

COMSATS Institute of Information Technology
Registrar Office, Principal Seat, Islamabad

No. CIIT-Reg/Notif-766/13/1349

Dated: October 02, 2013

NOTIFICATION

Subject: **CIIT Financial Rules, 2013**

The Board of Governors (Board) of COMSATS Institute of Information Technology (CIIT) in its 24th meeting held on 16th August 2013 has approved the attached "CIIT Financial Rules, 2013" for implementation across the CIIT System.

Encl: CIIT Financial Rules, 2013


(Attiq-ur-Rehman)
Deputy Registrar

Distribution:

1. All Directors/Incharges of CIIT Campuses;
2. Additional Treasurer, Principal Seat;
3. PS to the Rector;
4. PS to the Pro-Rector;
5. PA to the Registrar.

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TABLE OF CONTENTS

<u>Sr.</u>	<u>Section</u>	<u>Heading</u>	<u>Page</u>
1	Section- I	Title, Commencement and Definitions	2
2	Section- II	Description of the Fund of the Institute	5
3	Section- III	Financial Organization, Financial Jurisdiction and Job Description	7
4	Section- IV	Budget	13
5	Section- V	Delegation of Financial Powers and Control over Expenditure	14
6	Section- VI	Recording of Financial Transactions and preparation of Accounts	16
7	Section- VII	Preparation and Processing of Pay Bills	20
8	Section- VIII	Contingencies and Advances for Specific Purposes	22
9	Section- IX	Research Fund	24
10	Section- X	Purchase and Acquisition of Stores, etc	24
11	Section- XI	Receipts and Issue of Stores Annual Stock Verification	46
12	Section- XII	Development Works & Projects	48
13	Section- XIII	Sales and Disposal of Stores and Properties and Its Write Off	49
14	Section- XIV	Audit and Accounts	50
15	Section- XV	Destruction of Records	52

SECTION-I

1. **Title**
These Rules, which have been framed in pursuance of Section 25 of COMSATS Institute of Information Technology Ordinance No.XXXVIII of 2000, will be called the "COMSATS Institute of Information Technology, Financial Rules-2013" and shall be followed by the authorities of the Institute in the discharge of their financial function entrusted to the Institute under the Ordinance as amended from time to time.

2. **Commencement**
These Rules shall come into force with immediate effect and will supersede all previous rules / orders on the subject and, henceforth, apply to all financial transactions / decisions, record, purchases, etc., of COMSATS Institute of Information Technology.

3. **Definitions**
Nothing contained in these Rules shall construe to mean anything inconsistent with the provisions of the Ordinance.

In these Rules, unless the context otherwise requires, the following expressions shall have the meanings hereby, respectively, assigned to them as under:-
 - (a) "Ordinance" means COMSATS Institute of Information Technology Ordinance No.XXXVIII of August 12, 2000.
 - (b) "Authority" means any of the Authorities of the Institute specified in COMSATS Institute of Information Technology Ordinance.
 - (c) "Authorized Officer" means an Officer appointed/ delegated powers for a specific purpose(s).
 - (d) "Auditors" mean the Auditors of the Institute appointed under Section 23 of the Ordinance and Internal Auditors.
 - (e) "Board" means the Board of Governors of the Institute constituted under the Ordinance.
 - (f) "Budget" means the financial estimates and plans of the Institute for the financial year duly recommended by Finance & Planning Committee and passed/approved by the Board.

- (g) "Campus" means a constituent Campus of the Institute established under the Ordinance.
- (h) "Chairperson" means a Head of an academic department of the Institute, to whom the status of an academic department is granted by the Ordinance or the Statutes or the Regulations.
- (i) "Chancellor" means the Chancellor of the Institute as defined under the Ordinance.
- (j) "Convener" means a senior member of a Committee nominated as such by the authority for a specific purpose/period.
- (k) "Dean" means Dean of the Faculty as defined in the Ordinance.
- (l) "Department" means a teaching, servicing, administrative or finance / accounts department of the Institute, established, maintained and administered or recognized by the Institute as such.
- (m) "Director" means the Head of a constituent Campus established by the Institute appointed under the Ordinance.
- (n) "Fund" means the funds of the Institute kept / maintained under the Ordinance.
- (o) "Government" means the Federal/Provincial Government of Islamic Republic of Pakistan.
- (p) "Institute" means COMSATS Institute of Information Technology established under the Ordinance.
- (q) "Non-Stock Item" consist of such items of specific nature not usually available in the stores and procured as and when required by the Institute. These may normally include fixed assets, library books, furniture and fixture, laboratory items such as chemicals, glassware, equipments & workshop tools, materials, computers and their accessories.
- (r) "Prescribed" means prescribed by the Ordinance, Statute(s), Regulation(s) or Rules made under the Ordinance.

- (s) "Pro-Rector" means Pro-Rector of the Institute appointed under the Ordinance.
- (t) "Purchase Committee" means a Committee(s) appointed under the Ordinance for any purchase(s) by the Institute.
- (u) "Rector" means the Rector of the Institute appointed under the Ordinance.
- (v) "Registrar" means the Registrar of the Institute appointed under the Ordinance.
- (w) "Secretary" means the Secretary of concerned Committee constituted under these rules.
- (x) "Stock Items" means those items which are purchased in bulk and routine, usually like general stationery, office stationery, office supplies, laboratory supplies, computer stationery, items of sanitary / hardware / timber/electrical goods and other miscellaneous material required for maintenance and up-keeping of structure and moveable and immoveable assets of the Institute including consumable items also.
- (y) "Survey Committee" means a Committee(s) constituted under the Ordinance for carrying out survey of land/property acquired or to be acquired by the Institute. The Committee may also make survey of anticipated purchase(s).
- (z) "Treasurer" means the Treasurer of the Institute appointed under the Ordinance.

SECTION-II

DESCRIPTION OF THE FUND OF THE INSTITUTE

4. Fund of the Institute

- i. The Institute shall have a Fund to which shall be credited its income from fees, charges, donations, trusts, bequests, endowments, contributions made by any source including foundations, institutes and individuals, grants, consultancies, services and from all other sources.
- ii. The Institute may obtain funds from the banks or other Institutions / organizations, according to such terms and conditions as may be mutually agreed upon and approved by the Authority.
- iii. No contribution, donation or grant which may directly or indirectly involve any immediate or subsequent financial liability for the Institute, or which may involve an activity not included in the academic programmes of the Institute for the time being, shall be accepted without prior or general approval of the Board.
- iv. Accounts of the Institute shall be maintained in such a form and manner as may be determined by the Board and shall be audited each year within four months of the closing of the financial year of the Institute by Chartered Accountants to be appointed by the Board. The accounts of the Institute shall, together the report of the Auditors thereon, be submitted for approval of the Board. The Auditors report shall certify that auditor has complied with the standards of audit and certification laid down by the Institute of Chartered Accountants of Pakistan.
- v. Bank Account(s) of the Institute Fund may be opened/closed by the authorized officer of the Institute.

5. Sources of Fund

(a) Grants

- i. Grants of the Federal/Provincial Governments.
- ii. Development Grants of the Federal/Provincial Governments.
- iii. Special Grants of the Federal or a Provincial Government for specific purpose or covering a range of specific / specified items / activities.
- iv. Other grants of the Federal or a Provincial Government or any other person / organization released for any purpose such as scholarships, projects/awards, prizes, study tours, research, students welfare,

removal of students irritants, provision of amenities, holding of games/tournaments, seminars, sports festival and any other activity relating to the Institute.

