



Purchase / Procurement and Maintenance Policy

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1. Importance

Purchasing policies are typically a part of an organization's overall operations handbook. It describes the purpose for the policy, restrictions placed on employees, responsibility of purchasing department employees and other specific procedures or processes. Organizations can use a purchasing policy to improve the quality of goods and services while lowering the cost of acquisition. Purchasing teams will often negotiate deals with vendors or running a bid process that allows vendors to compete for a project offered to them by the organization.

2. Purpose and objectives

The purchase or lease of any goods or services payable or reimbursable by the College must be made in accordance with central and state laws as well as this Purchasing Policy, the College's Reimbursement Policy, and any other applicable college policies. Furthermore, goods and services purchased with sponsored funds must fully comply with the respective sponsor's terms and conditions. The main objectives of purchase policy are :-

- a) To procure the goods and services of requisite quality and in required quantity necessary for performance of duties by the administrative and teaching departments.
- b) To procure items as per the required delivery schedule so as to minimize the inventory and cost thereof
- c) To procure the items on a competitive basis at the most economical manner ensuring value for money.
- d) To ensure transparency, and equitable approach in the procurement process.

3. Scope of the policy

This policy outlines the procurement practices for purchasing goods and services at Mulund College of Commerce. The policy addresses competition and prudent vendor selection, purchasing methods, authorisations, receipt of goods and services, required

documentation, and ethical standards. The Purchasing Policy and related procedures are intended to ensure timely and cost-effective acquisition of goods and services while endeavouring to maximize the college's purchasing power, streamline business practices, ensure compliance with college policies and reduce potential institutional risks associated with contracting and other procurement-related activities. Unless waived in writing for a specific purchase by the President, the Secretary of Management Committee or the Principal, adherence with this Purchasing Policy is required for the college to fund the requested good or service.

Purchases excluded from this policy include investment management services, insurance, legal services, employee benefit programs, construction-related contracts (including general contractors and architectural and engineering services among others), utilities, telecommunications services and equipment, banking and investment banking (fixed deposits) related services, audit services, security services, canteen services, performing arts contracts and certain other goods or services as may be determined by the Principal. Even in the case of items exempted from this Purchasing Policy, (1) the financial commitment of the college should be made by the Principal, an employee delegated in writing by the Principal to have the authority to make a particular purchase or type of purchase, (2) periodic comparative reviews among potential vendors are strongly recommended, and (3) purchase orders are required so that the college can appropriately reflect the commitment of funds.

4. Rules, guidelines and regulations relevant to this policy

This is a non-statutory policy. There is no specific government or university rule or circular regulating procurement in any institution. However for smooth flow of operations, certain rules have been made in the Institution. Following are highlights of these including the consequences such as penal action.

5. Key aspects of policy

5.1 Ethical Standards

Employees involved in any aspect of the purchasing process have a responsibility to ensure that the highest standards of ethics, integrity and fairness are maintained in all such activities. Those responsibilities include fairly evaluating bids received, not sharing pricing and terms/conditions of one bidder with any other bidders or potential bidders and ensuring that competitive pricing, once attained, is realized. In addition, all personnel soliciting or accepting quotations or submitting Purchase Requisitions from suppliers that employ members of their families, or when they or members of their families have a financial or other interest, must report this information in writing to the Principal prior to the order being placed or the quote being solicited. The Principal will include this documentation in the purchasing records. The purchasing functions of Mulund College of Commerce are not to be used to purchase supplies, equipment or other merchandise for fraternity associations or for the personal use of employees of the college.

5.2 Comparative Review Requirements

The college requires and encourages effective competition among suppliers in providing goods and services to the college. Accordingly, those involved in vendor selection have the responsibility to search broadly and completely for viable suppliers. A competitive process among suppliers is required for all purchases of ₹5,000 or more, and strongly encouraged even when purchases are less than ₹5,000.

It is the responsibility of the Purchase Committee to originate, control and analyse supplier bids, quotations, proposals and/or qualifications for any purchases expected to be over ₹100,000. The requisitioning department is responsible for working with the Purchase Committee to define the quantity, specifications, required delivery date and any other pertinent information essential to create an appropriate Request for Proposal or Bid Specification. The requisitioning department should also suggest sources, especially for unusual or unique items. The requisitioning department may be called upon to assist the Purchase Committee in evaluating the bids received relative to a purchase for that department. The requisitioning department should allow from one to six weeks for the competitive bid process to occur, depending upon the requirements.

If a purchase is less than ₹100,000, the requisitioning department may secure the quotes or bids without assistance from the Purchasing Department; however, the Purchasing Department retains the right to re-bid if they determine it would be beneficial to the college or if the cumulative purchases of the same item/s, ordered through multiple purchase orders, together would exceed ₹100,000. Written quotes/bids from the various suppliers must accompany the Purchase Requisition submitted to the college office for audit purposes.

