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### Directive: Contracts and Tenders

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**Appendix A: Flow Chart of Process for Contracts and Tenders**

**Appendix B: Closed Tender Bidder Selection Rules.**

**Appendix C: Text of Researcher's Higher Education Inputs Procurement Declaration**

**Appendix D: Sole Supplier Opinion Form**

**Reference: Mandatory Tenders Regulations (Higher Education Institution Contracts), 5770-2010**

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#### 1. General

The Directive delineates the various stages of the process of contacting and selecting suppliers, from receiving a procurement request and defining the required contract procedure, to selecting the supplier and issuing a purchase order.

#### 2. Purpose

The purpose of this Directive is to comply with the principles of the Mandatory Tenders Regulations which apply to the University, to inform the procurement entities and their customers, as well as to define the processes for entering into contracts with the University, including those which are not subject to mandatory tender.

**Clarification:** Attached herewith is a reference to the file **Mandatory Tenders Regulations (Higher Education Institution Contracts), 5770-2010 ("the Regulations"**. Please note - The Regulations may be updated from time to time and the binding version is the one issued in official publications. The interpretation of various provisions in the Regulations is determined in accordance with the opinion of the University's Legal Bureau. As stated above, this Directive delineates the main processes which are legally binding upon the University and all its units. Naturally, the Directive does not exhaust all of the statutory provisions in this context.

#### 3. Definitions

- 3.1 **Procurement request** - An application from the requisitioner to one of the procurement entities for the entering into of a contract to purchase goods, services or for the performance of work.
- 3.2 **The requisitioner** - A person authorized by the University to initiate a procurement request.
- 3.3 **The procurement entity** - The Finance Department Procurement and Supply Division or the Planning, Construction and Maintenance Department Contracts Section.
- 3.4 **Sole supplier** - The only supplier capable of providing the goods, services or work depending on the actual situation.

- 3.5 Public tender** - An invitation published in the national press and/or posted online to the general public for submission of proposals for the supply of goods, services or work in a process conducted in accordance with the Regulations and this Directive, which gives every person an equal opportunity to participate in the process.
- 3.6 Framework tender** - A public tender in which more than one bidder is selected in a procedure conducted in accordance with the Regulations and this Directive.
- 3.7 Closed tender** - An invitation to a number of pre-defined suppliers, from an existing database (apart from exceptions) to submit bids for the supply of goods, services or work, in a process conducted in accordance with the Regulations and this Directive.
- 3.8 Procurement Committee** - A committee chaired by the procurement coordinator or the Director of the Procurement Department as specified in this Directive and charged with examining and proposing commercial terms for optimal procurement, examine the recommended method of entering into contracts and to identify anomalies in the conduct of the mandatory tender.
- 3.9 Tender Committee** - A committee appointed to manage all the tender procedures, including the approval of certain exemptions from the tender and to perform the other functions specified in the Regulations and this Directive. Two Tender Committees operate within the University:  
"**The Procurement Tender Committee**", comprising of: The CFO (Chairman); the Director of the Procurement Division; a representative of the Legal Bureau; a representative of the University Comptroller (observer); the procurement coordinator (committee coordinator);  
"**The Construction Tender Committee**", comprising of: The Director of the Planning, Budgeting and Economic Department and Deputy CEO (Chairman), Vice President of Engineering; a representative of the Finance Department; a representative of the Legal Bureau; a representative of the University Comptroller (observer); Head of the Special Budgets Section of the Planning, Budgeting and Economic Department (Committee Coordinator).
- 3.10 Exemption Committee** - A committee comprising of 2 public representatives who are not employees of the University, together with the University's Legal Advisor, which is charged with discussing and taking decisions regarding requests for tender exemptions in certain cases, as provided in the Regulations and receiving reports on tender exemptions and closed tenders approved by the Tender Committees.
- 3.11 Procurement Coordinator** - Head of the Contracts Unit or his assistant who orchestrate the Procurement Committee's discussions.
- 3.12 Expedited Procurement Order** - Used to make purchases for limited sums without the involvement of the Procurement Department's buyers. If necessary, the Tafnit ERP system directs the request to approving bodies (Research Authority, Funds and Research or Safety).

### 4. Content of the Directive

#### 4.1. Policy and general guidelines

4.1.1. A buyer in a procurement entity who receives a procurement request shall first check whether there is a valid agreement regarding the requested contract, and if there is such an agreement then he shall make the purchase in accordance with that agreement, unless there are special reasons not to do so, in which case the buyer shall refer the matter for a decision to the Director of the Procurement Department.

