

Policy #	AD-500	Revision #	03
Accessibility level	A	Effective date	Jan 20, 2021

1. Purpose

- 1.1. Procurement unit provide the university with supplies and purchases, including requesting quotes and purchases, concluding contracts, insuring property, storing the materials and supplies, safe keeping, and disbursing them.
- 1.2. The procurement unit communicates with the sources of supplying supplies inside and outside the Kingdom, providing the procurement committee and the requester with the information available from those sources.
- 1.3. Ensure the availability of allocations in the university budget through the Financial Department.

This policy sets the rule and regulations governing the functions of the procurement processes.

2. Definitions

Except for what is not stipulated here, or what is not related to the content, the following words and expressions refer to the description:

- 2.1. **University administration:** University President or Chancellor.
- 2.2. **Fixed Assets:** all capital expenditures (CAPIX) are considered fixed assets.
- 2.3. **Purchases:** The items, licenses, or services that are purchased.
- 2.4. **Library materials:** Books, documents, manuscripts, maps, university letters, films, slides, photos, discs, tapes, and the necessary software for the library.
- 2.5. **Works:** Construction and maintenance of buildings, roads, and engineering facilities, and their maintenance. This encompass conducting studies, designs for these works, supervising their implementation, handover and operation, and all that is necessary of equipment, materials, laboratory supplies, and the technical or professional services related to works.
- 2.6. **Bid:** An offer/proposal submitted by a supplier for the delivery, installation and training or by a contractor carry out the works or services in accordance to the terms of the request for proposals.
- 2.7. **Bidder:** Any person or legal entity submitting a Quotation to participate in bids for supplies, purchases, services or works.
- 2.8. **Contractor or Supplier:** Any person or legal entity to whom the bid was assigned to supply supplies or office materials, or the bid for construction or maintenance works.
- 2.9. **Consultant:** Anyone providing technical services related to works, services, and supplies.
- 2.10. **Committee:** Central Procurement Committee
- 2.11. **Price:** The value of supplies and materials, or the cost of works, as the case may be.
- 2.12. **Requester:** The college or department concerned with the bid.
- 2.13. **VAT:** value-added tax
- 2.14. **VAT number:** The number on the purchase invoice indicating that the supplier is subjected to VAT.

PROCUREMENT POLICY

Policy #	AD-500	Revision #	03
Accessibility level	A	Effective date	Jan 20, 2021

3. Policy

- 3.1. It is not permissible to make any purchase or to enter into a contract or agreement without an approved purchase request and the proper allocation of funds in the budget.
- 3.2. The requester submits a purchase request to the procurement department, before a period sufficient to carry out the procurement procedures. Technical specifications must be attached to the purchase request.
- 3.3. Getting price quotations: Only the companies registered in VAT are allowed to submit quotations (bids), and the University President or Chancellor may make an exception based on the directives of the Central Procurement Committee.
- 3.4. It is not permissible to split the purchase request for homogeneous supplies.
- 3.5. The purchasing authorities are as follows:
 - A. Purchases that cost up to 5,000 SR: the authorities of the Vice Chancellor for Financial and Administration affairs. No quotations are required for purchases whose cost is less than SR 5,000.
 - B. Purchases whose cost ranges from 5,000 to 10,000 SR: the authority of the Chancellor. The purchase is made from approved suppliers of consumables that enter the warehouse without having to obtain quotations. Otherwise, at least 3 quotations are required.
 - C. Purchases whose cost ranges from 10,000 to 1,000,000 SR: the authority of the Chancellor according to the recommendations of the Central Procurement Committee after evaluating at least 3 quotations.
 - D. Purchases whose cost ranges from 1,000,000 to 10,000,000 SR: the authority of the University Council according to the recommendations of a special procurement committee formed by the council to review the bid documents and make its recommendations.
 - E. Purchases that cost over 10,000,000 SR: the authorities of the Board of Trustees upon the recommendations of the Central Procurement Committee and the University Council.
- 3.6. The Central Procurement Committee is formed at the beginning of each academic year by a decision of the University Council. The committee consists of at least five members headed by the vice chancellor for administrative and financial affairs and include in its membership the director of procurement, the financial director, and a representative of the requester.
- 3.7. The Central Procurement Committee holds its meetings upon an invitation from the Procurement Department Director whenever the need arises. Committee meetings must be attended by its chair or his deputy (in the event of his/her absence) and the majority of its members, provided that one of them is the representative of the requester. The committee takes its decisions by a two-thirds majority.

