
	Restricted tender under sec 102(1)(c) of the Act	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing

6.4 Direct Procurement

a) The University may use direct procurement as allowed as long as the purpose is not to avoid competition. Specifically, the University may use direct procurement if any of the following are satisfied —

i. the goods, works, or services are **available only from a particular supplier** or contractor, or a particular supplier or contractor has exclusive rights in respect of the goods, works, or services, and no reasonable alternative or substitute exists;

ii. due to war, invasion, disorder, natural disaster, or there is an **urgent need** for the goods, works, or services, and engaging in tendering proceedings or any other method of procurement would therefore be impractical, provided that the circumstances giving rise to the urgency were neither foreseeable by the University nor the result of dilatory conduct on its part;

iii. owing to a **catastrophic event**, there is an urgent need for the goods, works, or services, making it impractical to use other methods of procurement because of the time involved in using those methods;

iv. the University, having procured goods, equipment, technology, or services from a supplier or contractor, determines that additional supplies shall be procured from that supplier or contractor for reasons of **standardization** or because of the need for **compatibility** with existing goods, equipment, technology or services, taking into account the effectiveness of the original procurement in meeting the needs of the University, the limited size of the proposed procurement in relation to the original procurement, the reasonableness of the price and the unsuitability of alternatives to the goods or services in question;

v. for the acquiring of goods, works, or services provided by a **public entity** provided that the acquisition price is fair and reasonable and compares well with known prices of goods, works, or services in the circumstances.

b) Any Direct Procurement shall require the prior approval of the Vice-Chancellor in writing except under the urgent need where approval shall be granted in line with section 69(3) of the Act.

The University shall adhere to the following procedures concerning Direct Procurement-

(a) issue a tender document which shall be the basis of tender preparation by the tenderer and subsequent negotiations.

(b) appoint an *ad hoc* evaluation committee according to section 46 to negotiate with a person for the supply of goods, works, or non-consultancy services being provided;

(c) ensure appropriate approvals under this Act have been granted;

(d) ensure the resulting contract is in writing and signed by both parties.

The University shall, within 14 days after notification of the award of the contract, report any direct procurement of a value exceeding KES. 500,000.00 to the Public Procurement Regulatory Authority

Table 3: Threshold Matrix for Direct Procurement

	Procurement Method	Maximum or minimum level of expenditure allowed for the use of a particular procurement method			Segregation of duties for different officers and committees in the procurement cycle under section 45 of part V of the Act			
		Goods	Works	Services	Person responsible for procurement initiation	Body responsible for the awarding of the contract	Person responsible for Signing the contract	Verification of goods, services or works
(i)	Direct Procurement under s 103(2) and (3) of the Act	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing

6.5 Request For Proposal (RFP)

a) The Act provides that RFP procurement procedure may be used for procurement of services or combination of goods and services and the services are advisory or otherwise of a predominantly intellectual nature.

b) Before this procurement method is resulted in, it must have the approval of the tender committee being an alternative method of procurement. This is done when approving the Procurement Plan.

c) While using this method the User Department prepares the Terms of Reference for the expressed Consultancy assignment and forwards it to the Procurement Department upon confirmation of the availability of funds. The Terms of Reference should clearly state: -

i. The background includes the reasons necessitating the procurement.
ii. The objectives to be achieved by the procurement
iii. The output is expected from the person awarded the contract.
iv. The qualifications are necessary for a person to be awarded the contract.

d) To identify qualified suppliers, the University may first advertise for an Expression of Interest (EOI) which details the requirements for candidates to qualify for consideration.

Expression of Interest

a) The Expression of Interest is advertised in two dailies of national-wide circulation for a minimum of 7 days.

b) The interested applicants are then shortlisted using the criteria set out in the EOI by a Committee appointed by the Vice-Chancellor on the recommendation of the Head, of Procurement Department.

c) The Procurement Department shall prepare bid documents with the details included in this manual based on the Standard bid documents for consultancy issued by the Authority for dispatch to the invited/qualified candidates.
d) The bid document is then dispatched to the shortlisted candidates where the University agrees to start with an EOI or issued as a Tender where the University invites applications directly from the public.
e) The RFP bidders are given a maximum period of 14 days to submit their proposals.
f) The Procurement Department shall in the invitation to bid, instruct the consultants to seal the technical proposals and the financial proposals in separate envelopes and then seal them together in an outer envelope.
g) The outer envelope shall be addressed to the University and also bear the reference of the proposal (number and name). The envelope containing the financial proposal shall bear the name of the consultant submitting the proposal. (This will enable the University to return the financial proposal to the consultant unopened when this is required.)

Opening of the proposal

a) At the time of opening, only the outer envelope shall be opened confirming the presence of the technical proposal and the financial proposal.
b) The technical proposal envelope may be opened at the same time confirming the number of Copies but the financial envelope must not be opened. There must be a clear instruction that financial proposals of the consultants who shall be found to be technically

qualified only shall be opened and the others shall be returned to the respective consultants.

c) The financial proposals shall remain sealed in the envelopes and shall be secured safely up to the time of public opening. At the time of opening the financial proposals, technically responsive bidders shall be invited to witness.

Evaluation of the Proposals

The university may use any of the following methods in selection of proposals:

i) Quality and Cost Based Selection Method

ii) Quality Based Selection Method

iii) Least Cost Selection

iv) Consultants Qualifications Selection

v) Fixed Budget Selection)

vi) Single Source Selection

vii) Individual Consultant Selection

1. QUALITY and Cost Based Selection m(QCBS) method shall be conducted as follows:

(a) Both the quality and the cost of bids shall be taken into account in a process under which technical bids are evaluated without accessing the financial bids; and

(b)The relative weight to be given to the quality and cost components of the evaluation shall depend on the nature of the assignment and shall be stated in the request for proposals.

(c) A bid submitted under the Quality and Cost Based Selection (QCBS) method shall be submitted under the two envelopes submission method and evaluated to determine the—

(a) quality, with regard to a technical bid, in accordance with—

(i) an evaluation against set criteria on a merit point system to determine the total technical score for the technical bid received; and

(ii) the total scores determined compared to the minimum technical score;

(b) only bids which have attained the minimum technical score shall proceed to the opening of the financial bid which shall be conducted as follows—

(i) the bidders who shall have attained the minimum technical score shall be invited to attend the opening of the financial bids;

(ii) during the opening of the financial bids, the procuring entity shall read out the technical score to all bidders who attained the minimum technical scores;

(iii) an evaluation shall be done against a set criteria on a merit point system to determine the total financial score for the financial bid; and

(iv) the total scores determined compared to the minimum financial score;

(c) total weighted cost score, with regard to a financial bid, where the bidder attained the minimum technical score; and

(d) bidder obtaining the highest combined score based on the formula provided in the request for proposal document, shall be recommended for the award of contract.

2. Quality Based Selection (QBS) method shall be conducted as follows—

(a) a technical evaluation shall be conducted against the set criteria on a merit point system to determine the best technical bid without accessing the financial bids;

(b) the quality of a bid shall be the primary factor to be considered; and

(c) the bid with the highest technical score shall take priority in the first instance.