4.1.2. Before entering a contract for a sum which exceeds NIS 100,000, the Procurement Committee or the Tender Committee, as the case may be, shall examine the possibility of awarding the contract through a public tender, a limited public tender, a closed tender, or a tender - exempt process - the possibility of receiving several quotations or a single quotation - in this order.

4.1.3. The procurement entity is responsible for formulating the commercial and professional terms of the contract and actually implementing the contract with the chosen supplier.

During its work in formulating the terms of the contract, the procurement entity shall consult and act in accordance with the guidelines of the professional bodies in charge of the various areas within the University, including the Finance Department, the Safety Department, the Legal Bureau, the Safety Consultant, etc.

The Legal Bureau is responsible for preparing the agreements. It is clarified that under no circumstances shall the procurement entity enter into an agreement that has not been prepared or examined and approved by the University's Legal Bureau.

The procurement entity has at its disposal a database containing standard agreements prepared by the Legal Bureau. Where a standard agreement prepared by the Legal Bureau is being used, without changes to that agreement - it is not necessary to have it reapproved before entering into the contract. Amendments in a standard agreement shall be drafted and/or approved by the Legal Bureau. In any case, even where a standard agreement is being used - the initiator or another person may not enter into a contract in the University's name, other than through the relevant procurement entity.

4.1.4. Even after a contract has been entered into with the chosen supplier, to the extent that the terms of the contract and statutory provisions enable it to do so, the procurement entity shall periodically examine the possibility of improving the terms of the contract with the supplier in accordance with changes in market conditions or through contacting other suppliers.

- 4.1.5. A university employee who suspects that a conflict of interest exists, including between himself and/or his first degree relatives and the supplier and/or his employees, including due to a personal and/or social and/or economic and/or business relationship, shall report this immediately to the Director of the Procurement Department as the case may be and shall act in accordance with their instructions in the matter.
- 4.1.6. As a rule, tender procedures shall be followed without conducting negotiations, unless they are approved in advance by the Tender Committee, in limited cases, and permitted under the Regulations.
- 4.1.7. Having regard to the provisions the provisions which have been established in this regard in the Finance and Economy Regulations and provided that they shall not derogate therefrom and in relation to the institution, the CEO shall prescribe provisions regarding the protection of employees' rights and ensuring the observance of the labor laws by bidders, winners or those contracting with the institution, including the sectors or industries which labor law compliance provisions apply to.
- 4.1.8. The entry and other conditions of the tenders shall be determined by the Tender Committee. The committee shall endeavor to alleviate the entry conditions as much as possible in order to maximize the circle of potential bidders.
- 4.1.9. The sums specified in this Directive are inclusive of VAT and cumulative for all the University's units. The figures are updated from time to time. Sums which are prescribed in the Law or in the Regulations shall be revised if the Law or the Regulations are updated. The University may periodically revise the sums which it has prescribed in an amendment to this Directive.

#### 4.2. **The method** - *The main channels for entering into a contract:*

##### 4.2.1. **Public auction**

The University shall enter into a contract for the execution of a transaction in goods or real estate, for the performance of work or for the purchase of services, through a public tender in which each person is given an equal opportunity to participate, unless in a specific case an exemption from holding a public tender or other concession was lawfully authorized by the relevant party.

In most cases the University shall hold a regular public tender. In exceptional cases, the Tender Committee may also in its discretion approve the conduct of tenders consisting of additional or other stages, in accordance with the definitions prescribed in the Regulations and in this

Directive.

**4.2.2. Public tender with a prequalification stage**

- A. The Tender Committee shall publicly invite bidders to submit documents on a date which it shall prescribe ("**the first date**") in order to examine whether the bidder meets the threshold requirements and the minimum quality score, if stipulated, for the purpose of determining the final bidding group;
- B. The Tender Committee shall determine the final bidding group, and shortly after making its decision shall notify anyone submitted documents on the first date of his inclusion in or exclusion from the final group of bidders;
- C. The Tender Committee shall invite all those included in the final bidding group to submit their offers for the tender on a date which it shall determine ("**the second date**");
- D. The Tender Committee may stipulate in the tender documents that following submission of the bids on the second date, additional threshold conditions shall be examined and an additional quality score, which were not examined in determining the final bidding group on the first date.