(b) Institute's Own Sources

- i. Admission fees, registration fees, tuition fees, examination fees, late fees, self-finance fees, fines, equivalence fees/ detailed marks certificates fees / degree issuance fees/ migration fees / correction in name fees/proficiency fees, sports & affiliation fees or any other fee prescribed by the Institute from time to time.
- ii. Hostel income, including hostel fees, hostel rents, service charges, utilities and all other user charges, etc.
- iii. Sale of prospectus and other publications.
- iv. Income from staff and students of for hiring of Institute's vehicles, rents, telephones and electricity charges or any other user charges.
- v. Consultancy income and professional service charges.
- vi. Interest and profit on deposits / investments.
- vii. Sale of assets, scraps, unserviceable items, etc.
- viii. Recoveries for usage of Institute facilities.
- ix. Revenues generated through any activity carried out at the Institute.

(c) Other Sources

- i. Donations, gifts, bequests, honors, awards, prizes, medals, endowments, contributions, etc., from any source.
- ii. Miscellaneous income from all other means not covered under the aforementioned sources, which would be accounted for under the head miscellaneous.

6. Recovery of the Institute's Dues

The Institute through an authorized person may apply to the authority for any recovery of any sum due to the Institute under any head or otherwise and the authority shall, there upon, proceed to recover the sum due as it was / were arrears.

SECTION-III

FINANCIAL ORGANIZATION FINANCIAL JURISDICTION AND JOB DESCRIPTION

7.

Financial Organization

- (a) The Financial Organization in these rules is structured around the existing administrative set up of the Institute. The Treasurer will work under the supervision of the Rector or his nominee. He will control the Accounts/Finances of the Institute.
- (b) The Treasurer's Department will consist of seven functions, viz , i) accounts, ii) budget, iii) pension & funds, iv) internal audit, v) external audit, vi) stores, and vii) receipts and payments.

8.

Jurisdiction and / or Job Description of Authorities of the Institute

(a) Board of Governors

The general supervision and control of administrative, academic and financial affairs of the Institute and the power to lay down policies of the Institute shall vest in the Board of Governors consisting of the following members, namely:-

- (i) the Executive Director, COMSATS, who shall be the Chairman of the Board;
- (ii) the Rector;
- (iii) the Secretary, Ministry of Science & Technology, Government of Pakistan or his nominee;
- (iv) the Secretary, Ministry of Education & Training, Government of Pakistan or his nominee;
- (v) the Chairman, Higher Education Commission or his nominee;
- (vi) one person to be nominated by the Educational NGOs;
- (vii) the Directors of the Campuses of the Institute;
- (viii) two Deans to be nominated by the Managing Committee of COMSATS;
- (ix) three persons of outstanding merit to be nominated by the Managing Committee of COMSATS; and

- (x) the Registrar of the Institute, who shall be the Secretary of the Board.

A nominated member of the Board shall hold office for a term of three years and shall be eligible for re-nomination on the expiry of his / her term.

(b) Powers and Functions of the Board

The Board shall exercise the powers and perform the following functions, namely:-

- (i) to hold, control and administer the property, funds, assets and resources of the Institute;
- (ii) to transfer and accept transfer of movable or immovable property on behalf of the Institute;
- (iii) to consider and approve, on the advice of Finance and Planning Committee, the annual and revised budget estimates and to lay down guidelines or rules of business dealing with financial matters;
- (iv) to approve, carryout, vary or cancel contracts on behalf of the Institute;
- (v) to initiate and approve schemes for achievements of the objectives of the Institute;
- (vi) to determine the form, and regulate the custody and use of common seal of the Institute;
- (vii) to create professional, research, administrative posts and such other posts as may be required to carry out for the purposes of the Institute, and to suspend or abolish such posts;
- (viii) to appoint teachers, researchers and officers on the recommendations of the Selection Board;
- (ix) to suspend, punish and remove from service employees of the Institute in the manner as may be prescribed after due enquiry and defense;
- (x) to approve rules on the recommendations of the appropriate bodies;
- (xi) to determine, regulate and administer all other matters concerning the Institute; and
- (xii) to arrange convocations.

(c) **Finance & Planning Committee (F&PC)**

There shall be a Finance & Planning Committee consisting of:-

- (i) the Rector, who shall be the Chairman;
- (ii) two nominees of the Institute;
- (iii) one nominee of the Board;
- (iv) the Directors of the campuses.
- (v) three experts in the field of finance and planning to be nominated by the Board;
- (vi) One Dean to be nominated by the Board on the recommendation of the Rector; and
- (vii) The Treasurer who shall be the Secretary.

The Quorum for a meeting of the Finance and Planning Committee shall be four members.

✓ (d) **Functions of the Finance and Planning Committee**

The functions of the finance and Planning Committee shall be:-

- (i) to consider annual statement of accounts and revised budget estimates and advice the Board, thereon;
- (ii) to review periodically the financial position of the Institute;
- (iii) to advise the Board on all matters relating to planning, development, finance, investment and accounts of the Institute.
- (iv) to prepare short term and long term development plans;
- (v) to prepare plan of staff and resource development plans; and
- (vi) to perform such other functions as may be prescribed.

(e) **Rector**

The Rector shall be the principal academic and administrative officer of the Institute and shall be responsible for proper implementation of the decisions of the Board and for the execution of the programs of the Institute in accordance with the guidelines and policies formulated by the Board. He shall have the financial powers as stipulated below:

- (i) To direct teachers, officers and other employees of the Institute to take up such assignment in connection with examinations,

administration and such other activities in the Institute, as he may considered necessary for the purpose of the Institute directly or through his nominee;

- (ii) To create and fill temporary posts for a period not exceeding one year.
- (iii) to sanction all expenditure provided for under any head of account in the budgets of the Institute approved by the Board;
- (iv) to sanction by re-appropriation an amount not exceeding the amount to be approved by the Board for an unforeseen item not provided for in the budget;
- (v) to re-appropriate funds within the major heads of expenditure with in the financial limits as per approved budget;
- (vi) to take such actions concerning finances as he / she may consider necessary, in an emergency which, in his / her opinion requires immediate action and shall, as soon as possible, thereafter, report that action to the Board which in the ordinary course would have dealt with that matter;
- (vii) to delegate partially or fully any of his /her financial powers to any other officer of the Institute dealing with financial matters;
- (viii) to exercise and perform such other powers and functions as may be prescribed.

(f) **Pro-Rector**

The Pro-Rector shall represent the Rector as and when required and shall undertake such responsibilities and duties as the Rector may assign from time to time.

(g) **Director**

The Director, as provided under the Ordinance, shall be the head of the Institute's constituent Campus shall be responsible for proper implementation of the decisions of the Board under the supervision of the Rector or his nominee. He shall have the following financial powers if not restricted by the Rector:

- (i) to sanction all expenditure provided for in the approved budget of the concerned Campus;
- (ii) to sanction re-appropriation of an amount not exceeding such amount as the Board may authorize in this behalf for an unforeseen item not provided for in the budget of concerned Campus;

- (iii) to delegate partially or fully any of his financial powers in consultation with Treasurer.