The procedure for the Quality Based Selection (QBS) method of a technical bid shall be conducted in three stages.

i) The preliminary examination shall be done following the opening of a technical bid to determine whether a bidder has qualified on the basis of having passed or failed the selection for the bid and the responsiveness of bids to the terms of the bidding document.

ii) A bid that fails to qualify or that is found to be non- responsive to the terms of the bidding document shall be eliminated from further evaluation.

iii) The technical evaluation criteria shall be used to—

(a) evaluate each technical bid against the technical evaluation criteria; and

(b) the same method of technical evaluation as that utilized for the Quality and Cost Based Selection (QCBS) method under regulation 122.

iv) The evaluation committee shall prepare a technical evaluation report of the technical bids received which shall—

(a) substantiate the results of the evaluation;

(b) describe the relative strengths and weaknesses of the bids; and

(c) indicate which bid is recommended to proceed to the financial evaluation.

v) A financial evaluation shall be conducted of the bidder—

(a) who submitted the best evaluated technical bid being invited to submit a financial bid where only technical bids were submitted; or

(b) of the financial bid of the bidder who submitted the best evaluated technical bid where both technical and financial bids were submitted under the dual envelope method.

vi) The financial bid shall be negotiated by the procuring entity in accordance with the provisions of the Regulations.

Quality Based Selection" means an evaluation method that uses quality as the primary factor in a process under which technical bids are evaluated without accessing the financial bids and a financial evaluation is undertaken only for the best technical bid.

3. Fixed Budget Selection evaluation method in the request for proposals shall use the following procedure:

(a) shall indicate its available budget in the tender document, and evaluation shall be considered as follows—

(i) a bidder shall be required to provide, within the stated budget, the best possible technical and financial bids, in separate envelopes; and

(ii) the bidder with the evaluated technical bid of the highest quality, which is within the stated budget, shall be recommended for the award of the contract.

(b) the schedule of requirements or the terms of reference prepared by the procuring entity shall contain all the necessary detail to portray the sufficiency of the budget for the performance, by a bidder, of the expected tasks as shall be contained in the contract;

The procedure for the fixed budget selection evaluation method of a technical and financial bid shall be conducted in three stages.

i) Following the opening of a technical bid, a preliminary examination shall be conducted to determine—

(a) whether a bidder has qualified on the basis of having passed or failed the selection for the bid; and

(b) the responsiveness of bids to the terms of the bidding document.

ii) A bid that fails to qualify or that is found to be non- responsive to the terms of the bidding document shall be rejected.

iii) A technical evaluation of a bid shall be conducted to evaluate each technical bid against

the technical evaluation criteria and following the same method of evaluation as that utilized for the Quality and Cost Based Selection method.

iv) An evaluation committee shall prepare a technical evaluation report of the technical bids received which shall—

(a) substantiate the results of the evaluation;

(b) describe the relative strengths and weaknesses of the bids; and

(c) indicate which bid is recommended to proceed to the financial evaluation.

v) The evaluation committee shall prepare a technical evaluation report prior to the commencement of a financial evaluation.

vi) Bidders that have qualified on the technical criteria shall be notified of the date and time set for the opening of the financial bids and financial bids shall be opened publicly and at the public opening there shall be publicly read out the—

vii) A financial evaluation shall be conducted and any bid that exceeds the budget shall be rejected.

viii) Subject to any negotiations that may need to be held, the bidder who has submitted the highest ranked technical proposal, of bids submitted within the budget, shall be recommended for the award of contract.

4. Least Cost Selection method to identify the lowest priced bid which meets all the commercial and technical requirements.

The procedure for the least cost selection method evaluation of a technical bid shall be conducted in three stages.

i) preliminary examination shall be conducted to determine—

(a) whether a bidder has qualified, on the basis of having passed or failed the selection for the bid; and

(b) the responsiveness of bids to the terms of the bidding document.

ii) A bid that fails to qualify or that is found to be non- responsive to the terms of the bidding document shall be rejected.

iii) A technical evaluation of a bid shall be conducted—

(a) to evaluate each technical bid against the technical evaluation criteria; and

(b) following the same method of evaluation as that utilized for the Quality and Cost Based Selection.

iv) A bidder who does not secure the minimum qualifying score shall be rejected.

v) The evaluation committee shall prepare a technical evaluation report prior to the financial

evaluation.

vi) Bidders who have secured the minimum qualifying mark shall be notified of the date and

time set for the opening of the financial bids.

vii) The opening date of the financial bids shall be as specified in the request for proposal documents.

viii) Financial bids shall be opened publicly, and at the public opening

ix) A financial evaluation shall be conducted by reviewing the conversion of bids to a single currency as stated in the invitation to bid.For the purposes of evaluation, cost shall include local taxes, and other reimbursable expenses such as travel, translation, printing of the report or secretarial expenses, where applicable.

x) Subject to any negotiations that may need to be held, the bidder who has submitted the lowest financial bid and meets minimum technical score shall be recommended for the award of contract.

5. **Consultants Qualification Selection** (CQS) method shall be used for small assignments of which the need for preparing and evaluating competitive bids is not justified.

The University, for the purpose of soliciting bidders under the qualification selection method, shall—

(a) follow a two-stage process;

(b) prepare the terms of reference;

(c) request bidders to supply expressions of interest and information concerning their experience and competence relevant to the assignment; and

(d) establish a short-list.

The procedure to be followed for the qualification selection evaluation method shall be conducted in two stages.

i) evaluate the expressions of interest together and with any supporting information; and

ii) select a bidder with the most appropriate qualifications and references, to whom the contract is to be awarded.

iii) prepare a technical evaluation report of the expressions of interest received; and

iv) submit the technical evaluation report to the accounting officer for his or her approval through the head of the procurement function, which shall be accompanied by the professional opinion.

v) The University shall request the successful bidder to negotiate the terms of the contract for the provision of the services.

6. **Individual consultant selection** method may be used for an assignment for which—

(a) a team of experts is not required;

(b) no additional outside professional support is required;

(c) the experience and qualifications of the individual are the predominant considerations

(d) coordination, administration or collective responsibility between individuals is required.

The individual consultant may be procured using any one of the following approaches—

(a) open advertisement by request for expression of interest; or

(b) request for applications from the list of registered consultants in the relevant category within ceilings specified in the Second Schedule of the threshold matrix.

The University shall—

(a) prepare terms of reference setting out the objectives, scope of work, level of effort, evaluation criteria, scoring points and minimum technical score required to pass; and

(b) estimate the cost of the consultancy based on the terms of reference and market rates.

(c) Where open advertisement applies, individual consultants shall be required to submit their applications with curriculum vitae, and other relevant testimonials, including professional and academic certificates.

(d) Where a register of consultants is used, an invitation shall be issued to at least five consultants.

(e) The evaluation committee shall use the specified evaluation criteria in the bid document or invitation notice and terms of reference to evaluate and score each of the applications and rank each application according to technical scores.

(f)The consultants that fail to attain the minimum technical score or have conflict of interest regarding the subject consultancy and other related assignments shall be disqualified from further consideration.

(g)The evaluation committee shall prepare an evaluation report and submit it to the head of procurement for the professional opinion before submission to the accounting officer.

(h)The first ranked individual consultant with the highest technical score shall be recommended for award of contract.

(i)The head of procurement function shall prepare a draft contract setting out the proposed fees, terms and conditions of contract using the standard template issued by the Authority.

(j)After approval of the recommendation for award by the accounting officer, the first ranked individual consultant shall be invited to negotiate the fees, reimbursable expenses and contract terms with the evaluation committee and where negotiation fail, the second ranked individual shall be invited to negotiate the contract.

7. **Single Source Selection (SSS) method**, the University shall first prepare the justification for use of the method in the context of—

(a) ensuring economy and efficiency;

(b) natural continuation of previous assignments where continuity of technical services is required;

(c) cases of urgency;

(d) clear advantage over competition;

(e) qualification, experience and exceptional worth of the consultant.