**4.2.3. Public tender with a two-stage evaluation:**

- A. The tender documents shall stipulate that the quotations are to be submitted separately from the other parts of the bid and shall be marked as a quotation;
- B. After opening the tender box, the envelopes containing the quotations shall be returned to the tender box and the Tender Committee shall determine the final bidding group and the quality score of each bidder;
- C. At this stage, the quotations shall be opened and the Tender Committee shall determine a final score based on the combined quality and price scores.

**4.2.4. Ordinary public tender with additional competitive process**

- A. The tender documents prescribe conditions which if met an additional competitive procedure shall be conducted.
- B. Should the aforementioned conditions be met, the Tender Committee shall notify the bidders who were selected according to these conditions that they may submit, on a date which the Committee shall instruct, a final quotation upon terms which are more favorable to the University compared with their original offer. Should a bidder fail to submit a second offer, his first bid shall be regarded as his final bid.

**4.2.5. Framework tender**

- A. A framework tender is a public tender in which more than one supplier is selected and the identity of the supplier which each actual order shall be placed with is determined from time to time according to the terms of the tender and the provisions set out hereinafter;
- B. The Tender Committee may declare a framework tender, for the minimum period required in the circumstances of the case, which shall not exceed 5 years, if it offers a real advantage to the University.
- C. Should a framework tender be orchestrated, then it shall be the procurement channel for every order for goods, work or services as follows:
  - 1. The Tender Committee shall invite all the framework tender suppliers to submit bids in the manner prescribed in the framework tender, insofar as such provisions were prescribed therein ("**individual invitation**");
  - 2. The framework tender suppliers shall submit their bids in response to the individual invitation upon the terms of the contract prescribed in the framework tender; the quotation for every item or unit ordered shall not exceed the quotation for that item or unit as stated in the framework tender;
  - 3. The Tender Committee shall select the supplier who shall deliver the individual order upon the terms of the framework tender;
  - 4. The Tender Committee shall not conduct negotiations with the framework tender suppliers following the individual invitation;
  - 5. The University's Accountant with the approval of the University's Legal Advisor may prescribe:
    - a. Instructions regarding how the individual invitation is to be issued, the manner of submitting the reply to the individual invitation and the manner of determining the supplier who shall provide the goods, work or services following the individual invitation;
    - b. Instructions regarding the requirements for issuing an individual invitation to enter into a contract the value of which does not exceed NIS 60,000, and he may stipulate that such an invitation shall not be issued by the Tender Committee, or not be issued to all the framework tender suppliers.

**4.2.6. Closed tender**

- A. The University does not have to enter into a contract for the execution of a transaction in goods or real estate, for the performance of work or for the purchase of services, via a public tender but may do so through a closed tender if it falls into one of the following categories:

1. A contract for the purchase of goods with special features and uncommon characteristics, including medical equipment, medications, blood serum or vaccines, an insurance policy or a transaction concerning advertising or public relations with features and characteristics as aforesaid, provided that there is a limited number of suitable suppliers for the contract in question and all such suppliers shall be regarded as a bidders list for a closed tender (as an exception to the obligation to hold a closed tender between the bidders in the University's database);
2. A contract for the purchase of higher education inputs consisting of professional literature or a single order of materials, the value of which exceeds the sum specified in the regulation in question (currently - NIS 500,000);
3. Other circumstances recognized by law.
4. A contract in which the consideration does not exceed NIS 600,000, provided it was approved in accordance with the following provisions:
  - a. The initiator of the procurement request, the amount of which fluctuated between NIS 100,000 and NIS 600,000, considers that for empirical reasons the number of parties who are qualified to submit a bid in the matter should be curtailed, shall specify those reasons in writing and convey them to the buyer.
  - b. The buyer shall make sure that the request, the reasons for it and any other necessary detail are brought before the appropriate Procurement Committee for discussion. The Procurement Committee shall discuss the request and its reasons. Should the Procurement Committee decide that:
    - 1) There is no justification for acceding to the request to hold a closed tender and a public tender must be held - The buyer shall notify the initiator of the procurement request of that request.
    - 2) The holding of a closed tender is justified - The Chairman of the Procurement Committee shall present the Procurement Committee's recommendation in the matter to the Tender Committee.
  - c. The foregoing provisions shall be implemented in relation to matters brought before the "Procurement Tender Committee". Matters before the "Planning, Construction and Maintenance Department Tender Committee" shall be

transferred directly to the Tender Committee for determination.

