
PROCUREMENT PROCEDURE

Procurement office

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1 Procurement Procedure

1.1 Objective:

The primary objective of LAU's Procurement Procedure is to ensure that procurement activities are conducted in a transparent, efficient, and ethical manner, ensuring optimal value for the University. The document is designed to comply with best practices, international standards, and the University's internal governance framework. It establishes controls and procedures for the selection of suppliers, purchasing of goods and services, and the monitoring of procurement activities, ensuring compliance, financial prudence, and operational efficiency.

1.2 Scope:

This procedure applies to all employees, end-users, procurement office, suppliers, and other stakeholders involved in the procurement of goods and services for LAU, irrespective of the source of funding.

2 General Principles

- Value for Money:** LAU aims to procure goods and services that offer the best combination of quality, cost, and delivery, with a strong emphasis on economies of scale to maximize overall efficiency and cost-effectiveness.
- Transparency:** The procurement process will be fair, and transparent, ensuring equal opportunities for suppliers and providing clear processes for all stakeholders.
- Accountability:** Roles and responsibilities are clearly defined, with adequate controls to ensure that all decisions are properly authorized and recorded.
- Sustainability and Ethical Sourcing:** Preference will be given to suppliers who are sustainable and socially responsible whenever possible, with a strict requirement for ethical business practice.
- Competition:** Procurement decisions will be made through competitive processes, except where valid exceptions apply, to ensure fair market pricing.
- Securing Budget:** The end user must secure the necessary budget prior to initiating the procurement process, ensuring that all financial requirements are met before proceeding
- Compliance:** LAU shall adhere to all relevant laws and regulations of Lebanon and the United States, including economic sanction programs enforced by the Office of Foreign Assets Control (OFAC).

3 Procurement Office

The mission of the Procurement Office is to professionally, ethically, and efficiently support the purchasing needs of the University. By leveraging technology, streamlining processes, and delivering value-driven services, the Procurement Office enables departments to acquire the necessary goods and services effectively.

3.1 Procurement Office & Responsibilities

The Procurement Office is responsible for the following key functions among others:

- Commodity, Equipment, IT assets, and Service Procurement:** Acquire goods, equipment, IT assets and services requested by campus departments at the most cost-effective price, while maintaining the required quality and ensuring timely delivery to the designated location.
- Maintenance and Renovation:** Facilitate procurement for all maintenance and renovation projects. The Procurement Office administers the entire procurement process to ensure efficiency and compliance.

3. **Market Research:** Conduct active market research by engaging with peers in other institutions or companies, consulting major market players, and utilizing online research. This approach helps to identify key suppliers, emerging products, and new entrants in the market, especially for high-value or frequently purchased items and services.
4. **Vendor List Management:** Maintain and update a comprehensive database of local and international vendors, classifying them based on service quality, responsiveness, and user feedback. This ensures access to a range of reliable suppliers and supports effective vendor evaluation for future procurement needs.
5. **Purchase Order Follow-up:** Monitor purchase orders to ensure that vendors meet delivery obligations and that shipments are promptly received in good condition.
6. **Vendor Correspondence:** Manage all communications with vendors regarding purchases, including price adjustments, returns of defective or incorrect items, additional shipments for shortages, order cancellations, and claims for damages or shortages.
7. **Cost Estimates for Campus Departments:** Provide pricing and cost estimates for materials, equipment, and services to assist campus departments with budgeting and planning.
8. **Product and Supplier Recommendations:** Propose improvements in product quality, availability, or cost efficiency to better meet the University's needs.
9. **Maintain and Update Catalogues:** Regularly manage and update a comprehensive catalogue of approved vendors and products, ensuring accuracy and accessibility for campus departments.
10. **Monitor Supplier Performance:** Review vendor performance and product quality, making necessary adjustments to the catalogue.
11. **Training and Support:** Provide training to staff on effectively using the Oracle iProcurement system.

The Procurement Office is responsible for sourcing vendors and securing competitive pricing. The office organizes bidding committee sessions, conducts price comparisons, and collaborates with the committee to recommend and select suppliers. Throughout the procurement process, the office maintains close coordination with departments to ensure goods and services meet quality standards, are cost-effective, and delivered punctually. Additionally, the Procurement Office manages client/end-user and supplier relationships, oversees contract management, and develops Service Level Agreements (SLAs) to foster strong vendor partnerships and ensure compliance with contractual term.

