Procedure: Contracts and Tenders

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Appendix "A": Flow Chart of the Proceeding for Contracts and Tenders
Appendix "B": Rules for Selecting Contenders for a Closed Tender.
Appendix "C": Wording of the Investigator's Statement for the Purchase of Higher Education Inputs.
Appendix "D": Opinion Form for a Single Supplier

Re: Mandatory Tenders Regulations (Engagements of a Higher Education Institute) - 2010

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1. General

This procedure deals with the various stages of the contracting proceeding and selection of suppliers, starting from receiving a Procurement Requisition, determination of the required contracting proceeding, and up to the selection of the supplier and issuance of purchase orders.

2. Purpose

The purpose of this procedure is to state the main principles of the Mandatory Tenders Regulations that apply to the University, to bring such to the attention of the procurement agencies and their customers, as well as to define the proceedinges for contracting within the University, also for those who are not imposed upon with the duty of Tendering.

Clarification: Attached hereby is a reference to the file Mandatory Tenders Regulations (Engagements of a Higher Education Institute), 2010 (the "Regulations"). Attention - the Regulations may be updated from time to time and the binding version is the one published in official publications. The interpretation of the various provisions of the Regulations - had been determined according to the opinion of the Legal Department at the University. As mentioned above, this procedure presents the main proceedinges to which the University, including all of its units, is bound under Law. Naturally, this procedure does not exhaust the entire body of the existing provisions of the Law in this regard.
3. Definitions

a. **A Procurement Requisition** - the call of one of the requiring entities to one of the procurement entities with a request to draw an agreement for the purchase of goods, services, or work.

b. **The Requiring Entity** - He who had been authorized by the University to initiate a purchase requisition.

c. **The Procurement Entity** - The Procurement and Supplies Department at the Finances or the Contracting Department within the Development and Logistics Division.

d. **A Single Supplier** - the sole vendor capable of providing the goods, services or work, in accordance with the state of the matters in practice.

e. **A Public Tender** - an appeal to the public, through advertising in national newspapers and / or on the Internet, with a request to submit offers for supplying goods, services or work, within a proceeding being conducted in compliance with the Regulations and this Procedure, allowing anyone who so wishes an equal chance to participate in the proceeding.

f. **A Framework Tender** - A Public Tender in which more than one bidder had been selected within a proceeding being conducted in accordance with the Regulations and this Procedure.

g. **A Closed Tender** - Contacting a number of predefined suppliers from an existing database (except for unusual cases) to submit offers for the supply of goods, services or work, conducted in accordance with the Regulations and this Procedure.

h. **The Procurement Committee** - a committee headed by the Procurement Coordinator or the Director of the Procurement Division as detailed in this Procedure, the purpose of which is to examine and suggest the commercial terms for the best possible execution of a purchase. To review the recommended engagement manner and locate deviations from the proper conduct regarding the Mandatory Tender Provisions.

i. **The Tenders Committee** - A committee, the purpose of which is to manage the entire engagement in tender proceeding including authorizing certain exemptions from tender as well as the other functions specified in the Regulations and this Procedure. Within the University, there are two active Tenders Committees:

The "**Procurement Tenders Committee** the composition of which is: The CFO (Chairman), the Director of the Procurement Department; a representative of the Budget Department; a representative of the Legal Department; a representative of the University Auditor (observer) the Procurement Coordinator (the Committee Coordinator);
The Development and Logistics Tenders Committee the composition of which is: The Development and Logistics VP (Chairman); a representative of the Finances Department; a representative from the Budget Department; a representative of the Legal Department; a representative of the University Auditor (observer); the Procurement Coordinator (the Committee Coordinator);

j. The Exemption Committee - a committee composed of two representatives of the public, who are not University employees, along with the University's Legal Advisor, the role of which is to discuss and decide on requests for exemptions from tender in specific cases, in accordance with the provisions of the Regulations and receive reports regarding exemptions from tender and closed tenders that had been approved the Tenders Committees.

k. The Procurement Coordinator - the Head of the Contracting Unit or his assistant, who manage the Procurement Committee's deliberations.

4. Contents of this Procedure

Policies and General Guidelines

A. A Buyer within the Procurement Entity who receives a Procurement Requisition, shall review at the first stage whether there is an existing agreement in effect for the contracting issue, and in the event there does exist such an agreement as aforementioned - shall carry out the procurement in accordance with that agreement, unless there are special reasons for not doing so, in which case, he shall turn over the issue to be decided upon by the director of the Procurement Department.

B. Before executing an engagement exceeding the sum of NIS 100,000, the Procurement Committee or the Tenders Committee, as the case may be, shall examine the possibility of executing the engagement within a proceeding of a Public Tender, a limited Public Tender, a closed tender, and within exemption from tender proceeding - the possibility for obtaining several quotes, or a single quote - in this order.

C. The Procurement Entity is responsible for formulating the applicable commercial and professional terms of the engagement, and executing the actual engagement with the selected supplier.

Within the proceeding of formulating the terms of the contract, the Procurement Entity shall consult and act in accordance with the guidelines of the professional entities and those in charge of the various areas including, the University's Division of Finances, the Department of Safety, the Legal Department, the insurance consultant, etc.

