

| | | | |
|-----------------------|---|----------------------|-------------------|
| Policy Title: | 9.e Purchasing and Inventory Control Policy (PICP) | | |
| Policy Number: | FR-PO-9E | Date Created: | 29-05-2011 |
| Responsible: | Chief Financial Officer | Approved by: | Board of Trustees |

Purpose

The purpose of this policy is to define the procedures for purchasing of any materials, equipment and services within the rule and regulations of CUD.

Scope

This policy defines the process for procuring all goods and services at Canadian University Dubai. Purchases not covered by this policy include consultant services, insurance, employee travel and entertainment costs, legal services, employee benefit programs, construction contracts and real estate.

Policy Statement

Employees authorized to purchase goods and services on behalf of the University must follow the business practices described within this policy. The University will proceed to procure goods and services based on the best value combination of price, quality, sustainability of the goods and services and that of the vendor/producer service deliverables and payment terms to support the interests of the institution and to better cater to the specific needs of the programs. The University upholds strong procurement standards which the suppliers are well informed of, and that the institution is not held to accept the lowest bid. The University shall incorporate sustainability considerations in procurement activities, including environmental impact, supplier ethical practices, and lifecycle cost, where practical and commercially viable.

The Finance Department will ensure that all disbursements to vendors are actioned only if the goods and services purchased was executed in compliance to the processes outlined by the University.

The procurement of all goods and services for the University will follow the elements of this policy, as well as those defined in the following financial policies:

- Signing Authority Policy
(Refer to CUD Policies and Procedures Manual **Section 7.5 Financial Policy sub Section 1 – Signing Authority Policy**)
- Accounts Payable Policy –
(Refer to CUD Policies and Procedures Manual **Section 7.5 Financial Policy sub Section 2 – Accounts Payable Policy**)
[CUD Policy and Procedures Manual 2022-23.pdf](#)

Inventory Management falls under the responsibility of the Procurement department. The Finance Department performs the periodic Audits as part of the Annual Audit requirements.

Purchasing Procedures

The procurement department is the authorized channel for vendor liaison and in the overall sourcing of goods and services for the institution. There are areas that require specialized expertise and extensive vendor engagements which the University has assigned to the authorized individuals within those departments. However, all individuals involved in the procurement process are bound by the policies outlined by the University.

The Purchasing process will be initiated after the Request for Expenditure (RFE) is duly approved by the President and CFO. Issuance of a PO to a vendor is actioned only after the appropriate approvals are in place.

The Procurement Department can engage in the sourcing of goods and services maybe actioned, but not limited to the below:

1. Based on terms outlined in the signed contract or service level agreements (SLA's)
2. Based on the Issuance of a Purchase Order (PO)
3. By utilizing petty cash for business operations
4. By utilizing corporate credit card for online subscriptions to support department specific needs
5. Through approved employee reimbursement request with its supporting documents
6. Procurement items that are not inventoried are charged directly to the Profit & Loss statement.

Authorization

The Purchase Order released by the Finance Department is an authorization for the Procurement Department to purchase goods and services from the nominated vendor. The issuance of a purchase order is best recommended when procuring goods or services above the AED 1,000/- threshold. Signing authority for the purchase of goods over AED 1,000/- in value must be in accordance with the Signing Authority Matrix Policy. (Refer to CUD Policies and Procedures Manual **Section 7.5** Financial Policy sub Section 1 – Signing Authority Policy)

[CUD Policy and Procedures Manual 2022-23.pdf](#)

Bids and Tenders

For goods and services costing over AED 1,000/- competitive bids must be obtained by the Procurement Department and/or by authorized individuals from the respective budget unit. The competitive bid process should follow these guidelines:

1. **Up to AED 1,000** - at the discretion of the Procurement department.
2. **AED 1,501 to AED 3,000** - minimum two quotes, three preferred.
3. **AED 3,001 to AED 25,000** - three formal quotes
4. **AED 25,001 to AED 75,000** - Vendor's industry expertise, background checks and due diligence process, three formal quotes
5. **Over AED 75,000** - Advertised tenders preferably from a pre-qualification process, Vendor's industry expertise, background checks and due diligence process, face-to-face engagement with the shortlisted vendors, minimum of three formal quotes, five preferred.