4 Procurement of Goods & Services

The procurement of goods and services at LAU is conducted to ensure transparency, efficiency, and value for money while adhering to University policies and regulatory requirements. All procurement activities must follow a structured process, including requisition, supplier sourcing, competitive bidding or securing an offer from a single supplier as applicable, contract & agreement management whenever necessary and ordering. Below procurement guidelines ensure that procurement is conducted in the University's best interest, balancing cost, quality, and timely delivery.

4.1 Direct Purchases

- a. Departments may make direct purchases for amounts up to **\$350 before VAT** from preferred supplier list.
- b. Purchases exceeding **\$350 before VAT** must be processed through the Procurement office.

4.2 Workflow

4.2.1 Purchase Requisition (PR)

Departments must submit properly approved Purchase Requisitions (PRs) to the Procurement Office to initiate the procurement process. The PR is prepared by the requesting department through the iProcurement system, sent to the relevant technical department (if applicable) for clearance, and then approved by the immediate supervisor or budget owner. The PR will be reviewed by the Procurement Office, and based on the nature of the goods or services, it will follow the approval routing as outlined below:

- a. **All PR's involving assets, capital budgets, and/or operating budget** items are routed to the immediate supervisor, budget owner, or their delegate for approval.
- b. PR's up to **\$5,000 before VAT** are to be approved by the Chairperson/Director level.
- c. PR's **exceeding \$5,000 up to \$25,000 before VAT** need additional approval by the Dean/AVP level.
- d. PR's **exceeding \$25,000 up to \$100,000 before VAT** need additional approval by the concerned Provost/VP level, VPA and VPF.
- e. PR's **exceeding \$100,000 before VAT** need additional approval by the President.

PRs involving **internally and externally funded projects** follow the standard authorization process and are then sent through the ERP for final budget clearance either through the **Budget Office** (for internally funded and some externally funded projects) or the **Finance Grants & Contracts Office** (for other externally funded projects).

PR's must include proper specifications and be submitted in a timely manner for processing. All PR's requiring technical clearance will go through the appropriate technical department.

4.2.2 Procurement Procedure

The below procedure applies to all purchases:

- **Up to \$2,500 before VAT:** No bidding is required, but proper documentation of the transaction must be maintained by the Procurement Office.
- **Exceeding \$2,500 up to \$7,500 before VAT:** The Procurement office will seek to obtain formal open quotations (RFQ) from qualified suppliers. Verbal quotations are not accepted. The selection of the most suitable bid will be made by the Procurement Office in collaboration with the requesting office and the corresponding technical offices.
- **Exceeding \$7,500 before VAT:** Selection requires review and approval from the University Bidding Committee [Refer to the "[Competitive Bidding Procedure](#)" section below].

For any bid or RFQ, responses from at least three (3) suppliers, either through an open offer or closed bid submission or a formal regret, must be obtained. If only one offer/bid is received, the procurement will follow the "[Bid Process Resulting in Only One Offer](#)"; otherwise, the process will continue.

Procurement of the main item, along with any related accessories or complementary items—provided the accessories do not exceed 10% of the main item's value—may be bundled and awarded to the vendor demonstrating the best overall offer, rather than sourcing each item separately from different suppliers based solely on the best individual cost.

In certain cases, such as limited budget, single supplier situations, or repeated purchases, the Procurement Office may negotiate directly with the lowest compliant bidder or already selected vendor to secure more favorable terms.

4.2.3 Purchase Order (PO)

The Purchase Order serves as a legal and binding document issued once the requesting department defines its requirements and communicates them to the Procurement Office. Approval of Purchase Orders follows this structure:

- Depending on the Procurement Office Structure, the Procurement Manager, Supervisor or Associate can approve all Purchase Orders **up to \$2,500 before VAT** without the need for higher approval.
- Procurement Director: Approves all purchases **exceeding \$2,500 up to \$35,000 before VAT**.
- **Orders exceeding \$35,000 up to \$70,000 before VAT**: Require additional approval by the AVP-BS.
- **Orders exceeding \$70,000 up to \$100,000 before VAT**: Require additional approval by the VPA
- **Orders exceeding \$100,000 before VAT**: Require additional approval by the VPA & VPF as well as the president.