The Legal Department is responsible for the preparation of the agreements. It is hereby clarified that in no event shall the Procurement Entity engage in an
agreement that had not been drawn or examined and approved by the Legal Department of the University.

At the Procurement Entity’s disposal, there is a pool of standard agreements that had been drawn by the Legal Department. In the event of using a standard agreement that had been drawn by the Legal Department, with no changes in the aforesaid agreement - there is no obligation to bring such in for reaffirmation prior to the engagement. Changes in a standard agreement shall be drawn and / or approved by the Legal Department. However, also in the event where the agreement in question is a standard agreement - the initiator or other person are not entitled to engage in the agreement on behalf of the University, other than through the relevant Procurement Entity.

D. Also following entering an agreement with the selected supplier, the Procurement Entity shall periodically examine the possibility of improving the terms of the contract with the supplier, in accordance with the changes in the market terms or by contacting other suppliers, as far as the agreement's terms and the provisions of the Law allow such.

E. In the event where a University employee shall believe there is a concern for any conflict of interests, including between himself and / or his immediate family members and the supplier and / or its employees including personal and / or social and / or economic and / or business relationships, shall immediately report of such to the Director of procurement or the Director of Construction as appropriate, and act according to their the guidance in the matter.

F. As a rule, tender proceedings shall be carried out without negotiating, unless authorized in advance by the Tenders Committee, within the limited cases in which it is possible under the Regulations.

G. The CEO shall, set forth, considering the provisions of the the finances and housing Rules regarding the protection of the rights of employees and ensuring compliance with the labor Laws by those participating in the tender, those selected or those contracting with the institute,including within the areas or sectors for which the provisions ensuring the existence of labor Laws apply, provided that nothing is derogated from the provisions that had been set forth for this issue within the provisions of the finances and housing Rules and in compliance with the institute.

H. The threshold conditions and other terms of the tenders shall be determined by the Tenders Committee. The committee shall attempt to minimize to the extent possible the threshold terms, in order to expand as much a possible the pool of potential bidders.
The sums specified in this procedure are sums that include VAT sums and cumulative sums for all units of the University. The sums are periodically updated. The sums prescribed by Law or Regulations shall be updated as may be revised by Law or Regulation. The sums set forth by the University may be revised by the University from time to time, by an update of this procedure.

The Method

The Main Tracks of Contracting:

A Public Tender

The University shall engage in a contract for executing a transaction in goods, land, execution of works or purchase of services, by a Public Tender, which allows any person an equal opportunity to participate in such, unless permitted by Law and approved by the relevant entity, in the specific case, an exemption or other mitigation, from conducting a Public Tender.

In most cases, the University shall engage in an ordinary Public Tender. In exceptional cases, the Tenders Committee may also approve engagements in agreements comprised of additional or other stages, in accordance with the provisions set forth in the Regulations, this procedure and at the discretion of the Tenders Committee.

A Public Tender Including a Pre-Qualification Stage

The Tenders Committee shall publicly ask bidders to submit on the date it shall determine (the "First Date") documents in order to examine the bidder's compliance with the threshold conditions and minimum quality score, as far as such had been determined, for the purpose of determining the final group of bidders;

The Tenders Committee shall determine the final bidding group and inform all who had submitted documents at the first date, regarding its inclusion or non-inclusion in the final bidding group, in proximity of the Tenders Committee's decision;

The Tenders Committee shall call upon all who are included in the final bidding group to submit on a date it shall determine (the "Second Date"), its tender offer;

The Tenders Committee may set forth in the tender's documents that following submitting the bids on the second date, it shall examine additional threshold terms and minimum quality score that had not been examined in determining the final bidding group on the first date.

A Public Tender, with a Two-Stage Examination:
C. The tender documents shall state that the price quotes shall be submitted in separate from the other bidding parts, and marked as a price quote;

D. After opening of the tender box, the envelopes containing the financial bids shall be placed back in the tender box, and the Tenders Committee shall determine the final bidding group and the quality score of each bidder;

E. At that stage the price quotes shall be opened, and the Tenders Committee shall determine the final score, which weights the quality score determined with the price score.

**A Standard Public Tender Along with an Additional Competitive Proceeding**

(1) Within the tender documents the terms at which an additional competitive proceeding shall be determined.

(2) Had the terms stated above been met, the Tenders Committee shall notify the bidders that had been selected in accordance with these terms, that they may submit, on a date the committee shall instruct, a final offer, regarding terms that benefit the University compared to their original offer; had a bidder refrained from submitting an additional offer, its first offer shall be its final offer.

**A Framework Tender**

A Framework Tender is a Public Tender in which more than one supplier are selected, and the identity of the supplier with which each actual order will be placed shall be determined from time to time according to the tender terms and the following;

The Tenders Committee is entitled to hold a Framework Tender for the minimum period required under the circumstances, which may not exceed five years, provided it offers a real advantage to the University.