(h) **Treasurer**

The Treasurer shall be the Chief Financial Officer of the Institute and shall work under the supervision of the Rector or his nominee. He shall have the following responsibilities:

- (i) He shall supervise the management of the assets, liabilities, receipts, expenditures, funds and investments of the Institute including opening, maintaining and closing of bank accounts for various purposes;
- (ii) prepare the annual and revised budget estimates of the Institute and present them to the Finance & Planning Committee;
- (iii) ensure that the funds of the Institute are spent on the purposes for which they are provided;
- (iv) have the accounts of the Institute audited annually by Statutory Auditors so as to be available for submission to the Board within four months of the close of the financial year; he shall also get the accounts audited by the Government Authorities whenever, they visit the Institute under orders of the relevant authority, and submit the report to the authorities with his comments;
- (v) responsible for carrying out pre/internal financial audit of each and every expenditure of the Institute and submit report to the Rector;
- (vi) responsible to make payments under Contributory Provident Fund/General Provident Fund under Statutes/Rules.
- (vii) responsible to make payments under Benevolent & Group Insurance Fund Statutes;
- (viii) be responsible to ensure the maintenance and checking of records, books of accounts, stock / inventory registers, etc., of the Institute as may be necessary;
- (ix) to exercise powers to make and / or arrange payments within the amount sanctioned by the concerned Competent Authority;
- (x) be responsible to provide regularly to the Rector and F&PC with adequate information on financial matters and to bring to the

notice of the Rector / F&PC any infringements of the Institute's Ordinance and rules on financial matters and to ensure that the decision of the Board, the Rector and / or other statutory authorities of the Institute, communicated to him, are given proper effect;

- (xi) perform such other duties and exercise such financial powers as may be assigned and delegated to him by the Rector from time to time under the Rules;

SECTION-IV

9. Budget

- (a) The Institute's annual Budget shall be a detailed plan of its activities involving finances which will enable the Institute to exercise an effective control over the income and expenses where the Estimates / Targets will be compared to the actuals enabling the Institute to use the information in future planning of financial activities.
- (b) The preparation of the Budget shall be carried out by the Treasurer's Department every year. The Principal Seat/ Campuses, as the case may be, will be approached to submit their estimates for recurring and development expenditure/ income both revised estimates for current financial year and budget estimates for the ensuing year by November every year on the specified formats supplied to all concerned. The Treasurer's Department will compile a draft of the Budget and necessary changes shall be incorporated, therein, with the approval of the Rector and shall be submitted to the Higher Education Commission as per schedule.
- (c) Before any payment is made, it shall be ensured by the sanctioning authority that sufficient provision exists in the budget under the particular head of account. Sanctions / Approvals granted without sufficient provision and availability of funds under the relevant head of account. Prior approvals of the competent authority shall be required for re-appropriation of funds, when funds are required to be provided under the relevant head of account by re-appropriation. Proper / prescribed ledgers for income and expenditure will be maintained wherein, the budget provision under respective head of account shall be entered and the cumulative / up-to-date actual figures will be compared to the budget for control purposes. A quarterly Budget and Actuals comparison statement will be submitted by each Campus, through the Treasurer's Department, to the Rector. The variances from the budgeted figures will be highlighted for taking corrective action, in time.
- (d) Utilization Reports on the proforma prescribed by the Higher Education Commission / Government, as amended from time to time shall be submitted by the Principal Seat/ concerned Campuses.

SECTION-V

DELEGATION OF FINANCIAL POWERS AND CONTROL OVER EXPENDITURE

10. General

Austerity will be observed in all expenditures.

11. Control over Expenditure

- (a) All officers exercising financial powers shall be responsible for enforcing financial order and strict economy at every stage by observing all relevant rules/regulation/instructions.
- (b)
- (i) Every officer incurring or authorizing expenditure is expected to exercise same vigilance as a person of ordinary prudence would exercise in respect of expenditure of his / her own money.
 - (ii) The expenditure should not be prima facie more than the occasion demands.
 - (iii) No Authority should exercise its powers of sanctioning expenditure to pass an order which will be directly or indirectly, of its own advantage or of the advantage of his/her spouse / children.
 - (iv) The expenditure may not be sanctioned for benefit of a particular person or a section of community unless:-
 - (a) The amount involved is insignificant or
 - (b) A claim for the amount could be forced in Court of law or
 - (c) The expenditure is in pursuance of a recognized policy or custom.
 - (v) The amount of Allowances such as Traveling Allowance, etc., granted to meet expenditure of a particular type should be so regulated that the Allowances are not on the whole a source of profit to the recipients.
- (c) Rector
The Rector shall be fully competent to approve and sanction all types of head wise expenditure of the Institute provided for in the approved budgets and PC-I. He shall also be competent to re-appropriate funds on inter-Campus basis, within the major heads of recurring budget. The Rector can delegate all or any of

his/her financial powers to another officer of the Institute.

(d) **Director**

The Director, being the head of the constituent Campus, shall be fully competent to approve and sanction all types of head wise expenditure of the campus provided for in the approved budget. He/she shall be competent to re-appropriate funds from one head of expenditure to another in the approved budget of that Campus. The Director can delegate all or any of his/her financial powers to any officer of the Campus in consultation with Treasurer's representative at the Campus concerned. also have the following financial powers:

- (i) to remit penalty in respect of admission forms entertained after the last date fixed for the receipt of admission forms / fee, as per approved procedure (these powers will be exercised by the Director of a constituent Campus only and shall not be delegated).
- (ii) to sanction contingent advances out of approved budget of the Campus up to the limit of Rs. 100,000/- at a time, subject to adjustment, as per rules/codal formalities.
- (iii) to operate banks account(s) of the Campus in consultation with Treasurer or his/her representative at the Campus as per laid down procedure and to transfer amount from one account to another relevant account, after following the financial disciplines.
- (iv) to invest surplus funds, if any, of the Campus as per Institute's policy/competitive rates. The information may also be provided to Treasurer's Department for record.
- (v) to sanction refund of fee, as per rules.

(e) **Project Director**

In case of PC-I based projects, the Project Director shall have the powers to incur head wise expenditure within the PC-I provisions, subject to abiding PPRA's Rules/ codal formalities. However, on case to case basis the powers for sanctioning expenditure on civil works may be restricted and / or be exercised by the concerned Works Committee by following PPRA's Rules. For non-PC-I type projects the delegation of powers shall be made on case to case basis by the Rector.

SECTION-VI

**RECORDING OF FINANCIAL TRANSACTIONS
AND PREPARATION OF ACCOUNTS**

12. **Receipts**

- (a) All money received on Institute's account shall be deposited in the concerned account in the bank and recorded daily in the cash book / bank book. If due to unavoidable circumstances the amount can not be deposited on the same day, the matter will be reported by the official dealing with cash to his / her concerned In-charge who shall take necessary precaution for safe custody of the cash till deposit on next working day immediately.
- (b) Except for the amount deposited directly in the bank account through bank challan issued by the Institute, proper printed serially numbered receipt shall be issued by the cashier/ Institute official under his / her signatures & stamp duly countersigned by his / her Section In-charge. In case any receipt is cancelled it shall be defaced with cancellation / rubber stamp as such, and shall be kept properly folded in the receipt book.
- (c) A register of Receipt Books printed and issued to the concerned official shall be maintained at Principal Seat and each Campus of the Institute.
- (d) Postings in the income ledger will be made, with proper analysis / classification of the receipt, on daily basis.
- (e) The concerned Section shall maintain and reconcile the record of the income with the bank regularly, with necessary monthly closing and recording of certificates to this effect.