No matter how small their total amount is, Procurement staff are not allowed to approve their own Purchase Order (PO); such approvals must be escalated to a higher authority to ensure transparency and compliance with segregation of duties.

4.3 Contracts

For purchases for which the supplier requests an advance payment that is backed by a collateral, or for purchases exceeding **\$50,000 Before VAT** where delivery is not immediate the Procurement Office in coordination with the General Council Office must issue a contract signed by the supplier, detailing purchase conditions and penalty clauses for deviations. The signature authority for contracts adheres to the same approval brackets as those for Purchase Orders [Refer to section "[Workflow-> Purchase Order \(PO\)](#)"].

Claims against suppliers must be initiated by the Procurement Office in collaboration with the Business Office and the General Council Office (based on feedback from Requesting Office). Any waivers for special commercial considerations require approval from both the VPA and the VPF.

4.4 Service Agreements with individuals

Any individual providing services to the University with a total value exceeding **\$5,000 before VAT** must sign a Service Level Agreement (SLA). This agreement outlines the scope of work, performance standards, deadlines, deliverables, and terms covering payment, confidentiality, penalties for non-performance, and any other relevant conditions. However, if the total value of services does not exceed the **\$5,000** threshold, the ordering office has the flexibility to decide if an SLA is needed based on the requirement of the service. Additionally, if the full payment of the service is to be made post-service delivery, the SLA requirement may be waived. Exception should be justified by the related department head and approved by VPA and VPF.

4.5 Advanced Payment

In certain cases, advance payment may be permitted without a formal contract. This exception applies under the following conditions:

- a. **Trusted Suppliers:** For suppliers with a demonstrated record of reliable delivery and compliance, advance payments up to 50% of the order value, capped at **\$5,000 before VAT**, are allowed with approval from the AVPBS and AVPFO.
- b. **General Advance Payments:** Advance payments **exceeding \$5,000 before VAT** and backed by collateral, may be released with approval from the VPA and the VPF.

4.6 Receiving & Payment Process

The Procurement Office coordinates with suppliers and the requesting department to facilitate the receipt of goods. If special considerations for installation are necessary, the Procurement Office will collaborate with the requesting department and the relevant technical department(s) who are responsible for signing to acknowledge receipt of goods and for any installations. The complete documentation package, including the invoice, receiving acknowledgment, PO, warranty conditions, PR, and bidding documentation, is managed by the Procurement Office and sent to the Business Office for verification and payment processing.

5 Steering Committee

For purchases projected to **exceed \$250,000 before VAT** annually, it is advisable that the University administration establish a Steering Committee to provide strategic oversight and direction. Unlike the Procurement Committee, which is focused on executing procurement tasks like managing bid evaluations and ensuring policy compliance, the Steering Committee plays a directional role. It defines procurement objectives, sets criteria, and aligns procurement goals with the institution's strategic priorities. Importantly, this committee should include key stakeholders impacted by the purchase to ensure that diverse perspectives and needs are addressed. By involving affected stakeholders, the Steering Committee can comprehensively assess requirements, anticipate potential challenges, and guide complex procurement decisions. This structure enhances transparency, accountability, and alignment with the university's mission for high-value purchasing.

6 Competitive Bidding Procedure

As a general principle, the selection of bids will be based on the best combination of price, quality, delivery, service maintenance, and warranty conditions. The evaluation process will incorporate both financial and technical assessments, with weightings determined by the steering committee responsible for overseeing the bid, or by the bidding committee if no steering committee is in place. The technical evaluation component may be conducted on a pass/fail basis based on threshold agreed by the governing committee, allowing only vendors who passed the technical requirements to proceed to the financial evaluation stage. If a scored technical evaluation is preferred, the technical component should not exceed 50% of the total score.

If a vendor is missing specific technical requirements, he will be granted a one-time extension up to maximum five working days to provide the necessary information.