Had a tender been held as a Framework Tender, each order of goods, work or services following such, shall be carried out as follows:

The Tenders Committee shall request proposals from all of the suppliers within the Framework Tender, in the manner set forth in the Framework Tender, as far as such prescribed instructions as aforementioned (an 'Individual Request ');

The Framework Tender's suppliers shall submit their proposals in response to the detailed request under the terms of the contract stipulated within the Framework Tender; a price quote for each item or unit ordered, as the price quote for each item or unit shall not exceed the price quote for the item or unit, as stated in the Framework Tender;

The Tenders Committee shall select the supplier that will provide the
individual order in accordance with the terms of the Framework Tender;

The Tenders Committee shall not conduct negotiations with the suppliers selected for the Framework Tender following the individual request;

The University's accountant, along with the University's legal advisor's approval, shall be entitled to set forth instructions regarding the manner of conducting the individual request, the manner of submitting the responses to the individual request and the manner of determining the supplier that shall provide the goods, work or services following the individual request;

Provisions regarding the terms for conducting an individual request for an engagement the value of which does not exceed NIS 60,000, and he may determine that such a request be conducted outside of the Tenders Committee, or that such request be made only to some of the suppliers within the Framework Tender.

......... A Closed Tender

The University's engagement in a contract for executing a transaction in goods, land, work, or purchase of services shall not require a Public Tender, but rather a closed tender, if such is one of the following:

i. An engagement for the purchase of goods with special features and uncommon characteristics, including medical equipment, medicines, serums or vaccines, a transaction concerning insurance and a transaction concerning advertising or public relations with properties and characteristics as stated above, provided that there is a limited number of qualified suppliers regarding that engagement, and all such suppliers shall be considered as a list of bidders for a closed tender (as an exception to the duty to hold a closed tender among the bidders within the University's pool);

ii. An agreement to purchase higher education that are professional literature or a single order of supplies, in the sum stated in such a Regulation (presently - NIS 500,000);

iii. Under other circumstances, as far as such are allowed in accordance with the Law.

iv. An engagement the value of which does not exceed the sum of NIS 600,000 if such is approved in accordance with the following provisions:

An initiator of a Procurement Requisition, the sum of which ranges between NIS 100,000 - to NIS 600,000, who believes that for practical reason the number of suitable entities for submitting an offer regarding that matter should be restricted - shall detail his reasonings in writing and
submit such to the Buyer.

The Buyer shall ensure that the request and its reasonings, as well as any other required detail, be brought to be discussed before the appropriate Procurement Committee. The Procurement Committee shall discuss the request and its reasonings. Had the Procurement Committee decided that:

There is no place to accept the request to hold a closed tender and a public proceeding should be held - the Buyer shall notify of so to the initiator of the Procurement Requisition.

A closed tender should be held - the head of the Procurement Committee shall submit the Procurement Committee's recommendation in the matter to the Tenders Committee.

The instructions above shall be held regarding the issues heard by the "Procurement Tenders Committee". In issues before the "Development and Logistics Tenders Committee" the matter shall be turned over directly to be decided upon by the Tenders Committee.

The Tenders Committee shall formulate its final decision:

Had it decided that there is no place to hold a closed tender - the Buyer shall notify of so to the initiator of the Procurement Requisition.

Had it decided that a closed tender should be conducted - the Procurement Coordinator shall ensure that the tender documents be drawn and if the decision of the Tenders Committee includes special terms or requirements - the Procurement Coordinator shall ensure that the tender is drawn in accordance with such requirements.

**List of Bidders in a Closed Tender**

For the purposes of a closed tender, the Tenders Committee shall hold lists of the suitable suppliers, set according to the types of engagements.

The bidders list shall be updated once a year at the least, mechanized, published and open for public viewing on the website.

The Tenders Committee shall publish notice of its intention to conduct a bidders list; anyone wishing to be included in the bidders list for a specific type of engagement, shall submit a written request to the Tenders Committee, attaching all of the details and documents regarding the matter, and he shall be included in the list if the Tenders Committee finds him suitable for so; the Tenders Committee shall notify the bidder of its decision and its reasonings.

The Tenders Committee is entitled to exclude a person, company or corporation on the bidders list for the acquisition of work or services
requiring personnel, or to order its dismissal from the aforesaid list for special reasons to be recorded after giving it an opportunity to argue its claims, noting its conduct in ensuring the employees' rights; had a person been included in the bidders list and the the terms stated in Regulation 11 exist in such, that person shall be removed from the bidders list, except if keeping him on the list had been approved for special reasonings to be recorded.

Selecting suppliers to whom a request shall be made to participate in a closed tender shall be carried out whilst ensuring the existence of equal and fair rotation amongst them, wallowing the maximum benefits to the University, according to the rules set forth in Appendix B of this procedure.

Had a bidders list for a specific type include no more than ten bidders, a request shall be made by the Tenders Committee to all;

Had a bidders list included over ten bidders, the Tenders Committee shall make a request to five bidders at the least, according to the mentioned rules;

**Higher Education Inputs**

An engagement in an agreement for executing a transaction in goods, work or purchase of services does not require a tender, if such is an engagement for purchasing scientific instrumentation, scientific literature or scientific equipment and materials that are used for higher education activities and services that are essential for research ("Higher Education Inputs"), required due to the characteristics relevant for higher education activities, including due to the need to maintain the reliability, consistency or continuity in research, provided that the value of such an engagement for the purchase of scientific literature or a single order of substances does not exceed NIS 500,000.

The approval of a purchase of higher education inputs shall be carried out as follows:

The initiator of the Procurement Requisition shall submit a Procurement Requisition to the Buyer, stating that such is a procurement of higher education inputs and that the initiator of the requisition or the one making use in practice of such higher education inputs, is not dependent on the supplier in any way.