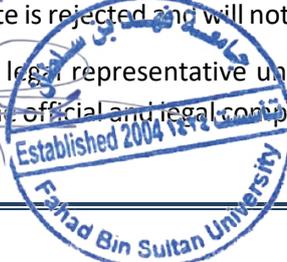


PROCUREMENT POLICY

Policy #	AD-500	Revision #	03
Accessibility level	A	Effective date	Jan 20, 2021

- 3.8. The Central Procurement Committee shall be responsible for reviewing all bids and selecting the best value bidder for all purchases of estimated cost in excess of (10,000) ten thousand riyals. The committee decision shall be subjected to the approval of:
- The Chancellor, if the price does not exceed (1,000,000) one million riyals.
 - The University Council if the price does not exceed (10,000,000) ten million riyals
 - The Board of Trustees if the price exceeds an amount of (10,000,000) ten million riyals
- 3.9. The Central Procurement Committee may purchase supplies, equipment, office materials, or works that its value does not exceed (100,000) one hundred thousand riyals by negotiating with contractors without bidding, in any of the following cases:
- In emergencies and exceptional case assessed by the Chancellor to require urgent actions and measures that cannot be postponed.
 - To obtain specialized technical or engineering services, or to use professional services or scientific experiences for only one agency has the required competence.
 - If the purchase must be from a specific solo source based on a binding legal text or according to a binding loan or agreement.
- 3.10. The general and special conditions (terms of reference) are prepared jointly by the Central Procurement Committee and the requester to include the following:
- Prices for bidding documents, if any, and all matters related to the bidding procedures including required qualifications of bidders, schedule for site visits if any, submittal of bids, and deadline for receiving bids.
 - The value of the bid bond, if any,
 - The value of performance and maintenance bond.
 - Deliverables and their time schedule.
 - Contract period and delay damages.
 - Payments conditions and schedule of payments.
- 3.11. It is not permissible for the members of the committee or any person from the university's affiliates or whoever is recruited by the committee to contact any of the bidders without the authorization of the Central Procurement Committee.
- 3.12. Participation in bidding of university employees or their first-degree relatives:
- It is not permissible for any of the employees of the university or first-degree relatives to participate in any bid, to provide supplies or materials, or to carry out works for the university.
 - It is not permissible for any employ with a family or affinity relationship to the bidder to participate in evaluating and referring any bid, purchasing supplies or materials, or carrying out works.
- 3.13. Any offer submitted after the submittal deadline date is rejected and will not be considered.

- 3.14. The offer must be signed by the bidder or his/her legal representative under a power of attorney attached to the tender and must include the official and legal company documents and the tax register.



PROCUREMENT POLICY

Policy #	AD-500	Revision #	03
Accessibility level	A	Effective date	Jan 20, 2021

- 3.15. The Central Procurement Committee may seek the assistance of an expert, technician, or specialist from the university or an outsider, to study the tender, analyze the offers, or any other topic that falls within their specialization.
- 3.16. The Central Procurement Committee shall adhere, upon referral, to the best responsive bidder that meets the following conditions:
- General and Special Contract Conditions.
 - Prices considering the required level of quality.
 - Ability to provide the required bonds and warranties.
 - The possibility of implementation within the contract period.
 - The ability to carry out the required work according to the conditions and specifications.
- 3.17. If the Central Procurement Committee finds that the prices presented in all bids are high in comparison with the estimated cost, are unbalanced in violate the conditions of the contract, it must take one of the following measures:-
- Negotiate directly with the bidder who is closest to the established estimates to obtain the price it deems appropriate,
 - Cancel the bid and negotiate directly with those who participated in it, and/or with others, to obtain the appropriate prices and conditions, or
 - Cancel the bid and retender it after reviewing the specifications and conditions by the requesting party.
- 3.18. The contractor/supplier may not assign the contract, or any part of it, to any other entity without the written approval of the Procurement Committee stating the required conditions and guarantees, provided that the approval of the Procurement Committee is certified by the proper purchase approval authorized.
- 3.19. If the purchase consists of providing services for an extended period of more than a month, the services provided are evaluated periodically by the recipient of the service and upon the end of the contract period in terms of quality according to the signed agreement. The recipient of the services shall prepare and submit a report to the procurement department summarizing the quality of the provided services and the costs additional services if any.
- 3.20. All contracts entered into by the university should be governed by the laws of kingdom of Saudi Arabia. This includes both the governing law and any dispute resolution clauses stipulated in the contract.

4. Related Documents

- Procurement Procedure (AD-500-P1)
- Purchase Request Form (AD-500-F1)
- Purchase Order Form (AD-500-F2)
- Procurement Committee Decision Form (AD-500-F3)
- Bids Evaluation Form (AD-500-F4)