(i)The decision to use the single source selection method shall be approved in writing by the Vice Chancellor on recommendation by the head of the user department and the head of the procurement Department and submit to the Authority for approval.

(ii) The University shall prepare terms of reference

(iii) The University shall place an advertisement of the intention to single source in its website and invite anyone who wishes to bid within a minimum period of three (3) days.

(iv) The terms of reference prepared shall be incorporated in standard document for request for proposal document and issued to the selected consultant with a request to submit a technical and financial proposal to the University.

(v)the evaluation committee shall evaluate the proposals and submit recommendations for award to the accounting officer through the head of procurement Department.

(vi)The head of procurement function shall submit the evaluation report to the accounting officer together with the professional opinion in accordance with regulation 79 of these Regulations for award.

(vii)Upon approval by the accounting officer, the head of procurement function shall notify the consultant of the award.

Procedure for negotiations of Proposals with successful tenderers in line with section 127 of the Act;

i) The notification to the successful bidder shall specify that entering into a contract shall be subject to the successful negotiations.

ii) the evaluation committee shall prepare a report of the negotiations and submit it to the head of procurement function for onward submission to the accounting officer.

iii)The negotiation report shall be accompanied by a professional opinion of the head of the procurement Department to the Vice Chancellor for decision making and approval.

iv) The report and the professional opinion prepared shall form part of the records of the procurement proceedings.

a) The Evaluation Committee may negotiate with the person who submitted the successful proposal and may request and permit changes that state that "the contract may not vary from the requirements of the terms of reference, the request for proposals, or the terms of the successful proposal except in accordance with the following:-
b) The contract may provide for a different price only if there is a proportional increase or deduction in what is to be provided under the contract, and
c) The variations must be such that if the proposal, with those variations, was evaluated again, the proposal would still be the successful proposal"
d) If the negotiations with the person who submitted the successful proposal do not result in a contract, the University may negotiate with the person who submitted the proposal that would have been successful had the successful proposal not been submitted.

Table 4: Threshold Matrix for Requests for Proposal

	Procurement Method	Maximum or minimum level of expenditure allowed for the use of a particular procurement method			Segregation of duties for different officers and committees in the procurement cycle under section 45 of part V of the Act			
		Goods	Works	Services	Person responsible for procurement initiation	Body responsible for the awarding of the contract	Person responsible for Signing the contract	Verification of goods, services or works
(i)	Request for proposal s *(s116 of the Act)*	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement .	No Minimum The maximum level of expenditure shall be determined by funds allocated in the budget for the particular procurement.	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing

6.6 Request For Quotation (RFQ)

a) The Act provides that procuring entities may use Request for Quotation (RFQ) for goods, works, and services that are readily available in the market and whose cost is below the set thresholds.

b) The University must have a list of prequalified suppliers which is maintained for effective use of the RFQ procurement method.

c) The RFQ document sent to the suppliers shall contain the following information.

i. Quotation number and date.

ii. Name and address of the University

iii. Name and address of supplier invited to quote.

iv. Date and time of submission of the quotation.

v. Particulars of the item including item no, specifications, unit of issue, and quantity required.

vi. Part to be completed by the supplier including unit price, delivery time, discount, brand, country of origin, and remarks.

vii. Space for supplier's signature.

viii. Space for the officials of the University to sign while opening the quotations submitted

ix. Instructions and conditions for the procurement.

d) In deciding the supplier to be invited to quote the HoD Procurement shall ensure a fair and equal rotation amongst the persons on the registered supplier's list.

e) When issuing a request for quotations to suppliers there is no requirement of placing them in an envelope but when the suppliers submit the RFQ to the University they must be submitted in sealed envelopes as required by the regulations.

f) The University shall also give clear instructions to the suppliers on the mode of delivery of the sealed envelopes. The envelopes shall be addressed to the University and also clearly indicate the quotation number and closing date.
g) The request for quotations shall be given to as many persons as necessary to ensure effective competition but in any case not to less than three persons.
h) If it is not possible to get at least three persons the tender committee shall be requested to approve less than three persons to be invited to quote.
i) The suppliers shall be given adequate time to prepare and submit their quotations. In this regard a maximum of seven days. Where circumstances dictate that less time be allowed this may be done subject to the approval of the head of the Procurement Department.
j) Request for quotations after being received by University shall be opened by at least three responsible officers one from the procurement Department, and one from the user Department.
k) The Act provides that the successful quotation shall be the quotation with the lowest price that meets the requirements set out in the request for quotations.
l) Where the Procurement Department is of the view that the successful quotation is higher than the prevailing market price, the procurement unit shall reject the quotations and repeat the process afresh issuing the quotations to other persons in the registered list of suppliers.
m) The Act provides that standard goods, services, and works with known market prices shall be procured at the prevailing real market price. The Procurement Department shall reject all offers whose prices are above the prevailing real market prices. To effectively do this, the Procurement Department must conduct market research to assure itself that quotations submitted reflect those prevailing in the market.

Table 5: Threshold Matrix for Request for Quotation

	Procurement Method	Maximum or minimum level of expenditure allowed for the use of a particular procurement method			Segregation of duties for different officers and committees in the procurement cycle under section 45 of part V of the Act			
		Goods	Works	Services	Person responsible for procurement initiation	Body responsible for the awarding of the contract	Person responsible for Signing the contract	Verification of goods, services or works
(i)	Request for Quotations *(s105 of the Act)*	Maximum level of expenditure under this method is KES 3,000,000 per request for quotation.	Maximum level of expenditure under this method is KES 5,000,000 per request for quotation.	Maximum level of expenditure under this method is KES 3,000,000 per request for quotation.	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor or delegated person in writing by the Vice Chancellor	Vice Chancellor or delegated person in writing by the Vice Chancellor	Vice Chancellor or his/her appointee in writing

6.7 Low Value Procurement

a) The threshold for the University for this method is KES.50,000.00 per item per year for goods, KES.100,000.00 per item per year for works, and KES.50,000.00 per item per year for services.

b) This method is used where:-

   i. The estimated cost of the goods works, or services being procured per item per financial year is as per the threshold matrix
   ii. No benefit would accrue to the University in terms of time and cost implications if requests for quotations or any other procurement method are used.
   iii. The procedure is not used to avoid competition.
   iv. The procedure has been recommended by the head of the procurement function after conducting a market survey and approved by the Vice-Chancellor in writing.

c) Where the Vice-Chancellor finds it necessary to use the Low-Value Procurement method, the Vice-Chancellor may only delegate that function to the head of the procurement function to procure the goods, works, or services from a reputable outlet or provider through direct shopping or using credit cards or direct funds transfer to the outlet.

d) The goods procured shall be taken into charge by the officer responsible for the stores after the user department has confirmed the quantity and quality of the goods, works, or services before they are issued to the respective user department.