A Buyer who receives a Procurement Requisition that includes a request for the procurement of higher education inputs shall operate as follows:

In the event where the sum of the requisition defined as higher education inputs is in the sum of NIS 30,000 or more, the Buyer shall have the researcher - initiator of the requisition sign a "Declaration of a Researcher within the Procurement of higher Education Inputs" attached as Appendix C to this procedure. (As long as no Electronic Signature had been arranged for such, within the Procurement Requisition.
In the event where the sum of the requisition does not exceed NIS 100,000, the Buyer shall decide whether such are indeed higher education inputs, and accordingly carry out the procurement proceeding as instructed by this procedure.

In the event where the sum of the requisition exceeds NIS 100,000 - the Buyer shall turn over the issue to be decided upon by the Procurement Committee, which shall decide:

Such are Higher Education inputs - shall notify of so to the Buyer, who will operate the execution of the procurement.

Such are not Higher Education inputs - shall notify of so to the Buyer, who will give proper notification to the initiator of the Procurement Requisition. At the request of the initiator of the requisition, the Buyer shall operate to continue performing the procurement in accordance with the procurement track indicated in this procedure, which is not for higher education inputs.

**Contracting with a Professional Expert**

Contracting with a professional expert, among those listed below, shall be conducted in accordance with the provisions of Regulation 9:

1. An engagement to carry out a professional task that requires specialized knowledge and expertise, within the planning, design, graphics, engineering, architecture, measurement, medical, or appraisal of real estate professions, except for engaging with an architect for planning a public building the design of which holds architectural - public interest;

2. An engagement to perform work that requires special trust relations, including Law, accounting, arbitration, consultancy or research;

3. An engagement to perform scientific or literary work or a work concerning research or development;

4. An engagement within the areas of acquiring education or vocational training.

5. A tender for engaging with an architect for planning a public building the design of which holds architectural - public interest, may be conducted according to arrangements and rules to be determined by the Tenders Committee, notwithstanding the stated in the Regulations.

**Exemptions from the Duty of Tender**

The University's engagement in a contract for executing a transaction in goods, land, work, or purchase of services, shall not require a tender, if such is one of the following (below shall be detailed the main exemptions and solely their principles.
All of the exemptions are stated in the Regulations, including the terms thereof:

An engagement the value of which does not exceed NIS 100,000 provided that an engagement the value of which exceeds NIS 60,000 shall be executed following the examination of several viable offers, however, throughout the period of twelve consecutive months, the University shall not engage with a specific supplier without a tender, under this paragraph -

In more than one engagement in the same matter if the reason for the split is to refrain from conducting a tender;

Engagements totaling in excess of NIS 300,000, and in this regard, also engagements entered into during the period defined as a continued in Regulation 3 (4), for an engagement originally entered into under this paragraph; there is nothing in the aforementioned to prevent the general manager of the University to approve under section 3 (4) a continued engagement in the sum exceeding NIS 300,000 for an engagement that had been originally entered into under this Regulation;

An engagement urgently required to prevent actual damage, which must be performed within two working days or less, in the minimal scope and duration required under the aforesaid circumstances, provided that the general manager of the University, and in his absence - the one authorized by him for doing so, confirmed such and reasoned his decision in writing;

An extension or expansion of an existing engagement - at the terms specified in the Regulations.

An engagement with a government or a corporation established by or under Law - at the terms prescribed in the Regulations.

An engagement for the purchase of unique services or goods relating to culture, arts, entertainment or community;

An engagement in a transaction involving extending credit or its acceptance, investment of funds, accepting banking services, the sale or purchase of securities or other capital market activities, provided that the Director-General or any person authorized by him have approved such;

An engagement for the purchase of land rights, provided that the specific land is required to be used by the University due to its special location or due to another unique feature, and the remaining provisions as specified in the Regulations;

An engagement to lease land or permission to use the land for a period of less than five years, provided that the area of the land does not exceed 1,000 square meters, and the rental fees do not exceed those prescribed by a qualified
An engagement with a person holding rights under Law or depending on the actual state of matters is the sole one who is capable of executing the subject of the engagement, after examining the existence of suppliers under Regulation 4; (an exemption for a "Single Supplier")

An engagement for executing a non-profit venture that will operate for the purposes of education, culture, religion, science, art, social welfare, health, sports, settlement, immigration, research or for similar purposes, having issued such notice as specified in Regulation 5 and the other provisions stated in the Regulations.

Engaging in a transaction with a foreign resident or engaging in a transaction the execution of which is to be performed abroad, in accordance with the provisions of the Regulations.

An engagement with one who had won a central tender, at identical terms to those of the Accountant General for that tender, or terms that benefit the University;

Engaging with another higher education institute in Israel or abroad.

An engagement for collaboration within the research, development and teaching fields, provided such an engagement as aforesaid with a corporation other than a non-profit corporation, shall be conducted, to the extent possible, after examination several viable alternatives;

An engagement for granting an employee of the University rights to land, other than ownership rights, in accordance with internal and egalitarian rules to be determined by the University;

Engaging with a subsidiary of the University - as provided by the Regulations.