- d. The Tender Committee shall formulate its final decision:
1. Should it decide that there is no reason to hold a closed tender - the buyer shall notify the initiator of the procurement request of that request.
  2. Should it decide that the holding of a closed tender is warranted - the procurement coordinator shall work to prepare the tender documents and if the Tender Committee's decision contains special conditions or requirements - the procurement coordinator shall make sure that he prepares the tender in accordance with those requirements.

**B. Bidders list in a closed tender**

1. For the purpose of a closed tender, the Tender Committee shall maintain lists, drawn up according to types of contract, of suitable suppliers.
2. The bidders list shall be updated at least once a year, shall be managed in a mechanized manner, shall be published and shall be open to public inspection on the website.
3. The Tender Committee shall publish a notice regarding its intention to compile a bidders list, and anyone wishing to be included in the bidders list for a particular type of contract shall submit a written request to the Tender Committee, together with all the relevant details and documents, and he shall be included in the list if the Tender Committee finds him suitable; The Tender Committee shall notify the applicant of and the reasons for its decision.
4. The Tender Committee may exclude a person, company or corporation from the list of tenderers for the purchase of labor or labor-intensive services, or, after giving him an opportunity to present his arguments before it, order his deletion from the said list for special reasons which shall be recorded, having regard to his conduct concerning observance of employees' rights. Should a person whom the conditions specified in Regulation 11 apply to, be included in the bidders list, then that person shall be deleted from the bidders list unless the Tender Committee resolves not to remove him from the list for special reasons that shall be recorded.

5. The suppliers invited to participate in the closed tender shall be selected in a manner that ensures the existence of an equitable and fair bidding cycle between them and confers the maximum advantages on the University, according to the rules set out in Appendix B to this Directive.
6. If the bidders list for a particular category includes no more than ten bidders, the Tender Committee shall invite all of them to participate.
7. If the bidders list includes more than ten bidders - the Tender Committee shall apply to at least five bidders in compliance with the said rules.

**4.2.7. Higher education inputs**

A contract for the execution of a transaction in goods, for the performance of work or for the purchase of services does not require a tender, if it is a contract for the purchase of scientific instruments, scientific literature, scientific equipment and materials used for higher education and services which are essential for research ("**higher education inputs**") and are required because their characteristics are relevant for the purpose of higher education activity, including due to the need to maintain the credibility, uniformity or continuity of the research, provided that the value of such a contract for the purchase of scientific literature or of a single order of materials does not exceed 500,000 new shekels.

The purchase of higher education inputs shall be approved as follows:

- A. The initiator of the procurement request shall forward to a buyer the procurement request, on which it shall state that the request is for the procurement of higher education inputs and that the initiator of the request or whoever shall actually be using the higher education inputs in question is not dependent upon the supplier.
- B. A buyer who receives a procurement request that includes higher education inputs shall act as follows:
  1. If the amount of the request defined as higher education inputs is NIS 30,000 or more, the buyer shall sign the researcher - the initiator of the request, on a "researcher's higher education inputs purchase declaration" which is attached to the Directive marked Appendix C (unless he signed it electronically within the framework of the procurement request).
  2. If the amount of the request does not exceed NIS 100,000 - the buyer shall decide whether it is actually for higher education inputs and make the purchase accordingly and in compliance with the provisions of this Directive.

3. If the amount of the request exceeds NIS 100,000 - the buyer shall transfer the matter to the Procurement Committee, which shall decide:
  - a. That the request is for higher education inputs and shall give a notice to that effect to the buyer, who shall act to carry out the procurement.
  - b. That the request is not for higher education inputs and shall give a notice to that effect to the buyer who shall inform the initiator of the procurement request accordingly. At the behest of the initiator of the request, the buyer shall continue to implement the procurement through the procurement track in accordance with this Directive, which is not for higher education inputs.
  - c. That the request to authorize the purchase of higher education inputs includes construction components - The VP of Engineering or his representative shall participate as a regular member of the Procurement Committee charged with deliberating the matter.