As part of the internal compliance requirements, Finance Department will release payments only once the vendors have fulfilled the Know Your Client/Customer (KYC) documentation requirements.

Criteria for Bids / Tender Process

Individuals authorized to purchase goods and services for the University should evaluate the "life cost" of a product when analyzing price and cost information. The following criteria must be defined in the bid:

1. The specifications of the product / scope of service must be clearly specified
2. The unit of measurement (UOM) and quantity(s) required is required
3. The currency of the prices
4. The unit price of each material / service line item level is mandatory, except in cases where lumpsum costs apply and/or if prices are indicative of the product as a whole or by its components
5. If prices quoted are tax inclusive / tax exclusive
6. Cost of maintenance, labor charges, delivery charges, special handling in transit, regulatory fees (if applicable)
7. Energy efficiency or environmental impact of the product/service.
8. Supplier compliance with applicable environmental and labor standards.
9. Packaging that is recyclable, reusable, or minimized where possible.
10. Product lifecycle considerations including durability, maintenance, and disposal.
11. Delivery timelines
12. Payment Terms
13. Warranty and other data applicable to individual situations Statement on sustainability (ESG) commitment of the manufacturers/providers and vendors. Statement on sustainability (ESG) commitment of the manufacturers/providers and vendors.

Bids submitted to the University are to be held in strictest confidence, and under no circumstances should vendors be given information about bids from competing sources. The University may exercise its decision to reject the bid/tender in the event of any known attempt that could potentially hamper the integrity of the procurement process.

All tenders will be reviewed by the Procurement Director and/or the nominated personnel authorized to perform this task. All tenders will be reviewed by the Finance Department once the necessary documents and quotes are uploaded in the financial system at the RFE phase.

Should the University decide to proceed with procuring goods or services from a preferred vendor or if procurement is executed from a single source, the reasons for the selection of the vendor must be documented. Justifications may include, but not limited to;

1. Ongoing contractual commitments and good procurement history
2. Renowned service deliverables

3. Exclusivity rights to a vendor
4. Vendors who maybe sole distributors of a specific brand/model
5. Statement on sustainability commitment of the manufacturers/providers and vendors.
6. Performance Scorecards (Refer to Vendor Assessment Criteria Checklist)