Table 6: Threshold Matrix for Low-Value Procurement

	Procurement Method	Maximum or minimum level of expenditure allowed for the use of a particular procurement method			Segregation of duties for different officers and committees in the procurement cycle under section 45 of part V of the Act			
		Goods	Works	Services	Person responsible for procurement initiation	Body responsible for the awarding of the contract	Person responsible for Signing the contract	Verification of goods, services or works
(i)	low value procurement (Section 107 of the Act)	The maximum level of expenditure under this method is KES. 50,000 per item per financial year	The maximum level of expenditure under this method is KES. 100,000 per item per financial year	The maximum level of expenditure under this method is KES. 50,000 per item per financial year	Head of User Department in consultation with the Vice Chancellor	A person delegated in writing by the Vice Chancellor	A person delegated in writing by the Vice Chancellor	Vice Chancellor or his/her appointee in writing
		There is no minimum expenditure for the use of this method	There is no minimum expenditure for the use of this method	There is no minimum expenditure for the use of this method				

6.8 Two Stage Tendering.

a) Due to complexity and inadequate knowledge or advancements in technology, it might not be feasible to formulate detailed specifications for the goods or works or non-consultancy services, the University may use two-stage tendering in order to obtain the most satisfactory solution to its procurement needs

b) In using the method, the University shall call upon tenderers to submit, in the first stage of the two-stage tendering proceedings, initial tenders containing their proposals without a tender price.

c) In the second stage, the University shall invite tenderers whose tenders were retained to submit final tenders with prices concerning a single set of specifications and formulating those specifications, the procuring entity may modify any aspect, originally outlined in the tendering document.

d) Any such modification or addition shall be communicated to tenderers in the invitation to submit final tenders and a tenderer not wishing to submit a final tender may withdraw from the tendering proceedings without forfeiting any tender security that they may have been required to provide.

e) The final tenders shall be evaluated and compared to ascertain the successful tenderer.

f) The specifications developed shall meet the requirements specified in the Act.

g) When developing the specifications, the University may engage experts\

Table 7: Threshold Matrix for Two-Stage Tendering

	Procurement Method	Maximum or minimum level of expenditure allowed for the use of a particular procurement method			Segregation of duties for different officers and committees in the procurement cycle under section 45 of part V of the Act			
		Goods	Works	Services	Person responsible for procurement initiation	Body responsible for the awarding of the contract	Person responsible for Signing the contract	Verification of goods, services or works
(i)	Two Stage Tendering *(s99 of the Act)*	No Minimum Maximum expenditure shall be determined by the funds allocated in the budget for the particular procurement provided the conditions under this section are met	No Minimum Maximum expenditure shall be determined by the funds allocated in the budget for the particular procurement provided the conditions under this section are met	No Minimum Maximum expenditure shall be determined by the funds allocated in the budget for the particular procurement provided the conditions under this section are met	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing

6.9 Design Competition.

a) The Vice-Chancellor may use a design competition procedure to determine the best architectural, physical planning, and any other design scheme, engineering, graphic, or any other design scheme for its use.

b) The procedure for a design competition is as per section 88(1) of the regulations.

c) The best three assessed design schemes shall receive as a prize an honorarium as provided for in the internal policies of the University subject to the guidelines set out in the applicable county or national level or the regulations.

d) In participating in design competitions, all bidders shall undertake to transfer all copyrights, intellectual property rights, and patents relating to their designs to the University.

e) Upon completion of the design competition, all the submitted design schemes shall become the property of the University.

Table 8: Threshold Matrix for Design Competition.

	Procurement Method	Maximum or minimum level of expenditure allowed for the use of a particular procurement method			Segregation of duties for different officers and committees in the procurement cycle under section 45 of part V of the Act			
		Goods	Works	Services	Person responsible for procurement initiation	Body responsible for the awarding of the contract	Person responsible for Signing the contract	Verification of goods, services or works
(i)	Design Competition *(s100 of the Act)*	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing

6.10 Force Account

a) The University may use force account by making recourse to the state or public officers and using public assets, equipment and labour which are competitive as per section 109 of the Act where:

i. Quantities of work involved are small and scattered or in remote locations for which qualified construction forms are unlikely to tender at reasonable price and the quantities of works cannot be defined in advance.

ii. Unforeseen and urgent work is required to be carried out without disrupting on-going operations.

iii. The University is to complete works delayed by the contractor after the written warnings did not yield tangible results.

The University shall adhere to the following when using Force Account:

a) Identify and include the activity in the annual procurement plan;

b) The Vice Chancellor shall approve the procedure for use of force account based on the report which shall include an assessment and availability of a state officer's or public officer's capacity including public assets, equipment and labour;

c) preparation of relevant bills of quantities, cost estimates and technical drawings, where applicable;

d) the procurement of the materials or services to be used as inputs under force account method shall be in accordance with the provisions of the Act and these Regulations;

e) The University shall satisfy itself that it is uneconomical to outsource the goods or works or services; and

f) Establish that the cost of the items to be procured are at prevailing indicative market prices obtained through a market survey.

The General Procedure for Application of Force Account shall be as Follows—

a) The user department shall prepare a detailed proposal on the following—

   i) scope of works or services;

   ii) status of the project;

   iii) justification for use of force account method;

   iv) list of materials and bills of quantities to be procured;

   v) available state or public officers' capacity and competencies to undertake the assignment; and

   vi) cost analysis of fees or rates using approved government rates;

b) the proposal shall be submitted to the head of procurement Department for review and recommendation to Vice Chancellor for approval;

c) upon approval, the user department and procurement function shall commence implementation in accordance with the Act.

d) The head of user department shall be accounting officer's representative in the project.

Table 9: Threshold Matrix for Force Account

	Procurement Method	Maximum or minimum level of expenditure allowed for the use of a particular procurement method			Segregation of duties for different officers and committees in the procurement cycle under section 45 of part V of the Act			
		Goods	Works	Services	Person responsible for procurement initiation	Body responsible for the awarding of the contract	Person responsible for Signing the contract	Verification of goods, services or works
(i)	Force Account *(s109 of the Act)*	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing

6.11 Electronic Reverse Auction.

a) The Authority may in exceptional circumstances approve a system of electronic reverse auction method of procurement for goods, works or non-consultancy services in accordance with section 110 of the Act.

b) For the University to use reverse auction it shall possess:

   i. A procurement portal;
   ii. An appropriate secure software with electronic procurement capabilities and functionalities approved by the Authority;

c) In the Reverse Auction method, the University shall:

   i. Invite all registered suppliers in the specific category to compete;
   ii. Advertise its requirements on its website including the period of time and goods specifications;
   iii. The prices of bidders within the prescribed time shall be visible to other bidders without revealing the bidder's identity; and
   iv. A pre-qualified supplier shall not revise its price upwards within the prescribed time.
   v. Subject to the reserve price set by the University, the successful bid shall be the bid with lowest price at the bid submission deadline.

Table 10: Threshold Matrix for Electronic Reverse Auction

	Procurement Method	Maximum or minimum level of expenditure allowed for the use of a particular procurement method			Segregation of duties for different officers and committees in the procurement cycle under section 45 of part V of the Act			
		Goods	Works	Services	Person responsible for procurement initiation	Body responsible for the awarding of the contract	Person responsible for Signing the contract	Verification of goods, services or works
(i)	Electronic Reverse Auction *(s110 of the Act)*	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing

6.12 Framework Contract.

a) The University may enter into framework agreement through open tender under section 114 of the Act if:-
   i. The procurement value is within the thresholds prescribed under Regulations to the Act;
   ii. The required quantity of goods, works or non-consultancy services cannot be determined at the time of entering into the agreement; and
   iii. A minimum of seven alternative vendors are included for each category
b) The maximum term for the framework agreement shall be three years.
c) When implementing a framework agreement, the University may:-
   i. Procure through call-offs order when necessary; or
   ii. Invite mini-competition among persons that have entered into the framework agreement in the respective category;
   iii. "call-offs order" means an order made using framework agreement with one or more contractors, suppliers or consultants for a defined quantity of works, goods, consultancy covering terms and conditions including price that users require to meet the immediate requirements.

Table 11: Threshold Matrix for Framework Agreement.