#### **4.2.8. Contract with a specialist**

A contract with a specialist from amongst those enumerated below shall be conducted as stipulated in the provisions of Regulation 9:

- A. A contract for the performance of professional work which requires special knowledge and expertise in the professions of planning, design, graphics, engineering, architecture, surveying, medicine or real estate appraisal, excluding a contract with an architect for the planning of a public building, the design of which is of public-architectural interest.
- B. A contract for the performance of work requiring a special fiduciary relationship, including advocacy, accountancy, arbitration, consultancy or research;
- C. A contract for the performance of scientific or literary work, research or development;
- D. A contract in the field of acquisition of education or vocational training.
- E. Notwithstanding the provisions of the Regulations, a contract by tender with an architect for the planning of a public building, the design of which is of public-architectural interest, may be entered into in accordance with arrangements and rules prescribed by the Tender Committee.

#### **4.2.9. Exemptions from mandatory tendering**

The University may enter into a contract for the execution of a transaction in goods or real estate, for the performance of work or for the purchase of

services without a tender, if it falls within one of the following categories (the main exemptions and their principal features only are enumerated below. The full list of exemptions is set out in the Regulations):

- A. An exemption based on the value of the contract under Regulation 3(1) - "A contract the value of which does not exceed 100,000 new shekels, although the institution may not enter into contracts with a particular party for a continuous period of 12 months without a tender, pursuant to this paragraph, for a total sum of more than 300,000 new shekels, including contracts entered into during such a period as continuation contracts, as defined in paragraph (4), of a contract which was originally made under this paragraph; nothing in the foregoing shall preclude an institution's exemption committee from endorsing a continuation contract under paragraph (4)(b)(3) for a sum in excess of 300,000 new shekels, of a contract which was originally made under this paragraph;"
- B. A contract that is urgently required in order to prevent substantial damage, the performance of which must commence within two working days or less, on a scale and for a period as minimally required in such circumstances, provided that the General Manager of the University, and in his absence, whomever he authorized for the purpose, approved this and explained his decision in writing;
- C. The extension or expansion of an existing contract **upon the terms prescribed in the Regulations.**
- D. *[Translator: This subparagraph is erroneously lettered E in the Hebrew version]*  
A contract with a government company or corporation which was established within or pursuant to the Law **upon the terms prescribed in the Regulations.**
- E. A contract for the purchase of unique goods or services relating to culture, art, entertainment or lifestyle;
- F. A contract involving a transaction for the provision or receipt of credit, investment of funds, receipt of banking services, sale or purchase of securities, or other capital market activities, provided that it was endorsed by the General Manager or whomever he authorized for the purpose.;
- G. A contract for the purchase of rights in real estate, whether the particular real estate is required for the use of the University due to its special location or because of another unique feature, and subject to the other conditions **as specified in the Regulations;**

- H. A contract to lease or license the use of real estate for a period of less than five years, provided that the area of that real estate area does not exceed 1,000 square meters and the rent does not exceed the figure which a certified appraiser has determined;
- I. A contract with a person who by legal right or based on the actual state of affairs is the only one able to implement the subject of the contract, following a check for the existence of suppliers pursuant to section 4 of the Regulations (the "**sole supplier**" exemption);
- J. A contract for the implementation of a project which shall be operated on a nonprofit basis for purposes of education, culture, religion, science, art, welfare, health, sports, settlement, immigration, research or a similar purpose, following publication of a notice as stated in Regulation 5 **and subject to the rest of the conditions stipulated in the Regulations;**
- K. A contract involving a transaction with a resident of a foreign country or a contract involving a transaction which is to be implemented in a foreign country **which conforms with the provisions of the Regulations.**
- L. A contract made with a person who has won a central tender, upon the same terms as prescribed by the Accountant General in that tender, or on terms that are beneficial to the University;
- M. A contract with another higher education institution in or outside of Israel.
- N. A contract for collaboration in the fields of research, development and teaching, provided that if such a contract is not with a nonprofit corporation it shall be made, in so far as far as possible, after examining several alternatives which were taken into account;
- O. A contract for the granting of rights in real estate to an employee of the University, other than a right of ownership, in accordance with internal and egalitarian rules which shall be prescribed by the University;
- P. A contract with a subsidiary of the University - **upon the terms prescribed in the Regulations.**
- Q. A contract with a student association, provided that the student association's contracts with another party to implement the contract in question for the University was made in accordance with the Regulations.

- R. A contract to for hands on communication activity which is designed to convey a message to the public through initiated communication channels, provided that relevant proposals were examined.