Competitive quotes or bidding is not required when one or more of the following conditions exist:

1. The purchase is less than ₹5,000.
2. Bids have been recently received (within the previous 3 months) for the same items and the bids are still valid.
3. Emergency purchases/contracts are necessary for the immediate preservation of the health, welfare, or safety, or the protection of college property and programs;
4. Equipment maintenance contracts for which there is only one authorized or qualified source required by the equipment manufacturer for the preservation of equipment warranty;
5. Proprietary software maintenance, annual license renewals, and/or upgrade contracts;
6. Utilities contracts for which there is no competition because of sole authorization to provide service to the geographical area;
7. Contracts for conference or meeting facilities, including room accommodations for conference attendees;
8. Educational materials and information access resources related to the college's library services;
9. Contract amendments for time extensions, with no additional amount being added; or contract amendments to exercise options that were part of the original contract or that were part of a previously approved amendment to the contract; or contract amendments that are within the scope of or incidental to the original contract scope of work;
10. The item is a college standard (e.g., furniture/file cabinets from Steelcase) as determined by the Principal.

11. The item must be purchased from a sole-source distributor or manufacturer or it a sole brand. In this case written justification of the sole brand/source should be provided with the Purchase Requisition and that requisition must be approved by the Principal. The written request must include:

The unique performance factors required that necessitate a particular brand or supplier;

- Why these factors are required;
- What other source/brands have been considered or rejected and why.
- Sole source or sole brand requests shall not be justified on the basis of:
 - A lack of advance planning;
 - Concerns related to the amount of funds available for the acquisition of the goods or services; or
 - A previously non-competitively bid contract for which the price to the college was zero or substantially below fair market price and the results of such contract caused the sole source or sole brand to be required on future contracts.

Depending on the goods or service required, the decision criteria may not be cost alone. In addition to cost-effectiveness, compliance with mandatory requirements (e.g., insurance requirements), product quality, supplier expertise and experience, timing of the delivery, staff and/or technical support availability/quality, the supplier's financial resources and facilities, and other criteria may be relevant in particular circumstances.

Bidding for multi-year contracts is acceptable. With limited exceptions, all multi-year contracts should seek a re-bid after a maximum of 5 years. Exception may be granted with the written approval of the Principal.

5.3 Deposits and Prepayments (Advance Payments)

Due to the inherent risks associated with deposits or pre-payments, the college's policy is to avoid pre-paying any orders, in part or in full, in advance of the receipt of the goods or services. If the only supplier of goods or service requires a prepayment or deposit or if the nature of the goods or service requires pre-payment (e.g., a maintenance agreement or software licensing fee), the payment must be requested using the procedures designated by the Purchase Committee and approved by the

Principal. The requisitioning department is required to conduct significant due diligence on the bidders or potential providers in order to ascertain the supplier's ability to perform under the contract and particularly so if pre-payment is involved. Deposits or payment made to suppliers that fail to perform are the risk of the requisitioning department.

5.4 Receipt of Goods Acknowledgment

Departments are responsible for verifying the actual receipt of goods and services in the manner designated by the Purchase Committee. Individuals acknowledging the receipt of goods are confirming that the purchased goods and services have been received in the nature, quality and quantity ordered. In addition to the original requestor, the Department Head is responsible for assuring that receipt verification occurs and is documented according to the Purchase Committee's procedures. Receipt must be verified by a representative of the department benefiting from the goods or service and responsible for the budget before any payment will be issued to the supplier.

5.5 Disposal of Surplus Material and Equipment

Only the Principal is authorized to arrange for disposal of surplus material and equipment by internal transfer, trade-in, auction (online or otherwise), negotiated sale, a donation to a not-for-profit entity or trash. No other employee should remove any property of the college from its designated spot on campus, without written consent from the Principal. The Purchase Committee is responsible for ensuring (1) the most appropriate and cost-effective disposition method is used, (2) Grant-funded items are dealt with in accordance with the grant's requirements, (3) the disposition of all computers and other equipment that may store proprietary or sensitive information is appropriately managed by the Information Technology Services department, and (4) the college's list of capital assets is current and accurate.

When there are items (e.g., furniture pieces, equipment, etc.) a department wishes to remove from their area or are being under-utilized, the Purchase Committee should be called to manage the process. If an item is still usable, it will be stored for use by other departments on campus. Items placed in surplus storage are not kept for a specific department but can be given to any department in need.