	Procurement Method	Maximum or minimum level of expenditure allowed for the use of a particular procurement method			Segregation of duties for different officers and committees in the procurement cycle under section 45 of part V of the Act			
		Goods	Works	Services	Person responsible for procurement initiation	Body responsible for the awarding of the contract	Person responsible for Signing the contract	Verification of goods, services or works
(i)	Framework agreement *(s114 of the Act)*	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	No Minimum or Maximum expenditure under this method provided the conditions under this section are met	Head of User Department in consultation with the Vice Chancellor	Vice Chancellor	Vice Chancellor	Vice Chancellor or his/her appointee in writing

7.0 INVENTORY MANAGEMENT AND CONTROL

7.1 Inspection and Acceptance of Goods, Works and Services

a) The Inspection and Acceptance appointed by the Vice Chancellor should also carry out inspection and acceptance of goods, works and services procured as to ensure compliance with the terms and specifications in the contract. The inspection and acceptance committee shall immediately after the delivery of the goods, works or services—

   i. inspect and where necessary, test the goods received;
   ii. inspect and review the goods, works or services in order to ensure compliance with the terms and specifications of the contract; and
   iii. accept or reject, on behalf of the procuring entity, the delivered goods, works or services.

b) The inspection and acceptance committee shall—

   i. ensure that the correct quantity of the goods is received;
   ii. ensure that the goods, works or services meet the technical standards defined in the contract;
   iii. ensure that the goods, works or services have been delivered or completed on time, or that any delay has been noted;
   iv. ensure that all required manuals or documentation has been received; and
   v. issue interim or completion certificates or goods received notes, as appropriate and in accordance with the contract.

7.2 Inspection and Acceptance Procedures for Consultancy Services

a) The University shall use an administrative Committee comprising of the User and the Procurement Department to inspect a consultancy contract depending on the type and circumstances of the consultancy's contract.

b) This will clearly be stated in the contract and in the RFP document.

c) Under any of the procurement method for consulting services the functions of the Inspection and Acceptance Committee shall include:

   i. Verify that the Head of the End User Department has endorsed the Service Provided.
   ii. Inspect, verify and ascertain that the services, and other products such as reports, maps, plans, manuals, designs, etc. have been delivered in accordance with the terms of reference and the specifications of the Contract;
   iii. Verify that the quantities delivered, where relevant, are consistent with the quantities indicated on the contract such as man days, number of copies, etc.
   iv. Ensure that the Procuring Entity does not receive less value than contracted for or services that are of different quality than was contracted for;
   v. Declare provisional or definitive acceptance of services where appropriate;

7.3 Receiving and Issuing of Stock Items

a) The Stores Officer shall fill the Goods Received Notes for all the goods accepted by the Inspection and Acceptance Committee immediately after receiving the signed Inspection and Acceptance Certificate.
b) For stock items (consumables stored at the stores) the Stores Officer shall post them in the Ledger book and in the computerized system to update the stock levels.
c) The HoDs should request for common user items from the stores using the Internal Requisition in the ERP system.
d) For direct user items the Stores Officer shall issue directly to the User Department based on the requirements filled in Internal Requisition in the ERP system.

e) When not in use the ledgers should be kept under lock and key in a safe place.
f) The Stores Ledgers must be closed and balanced on the last day of each financial year and whenever a survey or handing over takes place.
g) The Stores Officer should calculate the re-order levels for different items in the store to ensure that the User Requisitions for replenishing are raised in good time to avoid stock out and overstocking.

7.4 Stores Management and Stock Control

a) For purposes of stock replenishment, inventories may be considered to be composed of active inventory which is that portion carried to satisfy average expected demand, and safety stock which is that portion carried for protection against stock depletion occurring when demand exceeds average expected demand, or when lead time is longer than anticipated.
b) In establishing active stores levels, consideration should be given to the average demand of individual items, space availability, procurement costs, and inventory carrying costs.
c) In establishing safety stock levels, consideration should be given to demand and lead time fluctuations, essentiality of items, and the additional costs required to achieve additional availability.
d) Some of the duties and responsibilities of the Officer in-charge of the stores include:
   i. Ensure that the store-rooms are kept clean, properly ventilated and in good condition and that the stores are well arranged and easy to access;
   ii. Inspect the store regularly and report to the HoD Procurement Department any case of loss, leakage, damage or deterioration;
   iii. Report half-yearly in writing to the HoD Procurement Department of any obsolete or unserviceable stores;

iv. Examine frequently the locks of doors and fastenings of windows; he/she will not permit the store-rooms to remain unattended when open for any purpose and will be solely responsible for the keys of all store-rooms and buildings and will not delegate the duty of locking up the rooms to any unauthorized person;

v. Ensure the stores are properly stored, frequently examined and adequately protected. In particular, clothing and other stores subjected to deterioration by dampness or insects should be frequently examined and not be placed on the floor. Fluids contained in tins or drums should, whenever possible, be stored off the ground to enable leakage to be readily detected;

vi. Apply good storage and preservation practices for all store items.

vii. Ensure damaged and expired stores for condemnation should be kept separately from unused stores;

viii. All stores of highly inflammable or explosive nature are kept in a separate storeroom;

ix. Ensure issues are made on first in first out basis;

x. Ensure that stores are not allowed to expire through lapse of the shelf life;

xi. Bin cards are properly kept for each item of stores and placed on or near the respective item;

xii. Ensure notices prohibiting smoking are prominently exhibited within the stores premises;

xiii. Ensure access to the stores is restricted; and

xiv. Be responsible for the safe custody of all empty cases, drums, tins and packing materials that may be of any value and quantity records in respect of such items are kept.

e) Stores are classified into the following major categories.

i. Permanent Stores

ii. Consumable Stores

iii. Expendable items

f) Permanent items are those items which have a long life and also are expensive. When in use they are expected to be maintained and when they become unserviceable they are also expected to have salvage value and they should be disposed off in accordance with the provisions of the Act and the Regulations. For the purpose of this manual permanent items are those items with a value of KES.500,000 and an expected life of 2 years.

g) When permanent items are issued from the stores after they are procured and inspected and accepted by Inspection and Acceptance Committee, the officer to who they are issued should enter them into an office inventory, use them and take care of them up to the time of their disposal. The stores staff shall also keep a master inventory of all such items and the items shall only be written off the records on disposal.

h) Consumable items are those items whose nature changes in use or are consumed and are therefore issued only once and they are not to be entered into any inventory. Such items shall include, stationery, foodstuff, drugs, fuel etc.

i) All other items which are procured and cannot be classified as permanent or consumable shall be placed in a class of their own i.e. expendable items.

j) The management of expendable items is similar to that of permanent items. Such items include tools, cutlery, bulbs, tube lights, rulers, staplers, lamps etc.

7.5 Stock Taking

a) The Head, Procurement Department shall coordinate quarterly and annual stock taking every financial Year to verify stock levels.

b) The officers carrying out the stock taking should be at least three including the Stores in-charge and representatives from Finance and Internal Audit.
c) A stock taking report, should be prepared where any surpluses or deficiencies should be documented.
d) The stores officer concerned will sign the form indicating his/her acceptance of the surpluses or deficiencies and the possible causes of the same.
e) The Stock taking report together with a remedial work plan will be forwarded to the Vice Chancellor.

8.0 CONTRACT MANAGEMENT

A procurement Contract is a written agreement between the University and a supplier, contractor or consultant which is enforceable by law.

In a procuring contract the contractor has the responsibility of performing the contract as per the terms and conditions of the contract whereas the University has the responsibility of meeting its obligation of paying the contractor as per terms and conditions of the contract.