If the financial proposal has been submitted openly in a closed bid setting, the vendor will be disqualified.

If a supplier is considered for exclusion from future bids based on feedback from an end-user or any other department, a detailed written justification is required. This justification must include all relevant details and be submitted at the time the concerns are raised before the Purchase Requisition is submitted and definitely not after bid invitations have been issued. Documenting the reasons for exclusion in advance ensures transparency, allows for a fair assessment, and prevents last-minute decisions that could disrupt the bidding process. This procedure also helps maintain a clear record, supporting informed and consistent procurement decisions.

Any exceptions to the above require prior approval from both the VPA and the VPF.

It is important to note that splitting purchases to avoid competitive bidding requirements or avoid higher limit-of-authority approval is not permitted, regardless of whether the vendors are one or multiple.

6.1 Specifications & RFPs

To qualify suppliers and service providers, it is essential to provide clear and detailed yet generic specifications that are not biased towards a specific brand or vendor, along with sufficient time

for them to submit their bids. Requesting departments should therefore allocate adequate time for the bidding process. Depending on the scale and complexity of the purchase, the Request for Proposal (RFP) may be prepared internally or contracted to a specialized firm.

For common items that can be easily identified with standard specifications, bids will be sent to designated vendors, with the best quote awarded the contract.

6.2 Advertisement

When applicable, invitations for bids or requests for proposals (RFPs) may be advertised in relevant media to reach potential suppliers.

6.3 University Bidding Committee

To effectively manage the bidding process for purchases exceeding \$7,500 before VAT, a University Bidding Committee will be established to oversee procurement activities.

6.3.1 Composition

The University Bidding Committee will consist of representatives from both service departments and the requesting department (end user). The Committee will include members from the following departments:

- Procurement
- Finance
- Internal Audit
- Facilities (when needed)
- IT (when needed)
- StratCom (when needed)
- End User (which may involve one or multiple representatives from various University constituents)

The Committee will include permanent representatives (i.e., full-time employees) from Procurement, Finance, and end-user departments as well as the Internal Audit as a non-voting member. For any bid exceeding **\$35,000 before VAT**, the AVP for Business Services (AVPBS) and the AVP for Finance-Operations (AVPFO) must be present in the committee or delegate someone to represent them on the committee. Other representatives may attend as needed, particularly when their expertise is critical to the bidding process. For specialized procurements, such as construction or insurance, additional University stakeholders or consultants (e.g., architects, construction management firms, faculty representatives, HR) may be included in the Committee, depending on the complexity and scope of the requested goods or services.

6.3.2 Responsibilities

The University Bidding Committee is responsible for overseeing the bidding process and making final recommendations for vendor selection. Key responsibilities include:

- a. Convening as scheduled to ensure timely review and selection.
- b. Ensuring that all procurement aligns with budgetary constraints.
- c. Reviewing vendor and contractor pre-qualifications for specialized procurements, such as construction, insurance, and software, with input from relevant University departments.
- d. Setting appropriate technical and financial assessment when a steering committee is not in place.
- e. Opening and examining sealed bids.
- f. Conducting a thorough review and analysis of all submitted bids.
- g. Recommending the most suitable vendor or contractor based on a balanced evaluation.

- h. Assisting the Procurement Office, as needed, in negotiating terms, specifications, and pricing with bidders.
- i. Awarding the contract to the second-best compliant bidder in cases of significant delays from the bid winner or other conditions (like limited quantity, etc.).

For complex procurements requiring significant terms and conditions or extensive analysis, the Committee may designate a sub-committee to evaluate bids. This sub-committee will report findings and recommendations to the Committee, considering specifications, pricing, delivery, warranties, and other commercial aspects of the purchase. The Committee will endorse the recommendation, and in cases of disagreement, the Procurement Office will escalate to VPA & VPF.

6.4 Bid Validity

Bids that have been awarded for a year's supply may be renewed under the same terms and conditions one year at a time up to a maximum total of three years, provided such renewal possibility was stated in the tender documents. This renewal is contingent upon the continued satisfactory performance of the vendor and the appropriateness of the original terms. Renewal approval follows the PO Approval hierarchy [Refer to section "[Workflow-> Purchase Order \(PO\)](#)"].