**4.2.10. Approval of tender exemptions:**

- A. Approval (or a recommendation, depending on the authority) regarding tender exemptions and classification of the contracts in the various tracks, apart from a low value contract or a contract for the purchase of higher education inputs, shall be given by the Tender Committee.
- B. The Tender Committee's decisions to exempt from tender an amount exceeding 1,500,000 new shekels and regarding real estate rights in a sum exceeding 2,500,000 new shekels, shall require clearance from the Exemption Committee.
- C. The Tender Committee shall present a quarterly report to the Exemptions Committee of its decisions to grant an exemption from tender or to enter into a contract by way of a closed tender which do not require the Exemption Committee's approval.
- D. The exercise of an option granted to the University in a contract entered into by tender shall require the Tender Committee's endorsement, and in a contract which was not entered by tender, if the value of that contract exceeds one million new shekels, the endorsement of the Exemptions Committee as well.

**4.2.11. Description of the process and work instructions within the framework thereof (and see also the flowchart attached to the Directive marked Appendix A)**

- A. The buyer shall compile the documents and prepare them for discussion in the Procurement Committee.
- B. Following the discussion in the Procurement Committee, the Contracts Unit shall formulate recommendations for the Tender Committee regarding the terms of the tender.
- C. The Tender Committee shall discuss the terms of and approve the issuing of the tender. In so far as possible, an initial or full estimate shall be presented prior to the Tender Committee's approval.
- D. The Contracts Unit shall prepare the tender documents in collaboration with the Legal Bureau and other professional bodies, if necessary.

- E. Before a professional, who is not an employee of the University, begins to deal with matters relating to the tender, the Contracts Unit shall ensure that he signs a confidentiality and absence of conflict of interest undertaking worded as prescribed by the Legal Bureau.
- F. Unless the Tender Committee dispensed with need to draw up an estimate, the Contracts Unit shall make sure to obtain from the authorized professional a signed estimate for the tender, to sign the Chairman of the Tender Committee thereon, and to place it in the tender box, and in so far as possible to do so by no later than the date of the tender's publication and in any case by no later than the deadline for submitting bids in the tender. The Contracts Unit shall update the Tender Committee if the estimate is at variance with the preliminary one which was presented to it.
- G. The Contracts Unit shall publish the tender in the press and on the website, or in a closed tender, by dispatch to the participants.
- H. If scheduled, the Contracts Unit shall ensure that a suppliers' tour is held and shall distribute the minutes thereof (and in the case of a public tender, by forwarding them to the participants and posting them on the website).
- I. The Contracts Unit shall monitor the receipt of and formulate answers to clarification requests.
- J. The Contracts Unit shall clear its answers to clarification requests with the Legal Bureau, as well as with the Tender Committee, should the answer entail a substantive alteration to the terms of the tender.
- K. The Contracts Unit shall distribute the answer to the clarification request (and in the case of a public tender, by forwarding it to the participants and posting it on the website).
- L. Those who have been authorized by the General Manager to open the tender boxes, shall open the tender box as soon as possible after expiry of the deadline for submission of bids in the tender, and in any case within two working days, and shall document the contents of the box in general, including the names of the bidders, whether a bank guarantee and a participation fee payment voucher was submitted, and if possible, the value of the bids.
- M. The Contracts Unit shall examine the tenderer's documents and if necessary shall forward the pecuniary offer for evaluation by a professional appointed to deal with matters pertaining to the tender. Bank guarantees shall be transferred to the Finance Department.

- N. The Contracts Unit shall formulate a summary document for the Tender Committee describing the entire contents of every bid, in accordance with the tender requirements, and the details of any accompanying document or reservation.
- O. The Tender Committee Coordinator shall organize a meeting of the Tender Committee to discuss the substance of the bids.
- P. The Tender Committee shall receive the summary document and also at its request original documents from the bids, and shall discuss how to move forward with the process.
- Q. **The Tender Committee may take any decision pertaining to matters which according to the Regulations are within its authority, including:**
1. Announcing the winner of the tender.
  2. Asking the bidders to provide clarifications or further particulars, or inviting a bidder for clarifications or to a hearing.
  3. Contacting the bidders' referees or contacts from their previous works, in accordance with the terms of the tender.
  4. Disqualification of bids.
  5. Disqualification of the tender.
  6. Appointment of a subcommittee to examine the bids or some of them.
  7. Receiving of clarifications from the professional who evaluated the bids.
  8. Any other matter which it must decide in order for it to properly discharge its responsibilities.
- R. Should the Tender Committee decide that clarifications or further particulars are required, or to get in touch with the contacts or the professional - the procurement coordinator shall write to the relevant party requesting an answer, and after the time for receiving it has expired, shall update the Tender Committee of the reply that was given. The Committee shall decide whether the answer given is sufficient or whether further information is needed.
- S. Once the Tender Committee has made its final decision, the procurement coordinator shall notify all the tender participants in writing of the results of the process. In so far as possible, the notice shall include the name of the winner and the amount of the winning bid. A notice announcing the winner shall be posted on the website.
- T. Unless the Tender Committee has expressly decided otherwise, with the exception of the winning bidder's guarantee, any bank guarantees that were given shall be returned together with the notice announcing