An engagement with a student council, provided that the the engagements of the student council, with another entity for executing the same engagement for the University had been carried out in accordance with the Regulations.

**Approving Exemptions from Tender:**

Approval (or recommendation, depending on the authorization) regarding exemptions from tender and classifying the engagements within the various tracks other than engagements in a low sum or for the purchase of higher education inputs, shall be conducted by the Tenders Committee.

The Tenders Committee's decisions on granting an exemption from a tender, in a sum exceeding NIS 1.5 million, and for the issue of land rights in a sum exceeding NIS 2.5 million, shall require the approval of the exemption committee.
Had the Tenders Committee decided to grant an exemption from a tender or drawing an engagement through a closed tender, the Tenders Committee shall report its decisions to the exemptions committee on a quarterly basis; to the extent, such do not require the approval of the Exemption Committee.

An engagement for exercising the right of choice (an option) of the University included in an agreement that had been entered into following a tender requires the approval of the Tenders Committee and for an agreement that had been entered into not following a tender, in the event where the value of the engagement exceeds one million NIS, also requires the approval of the exemptions committee.

**Description of a Proceeding and the Work Instructions within Such** (see also the chart attached as Appendix A of the procedure)

A Buyer shall formulate the documents and prepare such to be discussed by the Procurement Committee.

After the discussions at the Procurement Committee, the Contracting Unit shall formulate recommendations submitted to the Tenders Committee regarding the terms of the tender.

The Tenders Committee shall discuss the terms of the tender and approve its publication. As far as possible, a preliminary or complete estimate shall be presented prior to the approval of the Tenders Committee.

The Contracting Unit shall draw the tender documents in conjunction with the Legal Department and additional professional entities if necessary.

Before a professional entity, who is not an employee of the University begins addressing matters pertaining to the tender, the Contracting Unit shall sign him on a non disclosure and lack of conflict of interest letter, in the wording determined by the Legal Department.

The Contracting Unit shall make sure to obtain from the authorized professional entity, a signed estimate for the tender, and sign the Chairman of the Tenders Committee on the estimate and place such in the tender box, if possible no later than the date of publishing the tender, and in any event no later than the deadline for the submission of bids, unless the Tenders Committee had authorized not to conduct an estimate. Had the estimate been other than that presented to the Tenders Committee in advance - the Contracting Unit shall update the Tenders Committees regarding the matter.

The Contracting Unit shall publish the tender through the press and on the website, or in the event of a closed tender - deliver such to the participants.
The Contracting Unit shall ensure conducting a suppliers tour, if such had been determined, and distribute the tour protocol, if conducted (in a Public Tender - both to the participants and on the website.)

The Contracting Unit shall monitor the receipt of clarification questions and formulate the responses to such.

The Contracting Unit shall confirm with the Legal Department the responses to the clarification questions and in the event, where the response had included a material change in the terms of the tender with the Tenders Committee.

The Contracting Unit shall distribute the responses to the clarification questions. (In a Public Tender - both to the participants and on the Internet website.)

The ones authorized by the CEO to open the tenders boxes, shall open the bid box at the closet possible time following the deadline for submission of bids, and in any event no later than two working days. The authorized people shall record the contents of the box in general, including the names of the bidders, whether a bank guarantee had been submitted, participation fee payment voucher and if possible the value of the proposals.

The Contracting Unit shall review the bids, and if necessary shall turn over the financial bid to be reviewed by the professional entity, who had been appointed to handle matters regarding the tender. The bank guarantees shall be transferred to the Finances Division.

The Contracting Unit shall formulate for the Tenders Committee a summarizing document that describes all of the matters included in each bid, in accordance with the requirements of the tender, detailing any attached document or reservations, if any.

The tenders’ committee coordinator shall schedule a meeting of the Tenders Committee to discuss the material within the bids.

The Tenders Committee shall receive the summarizing document, as well as any original documents of the bids upon its request, and discuss the manner of moving forward with the proceeding.

The Tenders Committee may decide any decision it is authorized to do under the Regulations, including:

   - Announce the winner of the tender.
   - Contact bidders for clarifications or additions, or summon a bidder for clarifications or hearing.
   - Contact references or contact people of previous works executed by the bidders, in accordance with the provisions of the tender.
Decide on the disqualification of bids.

Decide on the disqualification of the tender.

Appoint a sub-committee to examine the proposals or portions thereof.

Receive clarifications from the professional entity that had reviewed the offers.

Decide any other decision required for it in order to work smoothly.

Had the Tenders Committee decided that it is necessary to receive clarifications, additions, contact the contact people or the professional entity - the Procurement Coordinator shall contact the appropriate entity, in writing, requesting responses, and following the date for so, shall update the Tenders Committee on the response given. The committee shall decide whether the response given is sufficient, or whether additional matters are required.

Had the final decision of the Tenders Committee been given - the Procurement Coordinator shall notify, in writing, all of the participants in the tender, of the tender results. The notification shall include the name of the winner and the winning bid sum, to the extent possible. A corresponding notification shall be placed by him on the Internet website.

Had the Tenders Committee not decided explicitly otherwise - along with the notification of the results of the proceedings, the bank guarantees, if given, shall be returned, except for the guarantee of the winning bidder.