6.4.1 Renewal Process

To initiate a renewal, the requesting department must assess the vendor's performance and confirm that the original conditions remain applicable.

The Procurement Office will oversee the renewal process, ensuring that it aligns with the University's Purchasing Policy and Procurement Procedure.

6.4.2 Price Stability

No price increases are permitted during the one-year renewal period. If a vendor seeks to increase pricing, the bid will not be renewed, and a new bidding process must be initiated.

6.4.3 New Bid Requirement

A new bidding process must be initiated every three years to ensure competitiveness and to reassess current market conditions. Should an extension of up to one additional year be necessary before the new bidding process is completed and the award finalized, this exception will require approval from both the VPA and VPF.

6.5 Bid Process Resulting in Only One Offer

When a competitive bidding process results in only one offer, special considerations are required to determine the appropriate course of action. The University must ensure that procurement processes remain transparent, competitive, and in line with best practices, even when only one bid is received. The following steps and criteria are used to evaluate such situations:

6.5.1 Evaluation of Single Offer

The Procurement Office will first assess why only one offer was received. This assessment includes determining whether the Request for Proposal (RFP) was sufficiently clear, the specifications were not too restrictive, and the timeline for response was reasonable. Additionally, the Procurement Office will verify if the lack of responses was due to market conditions or the vendor pool's limitations. Based on this evaluation, the next steps may include extending the submission deadline while allowing the single bidder to revise his offer within the new deadline if he wishes to do so, reissuing the RFP with potential modifications, or proceeding with the acceptance of the single offer.

6.5.2 Acceptance Criteria for Single Offer

If the single offer meets the University's requirements in terms of quality, pricing, and delivery conditions, and if the procurement value is within the threshold where competitive bidding is not mandatory, the offer may be accepted without further approval.

6.5.3 Additional Approval for High-Value Offers

If the value of a single bid reaches the threshold where competitive bidding is usually required, the acceptance of the bid must go through further review and approval. In such cases, the bid will be treated as a “*Single Source*” procurement and will be opened by the Procurement Office, in case it was received as a closed bid, before exception approval is obtained. The Procurement Office will then prepare a justification for this and recommendation will be submitted to the appropriate authority following the exception approval hierarchy [Refer to “[Exception Approval](#)” section].

6.5.4 Market Analysis and Re-Bidding

In cases where the single offer significantly deviates from market expectations, or if the single offer does not meet the necessary quality or budget requirements, the Procurement Office may recommend canceling the current tender and re-initiating the bidding process. This may include revising the RFQ to attract a broader range of vendors or extending the bidding timeline to increase participation.

6.5.5 Exceptions for Sole Source Procurement

If the Procurement Office determines that the single offer is from a vendor identified as the sole economically viable source for the required goods or services, the offer can be accepted under the “*Sole source*” exception [Refer to “[Sole Source Availability](#)” section].

7 Unforeseen or Urgent Procurements

Unforeseen urgent procurements are exceptional situations that fall outside the normal procurement processes and should only be used when absolutely necessary. These cases include **Urgent Procurement** and **Unforeseen Procurement** each of which has a different purpose and nature of the need. Under no condition should these methods be employed for routine purchases.

- a. **Urgent Procurement** is defined as the immediate need for goods or services that, if delayed, would disrupt key University operations or functions. This type of procurement addresses urgent operational needs that arise unexpectedly and must be addressed swiftly to avoid serious impact.
- b. **Unforeseen Procurement** refers to the acquisition of goods or services not foreseen in the procurement plan but deemed necessary to meet a new and immediate requirement. These purchases are made to accommodate unforeseen developments or changes in projects, ensuring continuity of critical services.

7.1 Process for Unforeseen or Urgent Procurements:

- a. If a department identifies the need for urgent or unforeseen procurement, it must promptly create the Purchase Requisition while uploading in it (as an “Attachment”) the needed approval (as required through point (b) below) for treating the request as an unplanned or urgent one, ensure each Approver reviews and approves it without delay, and immediately notify the Procurement Office once the Purchase Requisition has been submitted to their queue.
- b. Approval for such exceptional procurements will follow these thresholds:
 - **Up to \$5,000 before VAT:** Requires approval from the Dean or AVP.
 - **Exceeding \$5,000 up to \$15,000 before VAT:** Requires additional approval by the relevant VP.