- (f) The fees received through challan shall regularly be reconciled with the bank account as well as fee receivable account.
- (g) All deposits of cheques, drafts, pay orders, call deposit receipts, cash, etc., will be made through proper pay-in-slips giving a brief description of the nature of receipts, on the counter folio.
- (h) The cashier or Incharge of banks transactions shall ensure that the counter folios are received on daily basis duly stamped and signed by the bank. The bank statements and the credit advices will also be collected periodically by the cashier / Incharge.
- (i) The interest / profit credited by bank on all the Institute's accounts shall be properly checked and verified. The differences in rates or the amount credited shall be pursued with the bank and reconciled / got settled within one month of the credit.

13. **Payments**

- (a) All payments, as far as possible, shall be made through crossed cheques. However, payments to Institute employees may be made through un-crossed (open) but "Order" cheques provided such cheques are collected by the payees, personally.
- (b) All cheques shall be entered on the payment side of the cash / bank book with full particulars of the payment in serial / chronological order.
- (c) For all payments a bank payment vouchers shall be prepared which will be signed by the Accounts Assistant who prepared it, countersigned by the Assistant Treasurer / Incharge of payment section and approved by the authority nominated specifically in writing at each Campus / Principal Seat level.
- (d) Postings shall be made from the paid vouchers in to the ledgers which will be totaled and reconciled with the cash / bank book on monthly basis.
- (e) No overwriting and erasures shall be made in the cash / bank book. In case of any correction, the incorrect entry will be crossed and correct figure / entry shall be written under full and dated signature of the Assistant Treasurer / Incharge of the Section.
- (f) Under no circumstances blank cheque will be signed by any of the authorized signatories.
- (g) On receipt of fresh cheque book from the bank, the cheques will be checked and counted before acknowledgment is signed and sent to the bank. Further, the cheque books received will be entered in a

register called Cheque Book Register wherein the cheque numbers, the detail of the account to which it related and to whom the cheque book is issued, will be recorded with acknowledgement.

- (h) The counterfoils of the used cheque book will be preserved and kept in safe custody for at least five years or an extended period of time, i.e., two years after completion of audit for the concerned year.
- (i) Copies of letters / circulars containing standing instructions will be properly filed and kept in safe record of the Treasurer as well as other authorized officers.
- (j) Periodically the advices for direct debits / credits by bank will be obtained, journal vouchers/ bank receipt vouchers / bank payment vouchers passed and entries, thereof, will be made in the concerned cash / bank book and the relevant ledgers.

14. **Balancing and Reconciliation**

- (a) The bank balances at the end of each month of every account of the Institute, shall be reconciled with the bank and reconciliation statement will be prepared, duly signed by the Assistant Treasurer / Incharge of the Section, which will be placed in record and a copy will be placed in the concerned bank book. The details of un-presented cheques / unrealized cheques which remain outstanding for more than six months will be brought to the notice of the Treasurer / Incharge of the treasury of the Campus, for a decision about their cancellation.
- (b) At the close of the financial year, a certificate shall be obtained from the bank regarding the balances in each account to be shown to the auditors.

15. **Main Books of Accounts**

- (a) The books of accounts shall be maintained manually and / or on computers. For the accounts maintained on computers, periodical prints out will be taken and signed by the concerned Assistant Treasurer / Incharge / Treasurer as the case may be and shall be kept in record for reference and audit. For books of accounts maintained on computer, proper security system for the data against loss, corruption, replication, unauthorized changing / manipulation / access/ maneuvering, virus attacks, etc., shall be maintained with proper backups in addition to periodic printing with recording of required certificates and signatures by the concerned officials / officers and keeping the periodic hard copy as bound book / register for record

and audit purposes. The following shall be maintained by the Treasurer or his representatives for record and proper accounting of all financial transactions:

- (b) **Recurring**
- (i) Cash Books / Bank Books
 - (ii) Subsidiary Cash Books / Bank Books
 - (iii) Income Ledger
 - (iv) Expenditure Ledger
 - (v) Bank Ledger
 - (vi) Private Parties Ledger
 - (vii) Grants Register
 - (viii) Contractors Ledger
 - (ix) Students Bill Books
 - (x) Student Admission Register
 - (xi) Scholarships Register
 - (xii) Advances Register
 - (xiii) Sanctioned Posts Register
 - (xiv) Imprest money Register
 - (xv) Loans Register
 - (xvi) Medical Claims Register
 - (xvii) Telephone and Mobiles Phones Payment Register
 - (xviii) TA/DA Register
 - (xix) Electricity Bill Register / Water Bills Register
 - (xx) Gas Bill Register
 - (xxi) Fax, Internet, wireless, DSL, etc Register
 - (xxii) Other Bills Register
 - (xxiii) Pension Funds Account Register
 - (xxiv) CP and GP Fund Account Registers
 - (xxv) Benevolent and Group Insurance Fund Register
 - (xxvi) POL and Transport Expenditure Register
 - (xxvii) Library Books & Acquisitions Register
 - (xxviii) Consumable Stock Register / Store Register
 - (xxix) Fixed Assets Register
 - (xxx) Any Other Register specifically required
- (c) **Development**
- (i) Cash Book / Bank Book
 - (ii) Grant Ledger
 - (iii) PC-I Provisions and Expenditure Ledger
 - (iv) Contractors Ledger
 - (v) Dead Stock Articles Ledger
 - (vi) Consumable Stock Register / Store Register
 - (vii) Fixed Assets Register

(viii) Any Other Register specifically required

(d) No record, even if of temporary nature, shall be destroyed if audit for the period to which it pertains, is due, or it is required in connection with audit observation / audit report or an inquiry.

SECTION-VII

16. Preparation and Processing of Pay Bills

- (a) The HR Section / Department of the Principal Seat / Campuses will intimate the Treasurer's Department of the concerned Office / Campus about all appointments, promotions, resignations, transfers, terminations and dismissal of the Institute employees alongwith copies of the relevant office orders / notifications. For every employee a file will be maintained by Treasurer's Department to depict any change in his status and pay scales and other dues.
- (b) HR Section/Establishment Section of each Campus/ Principal Seat will intimate pay/ changes in pay of all employees working in respective different administrative sections and all teachers/staff working in teaching department of the Institute. The information will be sent to Treasurer's Department at the Principal Seat and Accounts Sections at the Campuses before 20th of each month for processing and payment on pay day. The accounts section will ensure that:
- (i) All changes made in pay & allowances have been duly supported by the order of the competent authority;
 - (ii) A journal voucher has been prepared showing all necessary detail of pay & allowances and various deductions from the salaries;
 - (iii) The amount deducted from the payroll will be remitted / transferred expeditiously to the concerned accounts in accordance with the law / rules.
 - (iv) Efforts will be made to make the payment of monthly salary to all the employees through their bank accounts. However, in case of new appointment where the bank account has not yet been opened by the

concerned employee, the payment of the first salary bill can be made through separate crossed cheque drawn in favour of the concerned employee. The salaries shall not be disbursed to any person other than the concerned employee, unless he authorizes his representative in writing and the written request is duly approved by the competent authority. However, in case of death of an employee where the payment shall be made by the Treasurer Department to the legal heirs in accordance with the rules / law. CIIT may disburse monthly salaries, two days before the close of the concerned month.