The winning bidder shall be summoned by the Contracting Unit to sign the documents and complete the documents required for the execution of the contract. Had it been requested to provide a performance guarantee - the participation guarantee shall not be returned to the bidder prior to submitting the performance guarantee.

Had the winning bidder fail to meet his duties upon written request from the Contracting Unit, the Procurement Coordinator shall notify the Tenders Committee of so, and it shall be entitled to decide any decision it is authorized to decide under the Law and the provisions of the tender, including the decision to revoke the winning, forfeiture of the participation guarantee and appointment of a replacing winner.

The Tender participants are entitled to examine the winning bid and tender documents, within the time and scope as stated in the Regulations. Had a participant requested to examine the tender's documents and the winning bid - the Procurement Coordinator shall ensure the review as soon as possible, by manner of receiving photocopies of the matters, to the extent possible, and in return for the fee set forth for so in the tender's documents. Summoning a contestant for review shall be in writing. Notification regarding the review
request shall be submitted to the Legal Department, prior to allowing the review.

Had a complaint been received by a bidder or his counsel, regarding the conduct within the tender- the Procurement Coordinator shall bring such complaint to the attention of the Legal Department immediately. The Legal Department shall handle the preparation of a response to the complaint, and update the Procurement Coordinator: who is responsible for updating the Tenders Committee on developments.

**Buyer's / Procurement Coordinator's Handling of the Procurement Requisition**

Upon receipt of a Procurement Requisition, the Buyer / Procurement Coordinator shall operate for the preliminary preparation of the procurement portfolio as follows:

- Complete / update as necessary data within the Procurement Requisition, such as categories, catalog etc.

- Examine whether in respect of the goods, services or work required, there is an agreement in force. Had the Buyer learned there is an agreement in force (including a framework agreement), he shall ask for a price quote from the supplier or generate an order, depending on the terms of the agreement.

- Examine the forms attached to the requisition, such as, specifications, requests for exemption from a tender, an opinion for a Single Supplier / an overseas supplier etc.

- Assess the value of the engagement (including extension options) in accordance with previous similar purchases.

- Up to the sum of NIS 100,000 - he shall determine, according to the estimated value of the engagement and additional data within the Procurement Requisition, the number of potential suppliers from whom he shall request offers.

- Summon a Procurement Committee to convene for a Procurement Requisition that is not exempt from tender or of estimated value exceeding NIS 100,000, or alternatively a Procurement Requisition that is exempt from a tender for reasons other than sum / higher education inputs, to discuss the requisition and the required manner of engagement.

- In the event where the purchase requisition is lacking data / some of the data is incorrect, he shall contact the Requiring Entity for completing the details.

v. **The Procurement Committees - Their Duties and Manner of Operation**

1. **Composition of the Procurement Committees**
The Procurement Committee at the Procurement and Supplies Department:

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<tr>
<th>Estimated value of the engagement (NIS)</th>
<th>Composition of the Committee</th>
</tr>
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</table>
| Over 100,000 and up to 300,000          | Chairman of the committee - the Procurement Coordinator  
                                        | Members: Buyer, initiator and / or expert in the field (if necessary) |
| Over 300,000                            | Chairman of the Committee: Director of the Procurement and Supplies Department  
                                        | Members: The Procurement Coordinator, Buyer, initiator and / or expert in the field (if necessary) |

2. **Procurement Committee Duties**

**Defining the Engagement Proceeding for Examining its Classification, including:**

- Examining the existence of an exemption according to the engagement characteristics.

- The possibility of exercising extension options / expansions of previous engagements.

- Reviewing the opinion that defines a supplier as a Single Supplier / overseas supplier.

- Calling for bids and holding negotiating  (In the case of price quotes).

- Recommendations to the Tenders Committee regarding the classification of the tender (public / Closed / framework etc.).

**Holding Discussions on the Following Issues:**

- Forming the list of potential suppliers.

- Recommendation to the Tenders Committee for setting standards and their weight.
Appointing a negotiations director and determining the manner of administrating the negotiations (under the responsibility of the Tenders Committee within a tender proceeding). Formulating red lines - boundaries of the negotiations within which the Buyer / Procurement Coordinator are authorized to select a supplier and agree upon an engagement with him. Had the negotiations director fail to meet the red lines that had been defined, he must return to the Procurement Committee for such to be re-defined.

Formation of timetables / delivery dates.

Formulating additional designations regarding the scope and nature of such engagement, such as: Warranties, transportation, installation, optional extensions, payment terms, advances against guarantees, fines, etc.

The committee hearing shall be held prior to the commencement of the proceeding of contacting suppliers - to the extent possible - with a request for bids and prior to the meeting of the Tenders Committee or the Exemption Committee.

It is the responsibility of the Buyer/ Procurement Coordinator to summon the Procurement Committee and prepare preliminary material, including:  A list of potential suppliers, price history, previous purchases within the last 12 months, similar purchases, obtaining opinions for Single Suppliers (according to the form attached as Appendix D to this procedure) / Overseas supplier, obtaining all the documents that had been attached to the Procurement Requisition.