- **Exceeding \$15,000 up to \$100,000 before VAT:** Requires additional approval by the VPA and VPF.
- **Exceeding \$100,000 before VAT:** Requires additional approval by the President.

c. **These procurements should only be conducted when absolutely necessary and must not be used as a substitute for standard procurement procedures.**

In such cases, normal bidding requirements may be waived, but every effort will be made to expedite or adjust the process while maintaining as much of the standard procedure as possible. Proper documentation justifying the urgency or emergency must be submitted, and under no circumstances should this process be misused for routine or foreseeable procurement needs. Exception approval for bypassing the bidding process shall be obtained after the purchase will have been made.

Unplanned purchases will be closely monitored to prevent and identify any potential misuse or abuse, ensuring they remain within legitimate and exceptional needs only

8 Exceptions

In certain exceptional circumstances, the competitive bidding process may be bypassed. These include:

8.1 Sole Source Availability

Goods and services that are exclusively available from a single viable source are classified as sole-source procurements. The Procurement Office maintains an annually updated "Sole Source List" of approved vendors. Purchases from vendors on this list proceed with prior approval, without requiring additional exceptional approvals. If a vendor is not included on the Sole Source List, the Procurement Office must submit a justification letter for the approval of VPA & VPF, showing that no other vendor that provides the requested product could be found.

Registrations for exams in professional associations and purchases of publications do not require "Sole Source" approval.

8.2 Vendor or Brand-Specific Selections

When a department requests a specific service provider, brand, or supplier for procurement—whether for services or goods—even if alternatives exist, they must provide a detailed justification and secure on it the approval of the Dean or AVP as applicable. This justification should outline why the chosen provider, brand, or supplier is preferred, citing reasons such as compatibility, quality, technical specifications, or prior positive experience. If the vendor is the only source for the required brand or service (i.e., a sole source), the "Sole Source" procedure will apply. However, if equivalent providers or brands are available, the procurement process will proceed through the standard "[Procurement Procedure](#)", unless an additional justification is submitted and approved under the "[Exception Approval](#)" section.

8.3 Repetitive Purchases

A requested commodity or general service, for which a previously-requested quantity had been purchased through normal procurement process within a period of one year, could be purchased repetitively from the same supplier provided that the price has not increased, that the new quantity is comparable to the previously-purchased one, and that approval is secured as stated in the "[Exception Approval](#)" section.

8.4 Exception Approval

Exceptions must be approved by the **higher authority** as specified in the standard Purchase Order approval hierarchy, based on the value of the Purchase Order. [Refer to "[Purchase Order \(PO\)](#)"]

8.5 Library Acquisitions

The purchase of books, periodicals, and electronic resources managed by the Library's acquisitions department. These transactions are exempt from the bidding process due to their complexity, time constraints, and the unique nature of the items. [Refer to "[Library Purchases](#)" section]

9 End User & Requesting office Responsibilities

9.1 End User Responsibilities

To support the overall mission of the Procurement function, End Users must accurately and promptly identify their needs. The responsibilities of End Users include but not limited to:

- a. **Procurement Planning & Consolidation:** Conduct thorough planning and consolidation of procurement activities to align with business needs and approved budgets, ensuring financial discipline and efficient service to end-users. Proper planning is essential to meet end-user requirements effectively and optimize resources.
- b. **Timely Requests:** Submit requests in a timely manner, allowing the Procurement Office sufficient time to execute orders and minimizing the need for urgent requests. Delays in submitting requests may result in unutilized funds from approved budgets.
- c. **Clear Specifications:** Provide non-biased generic, detailed, clear, and written specifications for all requirements. Vague or generalized specifications can lead to inaccurate supplier quotes, construction variations, and potential rejection of bids by the University Bidding Committee, causing delays. For complex requirements, it is advisable to seek technical assistance internally or from external experts.
- d. **Acquisition Approval:** Secure necessary approvals for requests from supervisors in accordance with established procedures. The request should clearly indicate if it is budgeted and specify the remaining budget. If a request is not budgeted or exceeds the available budget, the End User is responsible for obtaining additional budget allocation or transferring funds.
- e. **Brand Name and Designated Supplier Requests:** For requests involving specific brand names or designated suppliers, where the bidding process may not be complete, the End User must provide a separate justification and obtain approval as outlined in the established procedures.
- f. **Order Follow-Up:** Actively follow up with the Procurement Office regarding the status of the order to ensure timely delivery.
- g. **Delivery and Installation Coordination:** Collaborate with the Procurement Office and relevant technical Office(s) to effectively plan for the delivery and installation of goods and services.
- h. **Acceptance of Goods and Services:** Upon satisfactory receipt and installation, sign off to confirm acceptance of goods and services. Any issues or claims should be communicated immediately to the Procurement Office to hold the payment. Similarly, the End User must sign off on the final acceptance of construction execution.

9.2 Requesting Office Responsibilities

- a. **Submission of Purchase Requests (PRs):** Placing a Purchase Request (PR) in the Procurement System does not automatically mean that the PR has reached the Procurement Office. The PR will only be considered by the Procurement Office once all required approvals are completed, the budget is secured, and any necessary input from technical entities is finalized.
- b. **Tracking PRs:** The Requesting Office is responsible for monitoring the status of PRs to ensure they proceed through the approval process and ultimately reach the Procurement Office.
- c. **Reapproval of PRs:** In certain cases, PRs approved by a Technical Entity may be rerouted back to the Requesting Office for final approval. In these instances, the Requesting Office must promptly reapprove the PR to avoid delays.
- d. **Technical Input Responsibility:** If the Technical Entity delegates its responsibility for providing technical input to the Requesting Office, the Requesting Office must ensure that non-biased, generic specifications are provided. They may also suggest a list of potential suppliers. In such cases, the Requesting Office must promptly respond to technical queries related to the PR.
- e. **Adherence to Lead Time:** The Requesting Office must consult the procurement timetable to understand lead times and ensure that PRs are submitted in a timely manner to avoid delays.
- f. **Tender Committee Participation:** The Requesting Office must attend Tender Committee meetings punctually and actively contribute input as required. Part-time staff or Part-time faculty are not permitted to represent the Requesting Office or department in these meetings.
- g. **Recommendations and Justifications:** Any recommendations made by the Requesting Office must be submitted in a timely manner and be accompanied by proper justifications.
- h. **Invoice Management:** While the Requesting Office may approve invoices as proof of delivery, they must not receive invoices directly from suppliers. Suppliers should be instructed to submit all invoices to the Procurement Office for processing.
- i. **Timely Invoice Approvals:** The Requesting Office is responsible for providing timely approval of invoices to ensure prompt payment and continuity of service.

10 Conflict Of Interest

All individuals involved in the procurement process must uphold the highest standards of integrity and transparency by adhering to the Policy on Conflict of Interest. This includes, but is not limited to, Procurement staff, End Users (faculty and staff), Technical staff (where applicable), Business Office staff, and any other personnel engaged in the procurement decision-making process. It is imperative that these individuals proactively disclose any real or perceived conflict of interest (COI) with any bidder, supplier, or vendor at the earliest opportunity. A COI can arise if a person involved has a personal, financial, or other interest that could unduly influence, or be perceived to influence, their judgment in favor of a particular supplier. When a potential COI is identified, those concerned should take immediate steps to declare it, enabling the institution to implement appropriate mitigating measures, such as recusal from decision-making or exclusion from specific stages of the procurement process. Such proactive declarations ensure transparency, protect the integrity of the procurement process, and uphold the trust placed in the institution's commitment to fair and impartial vendor selection. Procedures should be in place to facilitate COI declarations, monitor compliance, and, where needed, enforce measures that mitigate any undue influence on procurement outcomes.

11 Special Authorization for Purchases

11.1 Medicines

The purchase of medicines for students and staff must be initiated solely by the Health Office. These purchases may be eligible for reimbursement through the University's insurance provider. Medicines needed for laboratory or Athletics Office use, however, can be procured without the approval of the health office.

