PROCUREMENT AND PURCHASING POLICY

A procurement and purchasing policy for an engineering college outlines the procedures for acquiring goods and services to ensure transparency, cost-effectiveness, and adherence to the budget. Key components include identifying needs, defining purchasing thresholds, establishing competitive bidding processes for different cost levels, outlining the roles of a purchase committee, detailing the steps for approval, managing the entire process from order to payment, and maintaining auditable records. Policies also address specific needs like lab equipment, software, and IT hardware, and may include procedures for emergencies.

Key elements of a procurement and purchasing policy

- **Objectives:**
  - Ensure the acquisition of quality goods and services required by departments in a timely manner.
  - Maintain transparency, fairness, and integrity in all transactions.
  - Achieve the best value for money by procuring at a competitive price.
  - Align procurement with the budget and institutional goals.
- **Scope:**
  - Covers all equipment, materials, and supplies, including laboratory equipment, classroom and office supplies, software, and IT hardware.
  - Applies to all staff involved in the procurement process.
- **Process and procedures:**
  - **Need Identification:** The process begins with identifying and clearly defining the specific needs of the departments.
  - **Supplier Selection:** Involves research, comparison, and selection of suppliers based on criteria like quality, cost, and delivery time.
  - **Solicitation:** Procedures for inviting bids or quotations are defined, often requiring a formal bid process for high-value procurements.
  - **Purchase Committee:** A designated committee, such as a Project Purchase Committee, handles procurement up to a certain value (e.g., Rs. 1 Lakh).
  - **Approval:** Clear authority is assigned for approvals, with different thresholds requiring higher-level sign-off (e.g., management, governing council, or board).
  - **Order Placement:** After evaluation and negotiation, purchase orders are issued.
  - **Receiving and Payment:** Procedures for receiving goods, inspection, and processing payments are outlined.

- **Accountability and control:**
    - **Budgeting:** All purchases must be within the sanctioned budget.
    - **Record Keeping:** All procurement activities must be documented and kept for auditing purposes.
    - **Auditing:** Policies should ensure that all accounts are subject to internal and external audits.
    - **Conflict of Interest:** Policies must include procedures to prevent conflicts of interest.
- **Specific considerations:**
    - **Urgent Purchases:** Mechanisms for expedited purchases in urgent situations are often included, subject to ratification by higher authorities.
    - **Exemptions:** Policies may include exemptions from competitive solicitation for specific items or situations, such as emergency purchases or single-source commodities.