The Manner of Contacting Suppliers

1. Determining the number of suppliers participating in the bidding proceeding shall be in accordance with the estimated value of the contract, as detailed in the following table:

<table>
<thead>
<tr>
<th>Estimated value (NIS)</th>
<th>Number of bids (minimum)</th>
</tr>
</thead>
</table>

---

Date of publication of procedure # 07-017
Procedures of the University, December 2013 Kislev Tsha’d
<table>
<thead>
<tr>
<th>Up to 5,000</th>
<th>One</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,001 - 50,000</td>
<td>Two</td>
</tr>
<tr>
<td>50,001 - 100,000</td>
<td>Three</td>
</tr>
<tr>
<td>Over 100,000</td>
<td>Tender</td>
</tr>
</tbody>
</table>

Contacting a lower number of suppliers than that required in the above table shall be made only in exceptional cases and subject to the written reasonings at the following breakdown:

- A Purchase requisition within the Procurement and supply department - written reasonings by the Requiring Entity, the Buyer's opinion and the approval of the Procurement and Supplies department.

- A procurement within the development and logistics Division - written reasonings by the relevant department manager within the Development and Logistics Division, the opinion of the Procurement Coordinator and the approval of the director of the Procurement Department.

In the event where more than one offer is required according to the table above, contacting the suppliers shall be made in writing, using all means of communication, such as: Mail, fax, and e-mail. In addition- the valid price list submitted by the supplier as a price quote may be relied upon, whilst maximizing the discounts off the price list. Provided such practice had been used for all of the suppliers within that proposal.

**Examining Proposals Submitted within the Bidding Proceeding and Holding Negotiations**

After receiving bids from the suppliers, the Buyer shall carry out a comparison between the offers submitted as follows:

- Recording the details of the bids received on a comparison table.

- Arithmetic examination of the sums specified in the proposals.

- Inspecting the existence of the suppliers' signatures as required.

- Verifying the compliance of the offers with the preliminary requirements, if such had been prescribed.

Examining the proposals considering the relevant criteria. In the event where an offer does not meet the standards, to the extent possible, negotiations shall be held with the supplier in order to bring about a change of his proposal in a manner that such shall meet the standards.
In engagements, the value of which exceeds NIS 5,000, negotiations shall be held to the extent possible with the suppliers to improve their bids. The negotiations director may include, at his discretion, additional entities from the Procurement Entity or the University headquarters, as well as the Requiring Entity and / or an expert in the field.

**Approval of the Procurement Requisition**

After selecting the supplier and prior to the time of drawing an order, it is the Buyer's / procurement requirement to turn over the Procurement Requisition to be approved by the approving entities, depending on the type of goods / services / work purchased. The transfer of the request shall be executed using the computerized - systemic system or manually transferring such to be approved as follows:

The Computing and Information Systems Department - in purchasing computer equipment through the Computing and Information Systems Department (Manually).

The Safety Department - in purchasing hazardous materials (systemic), in purchasing dangerous equipment (manually).

Radiation Safety - in purchasing radioactive materials (systemic), in purchasing radiation emitting equipment (manually).

Maintenance Department - in purchasing equipment of unusual features (manually).

Research Administration - reviewing the compliance of the purchase with the research budget section (systemic).

Inventory - in purchasing inventory equipment (Systemic / manually).

Funds and Research Department - reviewing the compliance of the purchase with the funds budget section (systemic).

The Institutes for Desert Research - examining the compliance of the purchase with the budget section (systemic)

The Institute for the Study of Zionism - examining the compliance of the purchase with the budget section (systemic)

In Procurement Requisitions of the development and logistics division - a computerized approval round shall be conducted, including the following approving entities:

The supervisor of the Contracting Unit / head of the contracting department

The relevant ward director
the Procurement ward director

Development and Logistics VP

A rejection of the approval of the Procurement Requisition by one of the approving entities shall refer the requisition back to the Requiring Entity along with a copy to the Buyer, including details of the reason for the rejection.

Issuing an Order to a Supplier

The Purchase order shall state all of the terms of the engagement as agreed upon with the supplier regarding the order.

The Buyer shall generate and deliver the order to be signed manually by the underwriting entities and its approval within the computerized system. The order shall come into effect following its approval, and only then, it shall be delivered to the supplier. The underwriting entities on the order are determined according to the order value, as follows:

<table>
<thead>
<tr>
<th>Domain</th>
<th>Order value (NIS)</th>
<th>Underwriting entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goods, Services, Import</td>
<td>up to 3500</td>
<td>Buyer</td>
</tr>
<tr>
<td></td>
<td>3,500 – 30,000</td>
<td>Buyer + Director of Procurement and Supplies Department</td>
</tr>
<tr>
<td></td>
<td>30,001 – 100,000</td>
<td>Buyer + Director of Procurement and Supplies Department + CFO</td>
</tr>
<tr>
<td></td>
<td>Over 100,000</td>
<td>Buyer + Director of Procurement and Supplies Department + CFO + CEO</td>
</tr>
<tr>
<td>Development - Logistics</td>
<td>Up to - 3500</td>
<td>Buyer</td>
</tr>
<tr>
<td></td>
<td>3,500- 10,000</td>
<td>Contracting Coordinator&lt;Head of the Contracting Department / Contracting Unit Administration</td>
</tr>
<tr>
<td>Domain</td>
<td>Order value (NIS)</td>
<td>Underwriting entity</td>
</tr>
<tr>
<td>---------</td>
<td>-------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td></td>
<td>10,000– 30,000</td>
<td>Contracting Coordinator&lt; Head of the contracting department /Contracting Unit Administration&lt; the relevant ward director&lt; the Procurement Ward director</td>
</tr>
<tr>
<td></td>
<td>30,001 – 100,000</td>
<td>Contracting Coordinator&lt; Head of the contracting department /Contracting Unit Administration&lt; the ward director&lt; Development and Logistics VP</td>
</tr>
<tr>
<td></td>
<td>Over 100,000</td>
<td>Contracting Coordinator&lt; Head of the contracting department /Contracting Unit Administration&lt; the ward director&lt; Development and Logistics VP +CEO</td>
</tr>
</tbody>
</table>

5. **Responsibility**

The responsibility for executing this procedure is imposed on the Finance Department and the Development and Logistics Department.