- (v) In case of Eid-ul-Fitr / Eid-ul-Azha falling after 20th of a month, the CIIT may disburse half or full salary four working days before the expected date of Eid, to muslim employees. To Christian employees full salary may be disbursed four working days before Christmas;
- (vi) Appropriate deductions for leave without pay and absence, leave on full pay, leave on half pay, if any, shall be made on the advice of HR/Establishment Section, which receives such information direct from the concerned department and will be responsible for maintaining employees personal files;
- (vii) Pay bills summary and the generated vouchers shall be pre-audited by the Institute auditors before disbursement of salaries through cheques/bank transfer for all employees.

SECTION-VIII

CONTINGENCIES AND ADVANCES FOR SPECIFIC PURPOSES

17. Specific Purpose Advances
Efforts will be made that all payments are made on account of contingencies either on the basis of invoices issued by the suppliers / providers of goods and services through the petty cash of the concerned department. However, in particular circumstances where the contingent expenses cannot be made through imprests / petty cash and the goods/services cannot be obtained on an invoice/bill/on credit, and further that the purchase / procurement is urgent then a specific purpose contingencies advance can be granted to an employee of the Institute subject to the following conditions:
- (a) The payment is required to be made in cash.
 - (b) It is not possible to acquire the goods/services on credit.
 - (c) The advance shall be sanctioned by the competent authority.
 - (d) The expenditure will be incurred in accordance with the rules and specifically on the purpose for which the advance is granted.
 - (e) Fair estimates of the expenditure alongwith necessary details will be got approved at the time of drawl of the advance.
 - (f) The PPRA rules shall be abided by.
 - (g) The amount of advance will not be drawn before ten days of the actual date of actual expenditure / payment.
 - (h) The advance will be adjusted by submitting fully vouched account immediately after incurring the expenditure for the purpose but not later than one month of the grant of the advance or 30th June of the concerned financial year which ever is earlier.
 - (i) The expenditure out of the advance shall be with in the sanctioned amount of the advance.
 - (j) The amount of outstanding advances shall be recovered from the salary of the concerned employee of Institute, if proper adjustment is not submitted within the one month period.
 - (k) Availability of the funds and provision in the approved budget / PC-I under the relevant head of account shall positively be ensured before the grant of the advance.
 - (l) Unspent balance shall be immediately deposited in the concerned Institute's Account and original pay-in-slip

shall be attached with the fully vouched adjustment bill.

- (m) Except for Government Departments, no contingency / other charges advance shall be paid to outsiders/private parties unless approved by the Competent Authority which shall be only against a valid bank guarantee.
- (n) TA advance cases shall be governed by the relevant TA rules.

18. **Permanent Advance / Imprests / Petty Cash**

- (a) With the approval of the competent authority, permanent advances / imprests / petty cash for specific expenditure like entertainments, minor repair and maintenance, purchase of stationery, miscellaneous expenditures, repair maintenance of vehicles, purchase of POL, etc., can be granted subject to keeping proper record of the permanent advance imprest and its recoupment.
- (b) A certificate of the balance in the permanent advance imprest shall be furnished by the all imprest / permanent advance holders on 31st May of every year to the Treasurer. No expenditure will be incurred out of the permanent advance / imprests on other than for the purpose for which the permanent advance / imprest is granted.
- (c) When about half of the amount of the imprest / petty cash is spent, the recoupment bill should be submitted to the concerned Accounts Section so that the remaining half is available during the period of processing replenishment/recoupment.
- (d) The amount of the imprest or petty cash may be reviewed annually on the basis of average monthly cash expenses incurred during the last twelve months, for the specific purpose(s).
- (e) As these advances involve permanent retention of money out side the Treasury, the limit of these advances must not be larger than what is absolutely essential.
- (f) The holder of permanent advance shall be personally responsible for money placed in his/her hands. He/she must remain ready at all times to account for the total amount of permanent advances / imprests placed at his/her disposal and for inspection by Audit / internal check.

SECTION-IX

19. **Research Fund**

A Research Fund may be established by the Institute and the rules for utilization and expenditure therefrom, may be framed separately with the approval of the Board.

SECTION-X

**PURCHASE AND ACQUISITION
OF STORES, ETC.**

20. **General Provisions**

The rules made under this section shall also meet the requirements of the general provisions of Public Procurement Regulatory Authority Rules, as amended from time to time and shall apply on all purchases / procurements of goods, services and works by the institute.

21. **Definitions**

In these rules, unless there is anything repugnant in the subject or context;

- (a) "bid" means a tender, or an offer - in response to an invitation - by a person, consultant, firm, company or an organization, expressing his / her or its willingness to undertake a specified task at a price;
- (b) "bidder" means a person who submits a bid;
- (c) "competitive bidding" means a procedure leading to the award of a contract whereby all the interested persons, firms, companies or organizations may bid for the contract and includes both national competitive bidding and international competitive bidding;
- (d) "contractor" means a person, consultant, firm, company or an organization who undertakes to supply goods, services or works;
- (e) "contract" means an agreement enforceable by law;
- (f) "corrupt and fraudulent practices" includes the offering, giving, receiving, or soliciting

- of any thing of value to influence the action of an Institute's official or the supplier or contractor in the procurement process or in contract execution to the detriment of the Institute; or misrepresentation of facts in order to influence a procurement process or the execution of a contract, collusive practices among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the Institute of the benefits of free and open competition and any request for, or solicitation of anything of value by any Institute's official in the course of the exercise of his/her duty;
- (g) "emergency" means natural calamities, disasters, accidents, war and operational emergency which may give rise to abnormal situation requiring prompt and immediate action to limit or avoid damage to person, property or the environment and / or loss to the institute or the state of Islamic republic of Pakistan;
- (h) "lowest evaluated bid" means,-
- (i) a bid most closely conforming to evaluation criteria and other conditions specified in the bidding document; and
- (ii) having lowest evaluated cost;
- (i) "PPRA Ordinance, PPRA Rules" mean the Public Procurement Regulatory Authority Ordinance, 2002 (XXII of 2002) and the Rules made by that Authority (as amended from time to time), respectively;
- (j) "repeat orders" means procurement of the same commodity from the same source without competition and includes enhancement of contracts;
- (k) "supplier" means a person, consultant, firm, company or an organization who undertakes to supply goods, services or works;
- (l) "Institute" means COMSATS Institute of Information Technology; and
- (m) "value for money" means best returns for each rupee spent in terms of quality, timeliness, reliability, after sales service, upgradeability, price, source, and the

combination of whole-life cost and quality to meet the Institute's requirements - The expressions used but not defined in these rules shall have the same meanings as are assigned to them, in these rules or in PPRA Rules.