Contract management as discussed in this manual is therefore the process of ensuring that both parties perform and meet their obligations and satisfy the key objectives of the procurement function.

8.1 Contract Records

a) The Procurement Department shall ensure that contract records are well maintained by opening an individual file for each procurement
b) The Procurement file which is important in the management of a procurement contract is opened for the purpose of processing the procurement before the contract is awarded. The file should contain: -
    i. Procurement initiation requisition.

ii. All correspondence on the procurement.
iii. Bid document.
iv. Bids received.
v. Evaluation and award of the contract.
vi. Information on the award of the contract and particulars of the contract.

c) After the award of the contract additional information is input into the file such as:-
   i. Signed original procurement contract.
   ii. Any signed modifications to the contract.
   iii. Contract correspondence between the parties.
   iv. Information on the performance.
   v. Correspondence on the contract.
   vi. Management progress reports
   vii. Minutes of meetings of project team
   viii. Payment records and close up documents
   ix. Copy of performance security (where required)
   x. Any other relevant information.

8.2 Contract Administration

a) The Vice Chancellor or his or her appointed representative shall be responsible for ensuring that the goods, works and services are of the right quality and quantity.
b) The Head of Procurement shall be responsible for assisting the Vice Chancellor to confirm the right quality and quantity of goods, works and services have been delivered to the University and shall issue a certificate of acceptance to the Vice Chancellor except where technical specifications are from another technical department or professionals engaged to work on behalf of the Vice Chancellor.

c) Where goods, works and services under 6.2.2 are of technical nature and the specifications were provided by a technical department or professionals engaged to work on behalf of the Vice Chancellor, that technical department or professionals engaged to work on behalf of the Vice Chancellor shall be responsible for confirming the right quality and quantity of goods, works or services have been delivered and issue a certificate to the recipient Vice Chancellor.

8.3 Contract Implementation Team

a) For every complex and specialized procurement contract, the Vice Chancellor shall appoint a contract implementation team which shall include members from the procurement department, and the requisitioned, the relevant technical department and a consultant where applicable.

b) For the purpose of managing complex and specialized procurement contracts the contract implementation team shall be responsible for —

i. monitoring the performance of the contractor, to ensure that all delivery or performance obligations are met or appropriate action taken by the University in the event of obligations not being met;

ii. ensure that the contractor submits all required documentation as specified in the tendering documents, the contract and as required by law;

iii. ensure that the University meets all its payment and other obligations on time and in accordance with the contract.

iv. ensure that there is right quality and within the time frame, where required;

v. review any contract variation requests and make recommendations to the respective tender awarding authority for considerations and such reviews for variation shall be clearly justified by the technical department in writing backed by supporting evidence and submitted to the Head of Procurement for processing;

vi. manage handover or acceptance procedures as prescribed;

vii. make recommendations for contract termination, where appropriate;

viii. ensure that the contract is complete, prior to closing the contract file including all handover procedures, transfers of title if need be and that the final retention payment has been made;

ix. ensure that all contract administration records are complete, up to date, filed and archived as required; and

x. ensure that the contractor acts in accordance with the provisions of the contract;

xi. ensure discharge of performance guarantee where required.

c) The Vice Chancellor entity may co-opt a member of the contract implementation team from another procuring entity or outsource.

8.4 Contract Variations

a) The Vice Chancellor, on the recommendation of an evaluation committee, may approve the request for the following, which request shall be accompanied by a certificate from the tenderer making a justification for such cost —

   i. extension of contract period;
   ii. use of prime costs;
   iii. use of contingencies;
   iv. reimbursable costs; and
   v. use of provisional sums.

b) No contract price shall be varied upwards within twelve months from the date of the signing of the contract.

c) Any variation of a contract shall be considered if the following are satisfied:

i. The price variation is based on the prevailing consumer price index obtained from Kenya National Bureau of Statistics;
ii. The quantity variation for goods does not exceed fifteen (15%) percent of the original contract quantity;
iii. The price or quantity variation is to be executed within the period of the contract;
iv. The cumulative value of all contract variations for goods does not result in an increment of the total contract price by more than twenty (25%) five percent of the original contract price; and
v. The cumulative value of professional services does not result in an increment of the total contract price by more than twenty (25%) five percent of the original contract price.

d) The Vice Chancellor shall submit a quarterly report of their varied or amended procurement contracts to the Authority.
e) Where variations result in an increment of the contract price by more than twenty-five percent, such variations shall be tendered for separately.
f) Approval of all contract variations are subject to the approval of the Vice Chancellor upon submission of a report by the Head of Procurement with supporting justifications.

8.5 Contract Monitoring

a) Monthly monitoring reports shall be prepared by the Contract Implementation Committee and submitted to the Vice-chancellor through the Head of Procurement.
b) The Head of Procurement shall prepare monthly progress reports of all procurement contracts of the procuring entity and submit them to the Vice Chancellor.

8.6 Termination of Contract

a) A contract document shall specify the grounds on which the contract may be terminated and specify the procedures applicable on termination.

b) The Head of Procurement shall obtain the approval of the Vice Chancellor prior to terminating the contract and the request for approval shall clearly state the reasons for terminating and the contractual cost of the termination.

c) The Vice Chancellor shall be required to terminate a contract within a reasonable time when it becomes apparent that a contract is frustrated based on the evidence from the contract implementation team pursuant to section 151(2)(a) and (g) of the Act.

d) The University shall seek legal advice or clearance from the Attorney-General or such person designated in writing by the Attorney- General before terminating a contract under the Act or these Regulations.

e) All terminated contracts shall be reported to the Authority on a quarterly basis.

8.7 Contract Close Out

8.1.1. The Vice Chancellor shall close out a procurement contract immediately after completion and the close out shall involve the following —

i. the Head of Procurement shall issue a certificate to the contractor confirming delivery and acceptance of goods, works and services, where the contract is not complex and specialized;

ii. where contract under (a) above is complex and specialized, the technical department will issue a certificate to the Vice Chancellor confirming the quality and quantity of such goods, works and services;

iii. further guidelines for the receipt of goods, works and services shall be as prescribed in the regulations.

8.8 Payments To Contractors

a) Upon successful fulfillment of the contractor's obligations the University is committed to fulfill its contractual agreement of making payment.

b) Payments should not be made unless the invoice or the fee note is accurate and also submitted in accordance with the provisions of the contract.

9.0 DISPOSAL OF IDLE, SURPLUS, UNSERVICEABLE AND OBSOLETE ASSETS

An asset is defined as a movable and immovable property, tangible and intangible, including immovable property stores, equipment, shares, intellectual rights vested in the state or proprietary right.

For greater clarity where fixed assets like buildings are condemned and are to be disposed of, they shall be disposed of under this part but the land on which they stand is not to be disposed of. Further clarification, land, shares and rights are not to be disposed of under this part.

The User Department shall have the responsibility of identification of items to be disposed off.