6. **Validity**

This procedure is valid commencing on the date of its publication and supersedes any other procedure regarding the subject.

_________________________
David Barkat
Vice President and CEO
Appendix "A": Flow Chart of the proceeding for Contracts and Tenders
Appendix "B": Rules for Selecting Contenders for a Closed Tender

Rules for Selecting Contenders for a Closed Tender

Regulation 20 (e) - "The Tenders Committee shall set forth, with the approval of the of the Institution's Legal Advisor and the Institute's Accountant, a written procedure for selecting the suppliers that shall be contacted from the bidders list, in a manner ensuring equal and fair rotation amongst them, and which allows the maximum benefits to the tender's conductor."

Had the Tenders Committee decided to refrain from contacting all of the bidders on the bidders list, then for the purposes of a closed tender or for a competitive appeal to receive proposals, the proceeding of selecting the participating suppliers shall be conducted in an equal, fair and transparent manner, and in a manner that provides the maximum benefits to the University, and as detailed below, in an effort to contact as many bidders for each proceeding:

The supplier list within the system shall be broken down into relevant categories. The suppliers shall be listed in alphabetical order.

The first call for proposals shall be addressed to the first bidder, of the first five letters (at the least). The second call shall be directed to the first bidder, of the following five letters (at the least), and so on. After contacting the first bidders from each letter, the call shall be addressed to the second bidders from each letter and so forth.

In addition to the suppliers selected in the order mentioned above, the Tenders Committee may include in the tender the two bidders who had won the best scores in the previous tender, public or closed, under the following provisions:

If the Tenders Committee had learned that, the University had been satisfied with the engagement with the supplier.

An inclusion as aforesaid may be carried out once (following each tender in which the supplier had been among the two best ones).

The inclusion may be carried out only for the tender following the tender in which the supplier had been among the two best ones.

The committee may also order the inclusion of only one of the two suppliers as aforementioned or order to not include of them once again.

The committee's decision:
Signatures:

Development and Logistics VP ____________________________

Attorney - The Legal Department __________________________

The Auditor's Bureau ____________________________

Head of Engagements and Tenders Department __________________

Accountant - Finance Department __________________________

Head of Special Budgets Department __________________________
Appendix "C": Wording of the Investigator's Statement for the Purchase of Higher Education Inputs

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The researcher's statement, for the purchase of higher education inputs in accordance with Regulation 8 of the Mandatory Tenders Regulations (Engagements of a Higher Education Institute) -2010:

"The engagement of an institute in a contract for executing a transaction in goods, execution of work, or purchase of services shall not require a Public Tender, if such is an engagement for the purchase of scientific equipment, scientific literature, scientific equipment and materials used in higher education activities and essential services for research (in this section higher education inputs), required due to their characteristics that are relevant for higher education activities, including due to the need to maintain reliability, consistency or continuity of research .."

I hereby confirm that Procurement Requisition No. _____________ from the supplier _____________ meets the conditions specified above.

I hereby declare that there are / are no_____ personal and / or family and / or social and / or economic and / or business relations of any kind whatsoever between myself and / or my relatives and / or my subordinates and / or my superiors and the requested supplier / manufacturer.

And in witness hereof I have signed

Date: ________________

Full Name: ________________

I.D. No.: ________________

Position: ________________

Signature:______________
Appendix D: Opinion Form for a Single Supplier

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To: The Tenders Committee

Re: Expert Opinion within the Intention to Engage with a Single Supplier

This application relies on Regulation 3(18) of the Mandatory Tenders Regulations (Engagements of a Higher Education Institute) -2010.

The nature of the engagement (background and details of the features of the goods / services / work):

Supervisor's information and the engagement:

<table>
<thead>
<tr>
<th>Supplier Name:</th>
<th>Supplier No.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Company Registration No.</td>
</tr>
<tr>
<td></td>
<td>other identification No.</td>
</tr>
<tr>
<td>Period of the contract:</td>
<td></td>
</tr>
<tr>
<td>Estimate / annual contract value (including VAT):</td>
<td></td>
</tr>
<tr>
<td>Total estimate / contract value (including VAT):</td>
<td></td>
</tr>
</tbody>
</table>

Reasonings for the supplier being a Single Supplier (if necessary any other relevant document may be attached to the opinion):

In light of the reasonings noted above, we seek to conduct the engagement within a proceeding exempt from a tender.

This opinion of mine is submitted empowered by my being the professional authority for this issue.

Sincerely,

Date | Name of the professional authority | Position of the professional authority | Signature