22. **Scope and applicability**
Save as otherwise provided, these rules shall apply to all procurements made by the Institute whether within or outside Pakistan.
23. **Principles of procurements**
The Institute, while engaging in procurements, shall ensure that the procurements are conducted in a fair and transparent manner, the object of procurement brings value for money to the Institute and the procurement process is efficient and economical.
24. **International and inter-governmental commitments of the Federal Government and the Institute**
Whenever these rules are in conflict with an obligation or commitment of the Federal Government or of the Institute arising out of an international treaty or an agreement with a State or States, or any international financial institution or an Institute, organization, etc, the provisions of such international treaty or agreement shall prevail to the extent of such conflict.
25. **Language**
- (a) All communications and documentation related to procurements of the Institute shall either be in Urdu or English or both. Except where an Institute is situated outside the territories of Pakistan and procurements are to be made locally, the Institute may use the local language in addition to Urdu or English.
- (b) Where the use of local language is found essential, the original documentation shall be in Urdu or English, which shall be retained on record; for all other purposes their translations in local language shall be used:
Provided that such use of local language ensures maximum economy and efficiency in the procurement.
- (c) In case of the dispute reference shall be made to the original documentation retained on record.

26. **Integrity pact**
Procurements exceeding Rs.20 (m) or the prescribed limit fixed from time to time shall be subject to an integrity pact, as specified, between the Institute and the suppliers or contractors.

PROCUREMENT PLANNING

27. **Procurement Planning**
The Institute shall devise a mechanism, for planning in detail for all proposed procurements with the object of realistically determining the requirements of the Institute, within its available resources, delivery time or completion date and benefits that are likely to accrue to the Institute in future. The Campuses, the Principal Seat and the Cost Centers shall carry and this exercise separately, for procurements out of their budgets.
28. **Limitation on splitting or regrouping of proposed procurement**
Save as otherwise provided and subject to the prescribed regulation, with the prior approval of the concerned authority, the Principal Seat and the Campus of the Institute shall announce in an appropriate manner all proposed procurements for each financial year and shall proceed accordingly without any splitting or regrouping of the procurements so planned. The annual requirements thus determined would be advertised in advance on PPRA's website as well as on the website of the Institute.
29. **Specifications**
Specifications shall allow the widest possible competition and shall not favour any single contractor or supplier nor put others at a disadvantage. Specifications shall be generic and shall not include references to brand names, model numbers, catalogue numbers or similar classifications. However if the Institute is convinced that the use of or a reference to a brand name or a catalogue number is essential to complete an otherwise incomplete specification, such use or reference shall be qualified with the words "or equivalent".

30. **Approval mechanism**
The Institutes shall provide clear authorization and delegation of powers for different categories of procurement and shall only initiate procurements once approval of the competent authorities concerned has been accorded.

PROCUREMENT ADVERTISEMENTS

31. **Methods of advertisement**
- (a) Procurements over one hundred thousand rupees and up to the limit of two million rupees shall be advertised on the PPRA's and Institute's websites in the manner and format specified from time to time. These procurement opportunities may also be advertised in print media, if deemed necessary by the Institute: Provided that the lower financial limit for advertisement for PPRA's and Institute's websites for open competition bidding shall be the prescribed financial limit for request for quotations.
 - (b) All procurement opportunities over two million rupees should be advertised on the PPRA's and Institute's website as well as in other print media or newspapers having wide circulation. The advertisement in the newspapers shall principally appear in at least two national dailies, one in English and the other in Urdu.
 - (c) The Institute utilizing electronic media shall ensure that the information posted on the websites is complete for the purposes for which it has been posted, and such information shall remain available on those websites until the closing date for the submission of bids.
32. **Response time**
- (a) The Institute may decide the response time for receipt of bids or proposals (including proposals for pre-qualification) from the date of publication of an advertisement or notice, keeping in view the individual procurement's complexity, availability and urgency. However, under no circumstances the response time shall be less than fifteen days for national competitive bidding and thirty days for international competitive bidding from the date of publication of advertisement or notice. All advertisements or notices shall expressly mention the response time allowed for that particular procurement along with the information for collection of bid documents which shall be issued till a given date, allowing sufficient time to complete and submit

- the bid by the closing date: Provided that no time limit shall be applicable in case of emergency.
- (b) The response time shall be calculated from the date of first publication of the advertisement in a newspaper or posting on the web site, as the case may be.
 - (c) In situations where publication of such advertisements or notices has occurred in both electronic and print media, the response time shall be calculated from the day of its first publication in the newspapers.

33. **Exceptions**

It shall be mandatory for the Institute to advertise all procurement requirements exceeding one hundred thousand rupees. However under following circumstances deviation from the requirement is permissible with the prior approval of the Rector or the person authorized so by the BoG;

- (a) the proposed procurement is related to national security and its publication could jeopardize national security objectives; and
- (b) the proposed procurement advertisement or notice or publication of it, in any manner, relates to disclosure of information, which is proprietary in nature or falls within the definition of intellectual property which is available only from a single source.

**PRE-QUALIFICATION, QUALIFICATION
AND DIS-QUALIFICATION OF
SUPPLIERS AND CONTRACTORS**

34. **Pre-qualification of suppliers and contractors**

- (a) The Institute, prior to the floating of tenders, invitation to proposals or offers in procurement proceedings, may engage in pre-qualification of bidders in case of services, civil works, turnkey projects and in case of procurement of expensive and technically complex equipment to ensure that only technically and financially capable firms having adequate managerial capability are invited to submit bids. Such pre-qualification shall solely be based upon the ability of the interested parties to perform that particular work satisfactorily.
- (b) A Institute while engaging in pre-qualification may take into consideration the following factors, namely:-
 - i. relevant experience and past performance;
 - ii. capabilities with respect to capital, personnel, equipment, plant, etc.

- iii. financial position;
- iv. appropriate managerial capability; and
- v. any other factor that the Institute may deem relevant, not inconsistent with these rules.

35. **Pre-qualification process**

- (a) The Institute while engaging in pre-qualification shall announce, in the pre-qualification documents, all information required for pre-qualification including instructions for preparation and submission of the pre-qualification documents, evaluation criteria, list of documentary evidence required by suppliers or contractors to demonstrate their respective qualifications and any other information that the Institute deems necessary for pre-qualification.
- (b) The Institute shall provide a set of pre-qualification documents to any supplier or contractor, on request and subject to payment of price, if any.
Explanation:- For the purposes of this sub-rule price means the cost of printing and providing the documents.
- (c) After completing the prequalification process the Institute shall promptly notify each supplier or contractor submitting an application to pre-qualify whether or not it has been pre-qualified and shall make available to any person who had submitted documents for pre-qualification upon request, the names of all suppliers or contractors who have been pre-qualified. Only suppliers or contractors who have been pre-qualified shall be entitled to participate further in the procurement proceedings.
- (d) The Institute shall, upon request, communicate to those suppliers or contractors who have not been pre-qualified, the reasons for not pre-qualifying them.

36. **Qualification of suppliers and contractors**

The Institute, at any stage of the procurement proceedings, having credible reasons for or *prima facie* evidence of any defect in supplier's or contractor's capacities, may require the suppliers or contractors to provide information concerning their professional, technical, financial, legal or managerial competence whether already pre-qualified or not. Provided that such qualification shall only be laid down after recording reasons, in writing. They shall form part of the records of that procurement proceeding.