9.1 Disposal Committee

a) The Vice Chancellor shall appoint the Disposal Committee comprising of at least five members as follows~:

i. The officer in charge of finance;

ii. The head of the procurement Department who shall be the Secretary;

iii. The head of the accounting Department (Officer In~Charge of the Assets); and

iv. Two heads of end user Departments, of whom one shall be the head of the end~user Department disposing of the stores or equipment.

b) The disposal committee shall select a chairperson from amongst its members and must meet within fourteen days of its appointment and subsequently at least once in every quarter.

c) The Disposal Committee recommends to the Vice Chancellor the disposal method.

d) The Vice Chancellor has the final authority of accepting or rejecting the recommendations of the disposal committee.

e) The Disposal Committee is responsible for the valuation of the items indicated in the disposal plan. Where the University has no capacity to value the items for disposal it may use the services of another Procuring Entity or a registered valuer

9.2 Disposal Plan

a) The User Department shall be responsible for identifying any items which are due for disposal and where possible assemble them together.

b) The lists of all items identified for disposal shall be submitted to the Procurement Department at the beginning of each Financial Year. These submissions shall form the basis of the annual disposal plan.

c) The annual disposal plan shall be prepared by the Disposal Committee in consultation with the head of the Procurement Department and the heads of User Departments. The annual disposal plan should include:

  i. A detailed breakdown of the stores, assets and equipment to be disposed of;
  ii. A schedule of the disposal;
  iii. An indication of the justification for disposal;
  iv. An estimate of the value of each store, asset or equipment;
  v. A reference to the asset register or records of the stores;
  vi. An indication of the method of disposal envisaged for each disposal requirement, including any need for pre-qualification, and the

anticipated time for the complete disposal cycle, taking into account the applicable approval requirements;

vii. An indication of whether the disposal of the stores, assets or equipment will be managed by the University or any special agency designated or hired;

viii. An indication of the resources available for managing the disposal workload.

9.3 Methods of Disposal

a) Subject to specific conditions, the University may choose any of the methods of disposal provided in the Act which are: -

i. Transfer to another public entity

ii. Sale by open tender

iii. Sale by public auction

iv. Destruction, dumping or burying

v. Trade in

vi. Disposal to Public Service Officer

b) Prior to commencement of the disposal process the University should ensure that funds have been set aside to support the disposal activities such as:-

i. Valuation of stores, assets or equipment;

ii. Consultancy costs for preparation of a disposal proposal;

iii. Disposal proceedings management and supervision costs in the case that a disposal agent may be hired; or

iv. Costs relating to facilities, services or resources to be provided, such as office space or communication facilities for consultants or counterpart staff, access to the stores, assets and equipment in the case of pre-bid site visits and conferences.

v. Publication of notices.

9.4 Transfer to another Public Entity

a) As defined in Section 3 of the Act transfer to another public entity method of disposal shall apply only when the University disposes off stores, assets or equipment to another Procuring Entity.

b) The transfer may be as a result of a request by the receiving entity or the proposal by the University through the Disposal Committee.

c) Disposal Committee should clearly justify the transfer when preparing the disposal recommendations to the Vice Chancellor.

d) The receiving entity may pay an agreed amount of money for the items or may be issued with the items free of charge.

e) Where disposal is through transfer to another public entity free of charge, the approval of the Vice Chancellor shall be adequate and the approval of the Vice Chancellor shall not be required.

f) Where the transfer is subject to payment of any money the transfer shall be effected only after the money has been paid to the University and it is also subject to approval by the Vice Chancellor.

9.5 Sale by Open Tender

a) Like all the other methods of disposal the method must be approved by the Vice Chancellor following the recommendation of the Disposal Committee.

b) Where the University conducts disposal using sale by open tender, the advertisement and evaluation process shall be done as in the case of procurement by open tender.

1) Inviting Bids

Invitation to tender notices for disposal must however include:

a) The nature of the disposal requirement, including the quantity and / or dimensions of stores, assets and equipment and the location and timetable for disposing of the stores, assets and equipment to the selected bidder;
b) A statement of any key technical requirements, qualification requirements and evaluation criteria, such as evidence of qualification to dispose of the stores, assets or equipment in the context of public health and safety and environmental protection or the application of a margin of preference;
c) Instructions on any pre-bid conference, site visits, access to stores, assets and equipment for potential bidders to assess the conditions, specifications and value of those;

   The invitation to tender notice should be published at least once in a daily newspaper, which must be of nation-wide circulation to reach sufficient bidders to ensure effective competition.

2) Bid documents

The Head Procurement shall prepare the appropriate standard disposal bidding document issued by the Authority which should provide bidders with all the information that they require in order to submit bids. In particular, the disposal bidding documents should include:

a) A clear description of the stores, assets or equipment;
b) An indication of the reserve price where the University decides to use it;
c) Instructions on the preparation of bids, including any standard forms to be submitted and the documentary evidence and information required from bidders;
d) Instructions on participation to pre-bid conferences, site visits and on access to the stores, assets or equipment such a dates, time and conditions;
e) Information on the methodology for the evaluation of bids, any evaluation criteria to be applied and the manner in which the criteria should be applied;

f) The type of contract to be awarded;
g) The terms and conditions of the proposed contract; and
h) The University may consider asking for deposits to deter irresponsible bids and encourage bidders to fulfil the conditions of their bids. The bidding documents shall state the required deposit.
i) The tenderer shall put a deposit for every item tendered for in the amount indicated in the schedule of items and prices, to the Bank account indicated in the bid document.

Pre-bid Conferences and Site Visits for the Public Tender Sale Method

The University shall organize pre-bid conference / site visit in order to brief potential bidders or to offer the opportunity for them to seek clarifications; and/or to enable bidders to gain access to the stores, access or equipment and make their own evaluation of the price.

a) The date of any pre-bid conference or site visit should be sufficiently early in the bidding period, to enable bidders to take the information into account in preparing their bids, but should not be so early as to make attendance difficult for any potential bidders.
b) The Procurement Department shall prepare minutes of any pre-bid conference and send them to all bidders to whom the bidding documents have been issued. The minutes should include all information provided as part of any briefing, details of any clarifications requested, but without identifying the source of the inquiry and the details of responses provided to clarifications.
c) Following any pre-bid conference or site visit, the University shall, where required, issue clarifications or amend the bidding document through addendum.

3) Opening of the Tender documents

a) Opening of the bid documents shall be by a bid opening committee appointed by the Disposal Committee from among its members which shall not have less than three members.

b) All bids opened should be stamped on key pages and signed or initialed by all the members of the opening committee.

c) The Procurement Department/ Secretariat to the bid opening committee should prepare minutes of the bid opening, which should be kept as part of the disposal record.

d) Bidders' representatives attending the bid opening should be requested to sign an attendance register.

4) Evaluation Methodology of Disposal Tenders

a) The Disposal Committee shall evaluate the bids

b) The methodology for the evaluation of bids should consist of eligibility of the bidder and compliance with the conditions of sale and the bid price quoted.

c) The contracts shall be awarded to the highest evaluated bid price for each item or lot subject to the reserved price.

5) Contract Award

a) The Vice Chancellor shall award the contracts taking into consideration the evaluation report and the agenda prepared by the secretariat.

b) The bidders shall be given a period of fourteen days from the date of notification of award within which to pay and collect the items failure to which the contract award shall lapse upon which the bidder shall forfeit the deposit and the items shall be offered to the next highest evaluated bidder.

c) The items sold shall be written off in the Asset Register

9.6 Sale by Public Auction

a) To carry out Public Auction the Procurement Department ensure that the method has been approved by the Vice Chancellor upon recommendation of the Disposal Committee.

b) The auction shall be conducted by a registered auctioneer contracted by the University whose procurement of the auctioneer services shall also be through the normal procurement process.

Inviting Bids under the Public Auction Sale Method

a) The University shall ensure the procurement of services of a registered auctioneer with valid licenses through a competitive process to conduct public auctions
b) The University shall invite bids through the publication of an announcement of auction sale inviting all potential bidders to participate in the sale.