5.6 Maintenance Policy

College has established a system for maintenance and utilizing physical facilities like computer laboratories, library, sports equipment, classrooms, electronics and electrical equipment etc. HODs of different departments prepare their annual budget and get them approved from the Principal and the Managing Committee of the college. Budgets are also prepared for organizing various academic and non-academic activities. This document provides a framework of assigned responsibilities for maintenance and utilization of infrastructure in the best possible way.

- The Cleaning of the corridors, office, laboratories, staff rooms, toilet blocks and library is outsourced.
- General cleanliness of the college campus, classrooms, laboratories, library, toilets etc. is undertaken regularly and supervised by the Vigilance, Safety and General Discipline committee. Classrooms along with fixtures are maintained by the class IV employees and supervised by the teaching staff from time to time. Students are also mentored to make conscious effort in upkeep of the classroom furniture and facilities.
- The services of plumber, electrician, carpenter, and computer analyst are available round the clock on call. Maintenance of water plumbing, plants, sewage and drainage is undertaken by from time to time.
- A Complaint log-book is kept in the college office to record routine problems of electricity, water and general infrastructure. All the complaints entered in this register are attended by the caretaker and the coordinator on a very regular basis.
- ICT facilities of the college are maintained by the teaching, technical and supporting staff of the computer labs. College has an arrangement with all service providers to call them whenever required and AMCs are done for all expensive equipment.
- Inhouse engineer is appointed to regularly maintain lab and office PCs.
- Stock register, log books are maintained by the respective laboratories to report entries and defects arising for rectification and repair. All major repairs are identified and outside expertise is sought for the repair with prior permission of the principal.
- Annual stock taking for college furniture, hostel furniture, lab equipment, stationary, sports equipment NSS and other assets is done by the designated

faculty at the end of the session and a consolidated report is submitted in the office for necessary action.

- For writing-off of obsolete/damaged equipment, 'Purchase Committee' is in place. Obsolete items are written off by following a planned procedure after getting a report from stock taking committee and the same is entered in the stock register.
- The sports equipment, playgrounds and various courts are supervised and maintained by the 'Gymkhana Committee'.
- 'Library committee' is in place for smooth functioning of the library.
- Proper cleaning, fumigation and exposure to sunlight are regularly taken up to reduce the risk of insects on documents in the library and administration office. Repellents are used to save the precious document from rats.
- Green environment aspects like college gardens, pots, trees and green area are maintained by the college gardeners and NSS volunteers as a regular activity.
- Water coolers, photocopier, etc. are also available in the campus. The college is always keen on adding to the facilities that can be provided to the students to improve upon their learning experience.
- Fire extinguishers are in place at all prominent sites in the college. An annual inspection of the equipment is exercised to make sure that the system is intact and there are no vulnerabilities.

Safety of students has been one of the primary concerns of the college and to ensure that there is no untoward incident, CCTV cameras have been installed at all significant locations. The monitoring is done from the office of the Principal. A daily check is exercised to ensure proper functioning of the CCTV cameras and immediate measure are taken in wake of any issue relating to the cameras.

The Principal is authorized to execute and deliver any and all written agreements and contracts to which the college may wish to become a party.

The Principal is authorized to execute and deliver any and all written agreements and contracts relating to human resources, organizational development, labour relations separation agreement or severance arrangements and legal services within the purview of the Principal.

The Principal is the official designee of the Management and is hereby authorized to execute purchase orders that obligate Mulund College of Commerce for the procurement of goods or services.

Commitments by unauthorized persons will not be honoured by the college, and therefore the individual has created a personal obligation to the supplier. Violation of the authorities noted above may lead to disciplinary action. Material or repeated violations will lead to disciplinary action up to and including termination of employment.

The Principal is authorised for purchases up to ₹ 10,000. Purchases above ₹ 10,000 require the approval from the college Standing Committee.

Future modifications to this Purchasing Policy may be made by the Principal. Modifications to any purchasing-related procedure, forms or online tools may be made by the Principal.

6. Committees for policy implementation

A committee is constituted by the Principal at the beginning of the year. This committee will hold office for a period of 2 years. It will have representation of teachers from all departments. This policy shall be implemented and reviewed by the committee at least once in a year. The Committee will have adequate representation from teaching as well as administrative staff.

7. Impact of the policy on processes

This policy has a bearing on processes D1 & D7 and also administration and accounting processes. This Purchasing Policy is intended to work in conjunction with other policies of the college. It will need to be read in conjunction with other policies such as Sports and Physical Education (D2), IT Policy (D3), Library Policy (D5) and Safety Policy (D4). Nothing in this policy should be interpreted as negating or overriding these other policies. Any situations arising where there may seem to be a conflict among policies, the Principal should be consulted for clarification.