37. **Disqualification of suppliers and contractors**
The Institute shall disqualify a supplier or contractor if it finds, at any time, that the information submitted by him concerning his qualification as supplier or contractor was false and materially inaccurate or incomplete.

38. **Blacklisting of suppliers and contractors**
The Institute shall specify a mechanism and manner to permanently or temporarily bar, from participating in their respective procurement proceedings, suppliers and contractors who either consistently fail to provide satisfactory performances or are found to be indulging in unfair, corrupt or fraudulent practices. Such barring action shall be duly publicized and communicated to PPRA.

METHODS OF PROCUREMENT

39. **Principal method of procurement**
Save as otherwise provided hereinafter, the Institute shall use open competitive bidding as the principal method of procurement for the procurement of goods, services and works.

40. **Open competitive bidding**
Subject to the provisions of rules at S. No. 45 to 60 the Institute shall engage in open competitive bidding if the cost of the object to be procured is more than fifty thousand rupees.

41. **Submission of bids**
(a) The bids shall be submitted in a sealed package or packages in such manner that the contents are fully enclosed and cannot be known until duly opened.
(b) The Institute shall specify the manner and method of submission and receipt of bids in an unambiguous and clear manner in the bidding documents.

42. **Bidding documents**
(a) The Institute shall formulate precise and unambiguous bidding documents that shall be made available to the bidders immediately after the publication of the invitation to bid.
(b) For competitive bidding, whether open or limited, the bidding documents shall include the following, namely:-

- (i) invitation to bid;
- (ii) instructions to bidders;

- (iii) form of bid;
 - (iv) form of contract;
 - (v) general or special conditions of contract;
 - (vi) specifications and drawings or performance criteria (where applicable);
 - (vii) list of goods or bill of quantities (where applicable);
 - (viii) delivery time or completion schedule;
 - (ix) qualification criteria (where applicable);
 - (x) bid evaluation criteria;
 - (xi) format of all securities required (where applicable);
 - (xii) details of standards (if any) that are to be used in assessing the quality of goods, works or services specified; and
 - (xiii) any other detail not inconsistent with these rules that the Institute may deem necessary.
- (c) Any information, that becomes necessary for bidding or for bid evaluation, after the invitation to bid or issue of the bidding documents to the prospective bidders, shall be provided in a timely manner and on equal opportunity basis. Where notification of such change, addition, modification or deletion becomes essential, such notification shall be made in a manner similar to the original advertisement.
- (d) The Institute shall use standard bidding documents in line with these notified by regulation by the PPRA, if any
Provided that bidding documents in use of the Institute may be retained in their respective usage to the extent they are not inconsistent with PPRA Rules, and till such time different standard bidding documents are specified by regulations by PPRA.
- (e) The Institute shall provide a set of bidding documents to any supplier or contractor, on request and subject to payment of price, if any.

Explanation:- For the purpose of this sub-rule price means the cost of printing and providing the documents.

43. **Reservations and preference**
(a) The Institute shall allow all prospective bidders to participate in procuring procedure without regard to nationality, except in cases in which the Institute decides to limit such participation to national bidders only or prohibit participation of bidders of some

nationalities, in accordance with the policy of the Institute or the Federal Government.

- (b) Institute shall allow for a preference to domestic or national suppliers or contractors in accordance with the policies of the Institute or the Federal Government. The magnitude of price preference to be accorded shall be clearly mentioned in the bidding documents under the bid evaluation criteria.

44. **Bid security**

The Institute may require the bidders to furnish a bid security equal to five per cent of the bid price, in the normal course.

45. **Bid validity**

- (a) The Institute keeping in view the nature of the procurement, shall subject the bid to a bid validity period.
- (b) Bids shall be valid for the period of time specified in the bidding document.
- (c) The Institute shall ordinarily be under an obligation to process and evaluate the bid within the stipulated bid validity period. However under exceptional circumstances and for reason to be recorded in writing, if an extension is considered necessary, all those who have submitted their bids shall be asked to extend their respective bid validity period. Such extension shall be for not more than the period equal to the period of the original bid validity.
- (d) Bidders who:
 - (i) agree to extension of their bid validity period shall also extend the validity of the bid bond or security for the extended period of the bid validity;
 - (ii) agree to the Institute's request for extension of bid validity period shall not be permitted to change the substance of their bids; and
 - (iii) do not agree to an extension of the bid validity period shall be allowed to withdraw their bids without forfeiture of their bid bonds or securities.

46. **Extension of Time for Submission of Bids**

Where the Institute has already prescribed a deadline for the submission of bids and due to any reason the Institute finds it necessary to extend such deadline, it shall do so only after recording its reasons in writing and in an equal opportunity manner. Advertisement of such extension in time shall be done in a manner similar to the original advertisement.

**OPENING, EVALUATION
AND REJECTION OF BIDS**

47. **Opening of Bids**

- (a) The date for opening of bids and the last date for the submission of bids shall be the same. Bids shall be opened at the time specified in the bidding documents. The bids shall be opened at least thirty minutes after the deadline for submission of bids.
- (b) All bids shall be opened publicly in the presence of the bidders or their representatives who may choose to be present, at the time and place announced prior to the bidding. The Institute's representative shall read aloud the unit price as well as the bid amount and shall record the minutes of the bid opening. All bidders in attendance shall sign an attendance sheet. All bids submitted after the time prescribed shall be rejected and returned without being opened.

48. **Evaluation Criteria**

The Institute shall formulate (an) appropriate evaluation criteria listing all the relevant information against which a bid is to be evaluated. Such evaluation criteria shall form an integral part of the bidding documents. Failure to provide for unambiguous evaluation criteria in the bidding documents shall amount to misprocurement.

49. **Evaluation of Bids**

- (a) All bids shall be evaluated in accordance with the evaluation criteria and other terms and conditions set forth in the prescribed bidding documents. Save as provided at Rule 59(c)(iv) no evaluation criteria shall be used for evaluation of bids that had not Rule been specified in the bidding documents.
- (b) For the purposes of comparison of bids quoted in different currencies, the price shall be converted into a single currency specified in the bidding documents. The rate of exchange shall be the selling rate, prevailing on the date of opening of bids specified in the bidding documents, as notified by the State Bank of Pakistan on that day.
- (c) A bid once opened in accordance with the prescribed procedure shall be subject to only those rules, regulations and policies that were in force at the time of issue of notice for invitation of bids.

50. **Clarification of Bids**

- (a) No bidder shall be allowed to alter or modify his bid after the bids have been opened. However the Institute may seek and accept clarifications to the bid that do not change the substance of the bid.
- (b) Any request for clarification in the bid, made by the Institute shall invariably be in writing. The response to such request shall also be in writing.

51. **Discriminatory and Difficult Conditions**

Save as otherwise provided, the Institute shall not introduce any condition, which discriminates between bidders or that is considered to be met with difficulty. In ascertaining the discriminatory or difficult nature of any condition reference shall be made to the ordinary practices of that trade, manufacturing, construction business or service to which that particular procurement is related.

52. **Rejection of bids**

- (a) The Institute may reject all bids or proposals at any time prior to the acceptance of a bid or proposal. The Institute shall upon request communicate to any supplier or contractor who submitted a bid or proposal, the grounds for rejection of all bids or proposals, but shall not be required to justify those grounds.