An auction notice shall include the following—

(i) the name, address and contact details of a procuring entity;

(ii) the nature of the disposal requirement, including the description and quantity of stores, assets and equipment;

(iii) the location and timetable for disposing of the stores, assets and equipment;

(iv) a statement of any key eligibility requirements to participate in the auction sale, such as official identification paper for individuals, company registration, cash or bank draft, evidence of qualification to dispose of the stores, assets or equipment in the context of public health and safety and environmental protection;

(v) instructions on the location and time of the auction; and

(vi) name and address of the auctioneer contracted.

c) Bidders participating in the public auction shall be required to produce evidence of having paid the required deposit.

(d) Disposal of items with potential environmental, health and safety or security concerns shall be in accordance with the applicable Acts of Parliament.

(e) The notice period for sale by public auction method shall be a minimum of fourteen days.

(f)Bidders who provided auction deposits shall be given auction bidding numbers which they shall be stating when announcing their bids.

(g)A public auction shall be conducted professionally with all the participating bidders being given fair chances to bid up to the time the highest bidder is determined.

(h)The participating bidders shall obtain copies of the public auction list The deposit shall be placed for each item or lot of the auction.

(i)The auction deposit shall not exceed ten per cent of the total cost of the estimated value of the auction item or lot.

(j)The auctioneer shall have staff who shall keep the record of the winning bidders and shall register the second highest bidder per item or lot.

(k) A procuring entity shall also have its own staff who shall also keep the same record of the winning bidders and shall register the second highest bidder per item or lot.

(l) At the end of the public auction the two lists of winners shall be tallied and signed by the representatives of the auctioneer and the procuring entity.

(m) The successful bidders in the public auction shall be given a period of at least fourteen days from the date of the public auction to pay for the items and take possession of them and remove them from the procuring entity's premises.

(n) Where the successful bidder fails to meet the requirements, the bidder shall forfeit the bid deposit and the items may be offered to the second highest bidder.

9.7 Waste Disposal Management

(a) The Vice Chancellor shall comply with the procedure under regulation 194 on public notice, while using waste disposal management method.

(b) The documents, procedures and approvals required for waste disposal management shall be obtained from the relevant public agencies allowing a procuring entity to dispose those items that are harmful and unfriendly to the environment.

(c) The user department shall conduct an assessment to determine the capability of disposing off the stores, assets or equipment itself or if it should seek the assistance of competent agencies.

(d) Subject to the approval of the Authority, the Vice Chancellor may transfer an asset disposal proceeding to another procuring entity with necessary competence and capacity to carry out the disposal process on its behalf where—

(i) it demonstrates lack of internal capacity; and

(ii) there exists another public entity with that capacity.

(e) Where an accounting officer has transferred the disposal proceedings, the other procuring entity shall provide evidence that the disposal was done in accordance with the relevant laws and provisions of the Act.

(f) Where an accounting officer has transferred the disposal responsibility to another accounting officer, the two accounting officers shall sign an agreement spelling out each entity's responsibilities.

(g) The disposal committee shall give justification and recommendations to dispose off the stores, assets or equipment or the use of the waste disposal management method to the accounting officer.

(h) Upon execution of waste disposal management, Vice Chancellor shall obtain a certificate duly signed and issued by the disposing public entity or disposal agent

9.8 Trade-in

a) The Vice Chancellor may use trade-in as a method of disposal of unserviceable, obsolete or obsolescence or surplus stores, assets and equipment.

b) Prior to initiating trade-in disposal procedure, VC shall ensure compliance with the Act and these Regulations.

c)The user department shall justify the use of the trade-in disposal procedure and submit its recommendations to the accounting officer for approval through the head of procurement function.

(d)Any justification for the use of trade-in method applied by the University shall arise from a combination of the need to procure and the need to dispose the stores, assets and equipment.

(e)The disposal of stores, assets and equipment shall be a means of obtaining discount as part of a disposal requirement.

(f) A cost-benefit analysis shall be used to demonstrate the transfer advantage compared to other methods of disposal.

(g)A disposal requirement executed using the trade-in method shall be linked directly to a procurement requirement as reflected in the procurement plan

(h)A trade-in may be initiated and negotiated with a selected bidder of a procurement requirement through a direct procurement subject to justification and approval

(i)Where direct procurement is used by a procuring entity, the value of the item to be traded-in shall be negotiated by the parties.

(j) The University may also open a trade-in procedure to all bidders participating in the procurement in which case the bidders shall quote the value of the items to be traded-in.

(k)Upon receipt of bids, a disposal committee shall conduct an assessment on the cost and benefits of the trade-in method to establish the following—

(i) costs of trade-in if different from procurement requirement transaction costs;

(ii) transaction costs without trade-in, such as sales or destruction;

(iii) comparison of the estimated sale value of the stores, assets or equipment with the estimated discount as part of the procurement requirement; or

(iv) any other considerations that may inform the decision of the disposal committee to ensure value for money.

(l) The disposal committee shall prepare an evaluation report for submission to the accounting officer through the head of the procurement function.

(m) The evaluation report shall include—

(i) a summary of the cost benefit analysis;

(ii) the results of the evaluation;

(iii) a recommendation on the trade-in or other disposal method to be used;

(iv) the current condition of the asset;

(v) reserve price to be applied as part of the procurement process; and

(vi) any other relevant information.

(n) The disposal committee of a procuring entity shall establish a reserve price in the case of trade-in below which the stores, assets or equipment may not be disposed of.

(o) The reserve price shall be disclosed to the bidders.

(p) The University may negotiate with the selected bidder of the procurement proceedings where the reserve price is not accepted.

(q) The negotiations shall not affect the reserve price.

(r) Where the negotiations do not result in an agreement, the University shall cancel all disposal proceedings, subject to approval by the VC.

(s)The disposal committee conducting the negotiations shall prepare minutes of the negotiations, which shall form part of the record of the disposal and shall obtain the other party's written agreement that the minutes are a true and accurate record of the negotiations held

9.9 Disposal to Employees

(1) The University may dispose off unserviceable, obsolete stores, assets and equipment to an employee of a procuring entity, or a member of a board or committee of a public entity where—

(a) the time and cost required to dispose to any other person is disproportionate to the value of the unserviceable, obsolete obsolescence stores and equipment to be disposed;

(b) the employee is in possession of the stores item or equipment to be disposed and may be given the first priority to purchase the same;

(c) assets, stores and equipment are to be disposed of by taking into consideration the net book value or minimum acceptable price set by the technical expert under section 164(3) of the Act, where applicable, at the time of disposal based on government policy.

(2) The disposal committee shall set the reserve price for each item to be disposed.

(3) For greater certainty, employees of a public entity are allowed to participate in disposal processes through public tender and auction provided the employee is not directly involved in the disposal proceeding.

(4) Every disposal made to employees, shall be reported by the VC to the Authority within thirty days of the disposal.,

10.0 REGISTRATION OF SUPPLIERS/SERVICE PROVIDERS

The University shall maintain a standing list of registered suppliers in various categories of goods, works and services. This list shall be improved from time to time to ensure that the University has suppliers and service providers to whom Request for Quotations, Request for Proposals, Restricted Tenders can be sourced.

The University may consolidate its list of registered suppliers through advertising in the media or through sourcing from a duly approved list from another Public Entity.

The head of Procurement Department shall maintain and continuously update lists of registered suppliers, contractors and consultants in various specific categories of goods, works or services according to its procurement needs.

The University may use register list of another State organ or public entity whenever the University's list does not suffice.

11.0 MANUAL REVIEW

Procurement and Assets Disposal Manual shall be rewiewed if there are developments in any area related to the content herein.

12.0 EFFECTIVE DATE

This Procurement and Assets Disposal Manual shall be operational effectively from the date of approval by Council.