11.2 Memberships & Subscriptions

The University will cover individual memberships to professional organizations only when approved by the appropriate University entities. Where feasible, memberships and subscriptions should be registered under the University offices rather than individual employees. The requesting department may process memberships and subscriptions directly; however, all such expenditures must be budgeted and receive approval at the Dean/AVP level or higher.

11.3 Software Licenses & SaaS (*Software as a Service*)

The purchase and renewal of software licenses & SaaS subscriptions can be processed through a Purchase Order. However, all such purchases must receive prior approval from the IT Department to ensure compatibility with the University's systems and compliance with IT policies. If the provider supplies a contract, it must be reviewed by the General Counsel's Office before proceeding. No formal agreement is otherwise required, regardless of the financial value involved.

12 Library Purchases

The purchase of books, periodicals, and electronic resources is managed by the libraries' collection development unit - acquisitions. These transactions are exempt from the bidding process due to their complexity, time constraints, and the unique nature of the items. All suppliers used by the libraries' collection development unit - acquisitions are approved annually through a sole source approval process. Annually in September, the director of collection management sends to the University Librarian a list of vetted suppliers recommended for sourcing library materials in the present academic year. The University Librarian, in turn, conveys the list, along with letters justifying sole source supplying, for approval to the Provost, the VPA and the VPF and to be shared with the Procurement Office. Once approved, these suppliers become the only eligible suppliers from which the collection development unit - acquisitions may procure library materials. Changes to vendors or suppliers arising throughout the year require approval through the Provost, the VPA and the VPF following communication from the University Librarian and be shared with the Procurement Office.

As suppliers invoice the LAU Libraries, the Library collection management division in concert with the University Librarian approves the invoice and forwards it to the Business Office for payment.

13 Physical Plant Office Procurement Activities

The Physical Plant office is entitled to make direct procurement related to operation & maintenance and to minor renovation activities, as follows:

- Direct Purchases of goods, as per section 4.1
- Direct procurement of contracted services whereby an outside service provider is contracted to complete a specific scope of works.
- Direct Procurement of maintenance contracts.

13.1 Procurement Procedure

The below procedure applies to purchases of contracted services and maintenance contracts related to the Physical Plant activities:

- **Up to \$2,500 before VAT:** No bidding is required, but proper documentation of the transaction must be maintained by the Physical Plant Office.
- **Exceeding \$2,500 up to \$7,500 before VAT:** The Physical Plant office will seek to obtain formal open quotation (RFQ) from qualified suppliers. Verbal quotations are not accepted. The selection of the most suitable bid will be made by the Physical Plant Office in collaboration with the requesting office and the corresponding technical offices.
- **Exceeding \$7,500 before VAT:** Bidding procedure will be conducted by the Procurement Office. Selection requires review and approval from the University Bidding Committee [Refer to the "[Competitive Bidding Procedure](#)" section].

13.2 Maintenance Contracts & Orders

Maintenance and repair work may be contracted to outside contractors/suppliers depending on the scope and nature of the work and availability/capability of Operation & Maintenance staff. In addition, service contracts for major equipment and facilities are initiated by the Physical Plant Office, reviewed and approved by the end users. The contracts & orders' approval & signature are as follows:

- **Up to \$7,500 before VAT:** Can be approved by the Director of Physical Plant
- **Exceeding \$7,500 up to \$70,000 before VAT:** Require the approval of AVPFM.
- **Exceeding \$70,000 up to \$100,000 before VAT:** Require the approval of VPA.
- **Exceeding \$100,000 before VAT:** require the approval of VPA and VPF as well as the President.

13.3 Receiving & Payment Process

The Physical Plant Office will coordinate with the suppliers/contractors and the requesting department for receiving the service in case special considerations are needed for installation. In addition to the approval of the Physical Plant, the requesting department should date sign for receiving the service in order to process the invoice and charge their respective budgets.

The complete package consisting of the invoice, the receiving acknowledgement, the Maintenance Order and the bidding documentation is controlled and sent to the Comptroller's offices for verification and payment processing.