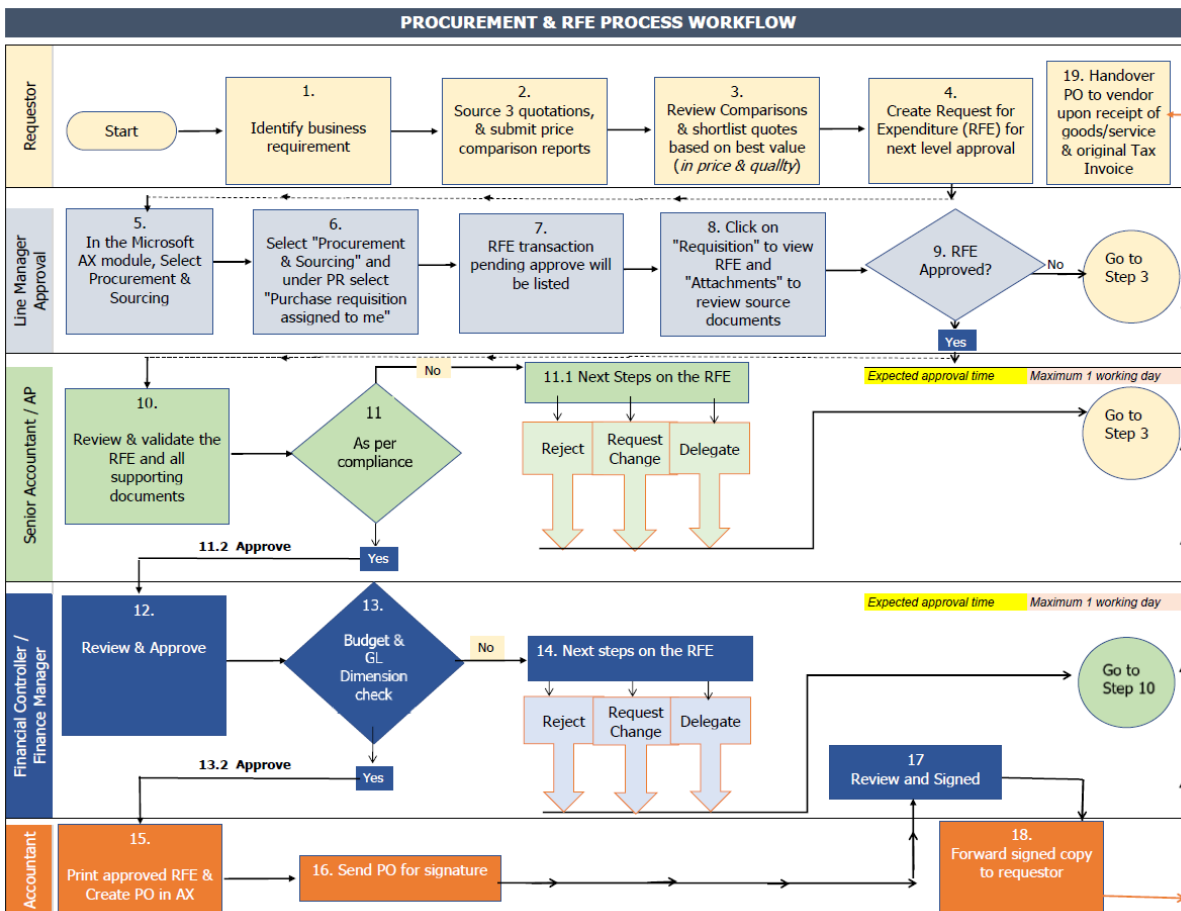
The purchase requisition and the information on the results of the competitive bid process should be forwarded by the budget unit head/representative with their signatures to the CFO for review and thereafter for final approval from the President. Documents should be approved in accordance with the Signing Authority Matrix.