- (b) The Institute shall incur no liability, solely by virtue of its invoking sub-rule (a) above towards suppliers or contractors who have submitted bids or proposals.
- (c) Notice of the rejection of all bids or proposals shall be given promptly to all suppliers or contractors that submitted bids or proposals.
- (d) save as per provision of Rule 54, all later received, conditional, incomplete, non-responsive, without required bid security and vague bids shall be rejected.

53. **Re-bidding**

- (a) If the Institute has rejected all bids under rule 36 it may call for a re-bidding.
- (b) The Institute before invitation for re-bidding shall assess the reasons for rejection and may revise specifications, evaluation criteria or any other condition for bidders as it may deem necessary.

54. **Announcement of evaluation reports**

The Institute shall announce the results of bid evaluation in the form of a report giving justification for acceptance or rejection of bids ordinarily ten days prior to the award of procurement contract.

55. **Procedures of open competitive bidding**

Save as otherwise provided in these rules the following procedures shall be permissible for open competitive bidding, namely:-

- (a) **Single stage – one envelope procedure**
Each bid shall comprise one single envelope containing, separately, financial proposal and technical proposal (if any). All bids received shall be opened and evaluated in the manner prescribed in the bidding document.
- (b) **Single stage – two envelope procedure**
 - (i) The bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;
 - (ii) the envelopes shall be marked as “FINANCIAL PROPOSAL” and “TECHNICAL PROPOSAL” in bold and legible letters to avoid confusion;
 - (iii) initially, only the envelope marked “TECHNICAL PROPOSAL” shall be opened;

- (iv) the envelope marked as “FINANCIAL PROPOSAL” shall be retained in the custody of the Institute without being opened;
- (v) the Institute shall evaluate the technical proposal in a manner prescribed in advance, without reference to the price and reject any proposal which does not conform to the specified requirements;
- (vi) during the technical evaluation no amendments in the technical proposal shall be permitted;
- (vii) the financial proposals of bids shall be opened publicly at a time, date and venue announced and communicated to the bidders in advance;
- (viii) after the evaluation and approval of the technical proposal the Institute, shall at a time within the bid validity period, publicly open the financial proposals of the technically accepted bids only. The financial proposal of bids found technically non-responsive shall be returned un-opened to the respective bidders; and
- (ix) the bid found to be the lowest evaluated bid shall be accepted.

(c) **Two stage bidding procedure**

First stage

- (i) The bidders shall first submit, according to the required specifications, a technical proposal without price;
- (ii) the technical proposal shall be evaluated in accordance with the specified evaluation criteria and may be discussed with the bidders regarding any deficiencies and unsatisfactory technical features;
- (iii) after such discussions, all the bidders shall be permitted to revise their respective technical proposals to meet the requirements of the Institute;
- (iv) the Institute may revise, delete, modify or add any aspect of the technical requirements or evaluation criteria, or it may add

new requirements or criteria not inconsistent with these rules:

Provided that such revisions, deletions, modifications or additions shall be communicated to all the bidders equally at the time of invitation to submit final bids, and that sufficient time will be allowed to the bidders to prepare their revised bids:

Provided further that such allowance of time shall not be less than fifteen days in the case of national competitive bidding and thirty days in the case of international competitive bidding;

- (v) those bidders not willing to conform their respective bids to the Institute's technical requirements may be allowed to withdraw from the bidding without forfeiture of their bid security;

Second stage

- (vi) the bidders, whose technical proposals or bids have not been rejected and who are willing to conform their bids to the revised technical requirements of the Institute, shall be invited to submit a revised technical proposal along with the financial proposal;

- (vii) the revised technical proposal and the financial proposal shall be opened at a time, date and venue announced and communicated to the bidders in advance; and

- (viii) the revised technical proposal and the financial proposal shall be evaluated in the manner prescribed above. The bid found to be the lowest evaluated bid shall be accepted:

Provided that in setting the date for the submission of the revised technical proposal and financial proposal the Institute shall allow sufficient time to the bidders to incorporate the agreed upon changes in the technical proposal

and prepare their financial proposals accordingly.

(d) **Two Stage - Two Envelope Bidding Procedure**

First stage

- (i) the bid shall comprise a single package containing two separate envelopes. Each envelope shall contain separately the financial proposal and the technical proposal;
- (ii) the envelopes shall be marked as "FINANCIAL PROPOSAL" and "TECHNICAL PROPOSAL" in bold and legible letters to avoid confusion;
- (iii) initially, only the envelope marked "TECHNICAL PROPOSAL" shall be opened;
- (iv) the envelope marked as "FINANCIAL PROPOSAL" shall be retained in the custody of the Institute without being opened;
- (v) the technical proposal shall be discussed with the bidders with reference to the Institute's technical requirements;
- (vi) those bidders willing to meet the requirements of the Institute shall be allowed to revise their technical proposals following these discussions;
- (vii) bidders not willing to conform their technical proposal to the revised requirements of the Institute shall be allowed to withdraw their respective bids without forfeiture of their bid security;

Second stage

- (viii) after agreement between the Institute and the bidders on the technical requirements, bidders who are willing to conform to the

revised technical specifications and whose bids have not already been rejected shall submit a revised technical proposal and supplementary financial proposal, according to the technical requirement;

- (ix) the revised technical proposal along with the original financial proposal and supplementary financial proposal shall be opened at a date, time and venue announced in advance by the Institute:

Provided that in setting the date for the submission of the revised technical proposal and supplementary price proposal the Institute shall allow sufficient time to the bidders to incorporate the agreed upon changes in the technical proposal and to prepare the required supplementary financial proposal; and

- (x) the Institute shall evaluate the whole proposal in accordance with the evaluation criteria and the bid found to be the lowest evaluated bid shall be accepted.

56. **Conditions for use of single stage two envelope, two stage and two stage two envelope bidding procedures**

Single stage one envelope bidding procedure shall ordinarily be the main open competitive bidding procedure used for most of the procurement. Other appropriate procedures of open competitive bidding shall be selected in the following circumstances, namely:-

- (a) single stage two envelope bidding procedure shall be used where the bids are to be evaluated on technical and financial grounds and price is taken into account after technical evaluation;
- (b) two stage bidding procedure shall be adopted in large and complex contracts where technically unequal proposals are likely to be encountered or where the Institute is aware of its options in the market but, for a given set of performance requirements, there are two or more equally acceptable technical solutions available to the Institute; and
- (c) two stage two envelope bidding method shall be used for procurement where alternative technical proposals are possible, such as certain type of machinery or equipment or manufacturing plant.

ACCEPTANCE OF BIDS AND AWARD OF PROCUREMENT CONTRACTS

57. **Acceptance of bids**

The bidder with the lowest evaluated bid, if not in conflict with any other law, rules, regulations or policy of the Institute or the Federal Government or if not charging excessively higher than the market prices / rates, shall be awarded the procurement contract, within the original or extended period of bid validity.

58. **Performance guarantee**

Where needed and clearly expressed in the bidding documents, the Institute shall require the successful bidder to furnish a performance guarantee acceptable to the Institute which shall not exceed ten per cent of the contract amount.

59. **Limitation on negotiations**

Save as otherwise provided there shall be no negotiations with the bidder having submitted the lowest evaluated bid or with any other bidder:

Provided that the extent of negotiation permissible shall be subject to the regulations / instructions issued from time to time.