the results of the process.

- U. The winning bidder shall be invited by the Contracts Unit to sign and complete documents in so far as required for the purpose of formalizing the contract. Should a requirement for a performance guarantee have been included, the participation guarantee shall not be returned to the bidder until he has submitted the performance guarantee.
- V. Should the winning bidder fail to honor his obligations after being requested in writing to do so by the Contracts Unit, the procurement coordinator shall inform the Tender Committee of this and the Tender Committee may take any decision in the matter which is within the authority conferred on it by law and under the terms of the tender, including a decision to cancel the result of the tender, forfeit the participation guarantee and declare an alternative winner.
- W. Tender participants are entitled to inspect the winning bid and the tender documents, during the period of time and to the extent stated in the Regulations. Should a participant in the tender request to inspect the tender documents and the winning bid, the procurement coordinator shall facilitate such an inspection as soon as possible, and, in so far as possible, through receipt of a photocopy of the material, and in return for the charge prescribed in this regard in the tender documents. A contestant's inspection request shall be submitted in writing. Notice of an inspection request shall be given to the Legal Bureau before permission to inspect is granted.
- X. The procurement coordinator shall bring any complaint received from a bidder or his attorney regarding the conduct of the tender to the attention of the Legal Bureau without delay. The Legal Bureau shall prepare a reply to the complaint and update the procurement coordinator who shall be responsible for updating the Tender Committee of the developments.

#### **4.2.12. Processing of a procurement request by the buyer/procurement coordinator**

Upon receipt of a procurement request, the buyer/procurement coordinator shall take the following actions for the preliminary preparation of the procurement file:

- A. Complete/update if necessary the data in the procurement request such as categories, catalogue, etc.
- B. Check whether a valid agreement exists with respect to the goods, services or work required. Should the buyer find that a valid agreement exists (including a framework agreement) he shall ask the

- supplier for a quotation or place an order, depending on the definitions of the agreement.
- C. Examine forms attached to the request, such as, a specification, tender exemption request, single/foreign supplier opinion, etc.
  - D. Estimate the value of the contract (including extension options) in accordance with similar prior purchases.
  - E. Up to a sum of NIS 100,000 - The number of potential suppliers which an invitation to treat shall be sent to is determined in accordance with the estimated value of the contract and additional data in the procurement request.
  - F. The Procurement Committee shall be convened for a procurement request which is not tender-exempt or the value of which is put at over NIS 100,000 or alternatively a procurement request which is tender-exempt other than by virtue of the sum involved/higher education inputs in order to discuss the request and the required method of engagement.
  - G. Should the data relating to the procurement request be incomplete/erroneous, the requisitioner shall be asked to complete the details.

#### **4.2.13 Expedited procurement order**

- A. In order to carry out an expedited procurement a procurement request must be made in the Tafnit ERP system. A maximum permitted sum for an expedited procurement order is prescribed in the system for each supplier and is shown after the supplier is chosen. After the request has been entered, the system reports whether it is compatible with the expedited procurement process or not.
- B. Should the amount of the request exceed NIS 1200, a quotation must be attached to the request in the system. Should the total amount of the purchase be less, then it is advisable to attach a quotation but not obligatory. Should a quotation not be attached, the essence of the services or equipment being purchased must be specified in the description of the item in detail rather than relying on a general description such as office equipment.
- C. Purchases which exceed the supplier's maximum permitted sum may not be split into a number of requests.
- D. It is the responsibility of the requisitioner to dispatch the order to the supplier. The automatic delivery option can be marked in the Tafnit system, provided it is verified that the email address which appears is relevant.
- E. An expedited order may be cancelled. If the order has already been sent to the supplier but the service or equipment has not yet been

received, the supplier must be notified and written confirmation received and attached to the order as an appendix.