Ethics

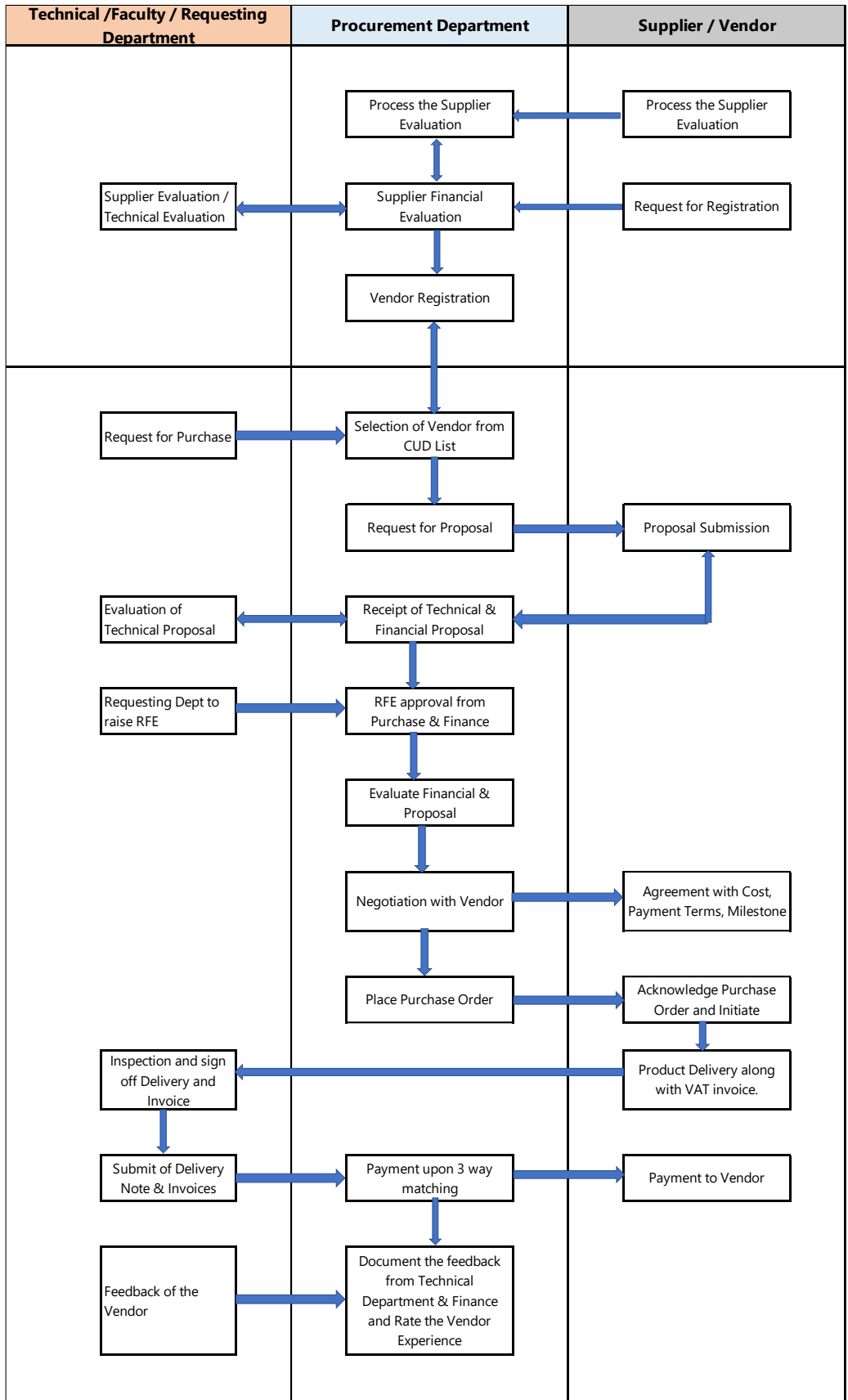
CUD strongly advocates a compliance driven culture and strongly upholds maintaining integrity at all items and ensuring adherence to moral and ethical principles. Ethical practices should be exercised by the individuals responsible to engage in procurement decisions.

1. The best interests of the University must always guide decisions.
2. Conflict of interest and appearances of conflict of interest must be avoided. Vendors must declare any potential conflict of interest involving the vendor and a University employee.
3. Personal gifts or gratuities must be declined.
4. Purchasers must act in good faith and avoid intentional misrepresentations to suppliers.
5. Consent must be obtained before using proprietary designs or ideas in the competitive bidding process.
6. Be courteous to all potential or actual suppliers.
7. Procurement decisions should, where practical, consider sustainability and responsible sourcing alongside quality, service, and value for money.

RFE Workflow (Detailed)



Procurement Workflow (Snapshot)



Performance Scorecard

Vendors / Suppliers Assessment Criteria Checklist

| | |
|------------------|--|
| Date: | |
| Vendor Name: | |
| Project/Service: | |

| Key Drivers | Percentage | Category | Assessment Parameters | Weightage | Scoring Threshold Per Dept. | Procurement / Admin Department | | Finance Department | | (Select Department from dropdown) | | |
|-------------------------------------|------------|--|--|-----------|-----------------------------|--------------------------------|-------|-----------------------------|-------|-----------------------------------|-------|------|
| | | | | | | Points / Scoring Threshold) | Total | Points / Scoring Threshold) | Total | Points / Scoring Threshold) | Total | |
| Quality | 20.0% | Competency | Industry Experience | 7.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | Customer / Clientele satisfaction | 6.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | Training & Development | 4.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | Resource mobilization | 3.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | 15.0% | Capacity | Operational Excellence | 7.0% | 30 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | Resource Optimization | 5.0% | 30 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | 3.0% | Corporate Social Responsibility | Demographic presence | 3.0% | 30 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| Ethics, Integrity & Legal Standards | | | 3.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 | |
| 2.0% | Culture | Core Values & Understanding Business Drivers | 2.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 | |
| Service | 20.0% | Consistency of Performance | Deliverables - Product / Service | 10.0% | 30 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | Monitoring & Reporting | 5.0% | 30 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | Continuous Improvements & KPI's | 3.0% | 30 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | Health, Safety & Compliance | 2.0% | 30 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | 10.0% | Communication | Channel of Communications / Chain of Command | 10.0% | 10 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| Fiscal Management | 25.0% | Cost & Benefit Analysis | Competitive Pricing | 10.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | Cost Analysis & Benchmarking | 8.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | Flexible Payment Plan | 7.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | 5.0% | Financial Compliance | Regulatory compliance & KYC | 3.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | Document submission timelines | 1.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | Credit Rating & Financial soundness | 1.0% | 15 | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| | | | | | | | | | | | | |
| | | | | 100.0% | | | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |

Evaluation Score

Overall Rating
Vendor Score

Rating Legend

| | |
|------|-------------------------------------|
| 0-4 | Poor, Not Recommended |
| 5-7 | Moderate, But requires Improvements |
| 8-10 | Excellent, Recommended Vendor |

ICT PROCUREMENT COMMITTEE FORM



SECTION A - Request Details:

| | |
|---|--|
| Procurement Category: ICT Products / Services | |
| Form Reference No.: | |
| Date of Submission: | |
| Requested By (Department/Unit): | |
| Contact Person: | |

SECTION B – Justification of Need:

1. Description of Product/Service Requested:

2. Business Need / Purpose:(Explain why this product/service is required, and what problem it will solve)

3. Impact if Not Procured: (Operational, compliance, or service delivery risks)

4. Expected Benefits:

- Operational efficiency
- Cost savings
- Compliance requirement
- Service improvement
- Other: _____

SECTION C - Technical Evaluation:

1. Specifications of Requested Item:

| |
|--|
| |
|--|

2. Compatibility with Existing Systems:

- Fully compatible
- Requires integration
- Not compatible / new system

3. Evaluation of Options Considered:

(List at least 2–3 vendors or solutions evaluated and key technical findings)

| | |
|----------|--|
| Vendor 1 | |
| Vendor 2 | |
| Vendor 3 | |

4. ICT Department Review:

(Sign-off by ICT/technical team confirming suitability)

| | | | | | |
|-------|--|------------|--|-------|--|
| | | | | | |
| Name: | | Signature: | | Date: | |

SECTION D - Price Competitiveness:

1. Vendors Considered (minimum 3 quotes):

| Vendor | Quoted Price (USD/AED) | Key Terms | Remarks |
|----------|------------------------|-----------|---------|
| Vendor 1 | | | |
| Vendor 2 | | | |
| Vendor 3 | | | |

2. Price Reasonableness:

- Best value achieved
- Within market range
- Requires negotiation

SECTION E – Recommended Vendor & Justification:

SECTION F – Committee Review & Approval

Committee Members Present:

1. _____ (Chair)
2. _____
3. _____

Decision:

- Approved
- Rejected
- Deferred (reason: _____)

Comments / Conditions:

Signature:

Committee Chair: President Dr. Karim _____ | **Date:** _____

Policy Revision History

| Version No. | Update Brief | Approved Date |
|-------------|---------------------|---------------|
| V1.0 | New policy | 30-06-2011 |
| V1.1 | Revised and updated | 30-06-2022 |