- F. A purchase cannot be made through the expedited procedure in the following areas:
  - Inventory equipment.
  - Restaurants (excluding the campus franchisees for whom orders can be issued by expedited procurement).
  - Hotels.
  - Suppliers in the construction industry.
- G. Chemical orders must be approved by the Safety Department prior to placing the order with the supplier.
- H. Orders placed through the expedited procurement procedure shall be checked by budgetary staff after being issued.

#### 4. **Procurement Committees - Function and modus operandi**

##### A. **Composition of the Procurement Committees**

##### 1. **Procurement Committee in the Procurement and Supply Department**

Estimated value of the contract (NIS)	Composition of the Committee
Over 100,000 and not exceeding 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 Supply Department Members: Procurement coordinator, buyer, initiator and/or expert in the field (if necessary)

##### B. **Functions of the Procurement Committee**

##### 1. **Definition and classification of the contract procedure, including:**

- a. Examining whether an exemption exists according to the contract's characteristics.
- b. Clarification if necessary with the initiator or other expert.

##### C. **Method of referral to suppliers (in the absence of an arrangement in contracts resulting from a tender)**

1. The number of suppliers participating in the quotation process shall be determined according to the estimated value of the contract, as specified in the following table:

#### Procurement Department contracts

Estimated value (NIS)	(Minimum) number of quotations
Up to 5,000	One
5,001-50,000	Two
50,001-100,000	Three
Over 100,000	Tender

#### Planning, Construction and Maintenance Department contracts

Estimated value (NIS)	(Minimum) number of quotations
Up to 10,000	One
10,001-50,000	Two
50,001-100,000	Three
Over 100,000	Tender/competition

- (1) An invitation to treat to a smaller number of suppliers than the figure specified in the above table shall only be made in exceptional cases and subject to written reasons being given as follows:**
  - a. A procurement request in the Procurement and Supply Department - A written explanation of the requisitioner, a buyer's opinion, and clearance from the Director of the Procurement and Supply Department.
  - b. A procurement request in the Planning, Construction and Maintenance Department which deviates from the minimum number of bids shall require clearance as follows: Up to 50,000 - one bid + clearance from the Director of the Planning, Construction and Maintenance Department, over NIS 50,000 and up to NIS 100,000 - two bids + clearance from the Director of the Planning, Construction and Maintenance Department and one bid + clearance from VP of Engineering. The CFO may request appropriate reasons from the Planning, Construction and Maintenance Department or additional quotations.
  - c. Should more than one bid be required according to the above table, an invitation to treat to the suppliers shall be made in writing

through all means of communication, such as: mail, fax and electronic mail. It is also possible to rely on a valid price list submitted by the supplier in lieu of a quotation, while utilizing the discounts from the listed price, provided that all suppliers in the same bid shall be treated equally.

**d. Evaluation of bids submitted during the quotation process and conduct of negotiations**

**After receiving quotations submitted by suppliers, the buyer shall compare them by doing as follows:**

1. Recording the details of the quotations which were received in a comparison table.
2. Arithmetically evaluating the amounts quoted in the bids.
3. Checking for the existence of the suppliers' signatures as required.
4. Examining whether the bids satisfy the preliminary requirements, if prescribed.
5. Evaluating the bids in light of the relevant criteria. Should the bid fail meet the criteria, in so far as possible, negotiations shall be conducted with the supplier in order to alter his bid in a way that enables it to meet the said criteria.
6. In contracts worth over NIS 5,000, negotiations shall be conducted in so far as possible with the suppliers to improve their bids. The negotiations manager may, in his discretion, join additional parties from the procurement entity or from the University's staff as well as the requisitioner and/or an expert in the field.

**e. Approval of the procurement request**

1. After the supplier has been selected and before placing the order, the buyer/ procurement coordinator shall be responsible for referring the procurement request for the endorsement of the approving entities, depending on the type of goods/services/work being purchased. The referral shall be made through the computerized system or manually transferred for approval as follows:
  - A. Computing and Information Systems Department - Purchase of computer equipment, through the Computer and Information Systems Department (manually).
  - B. Safety Department - Purchase of hazardous materials (systemically), purchase of hazardous equipment

(manually).

- C. Radiation Safety - Purchase of radioactive materials (systemically), purchase of radiation emitting equipment (manually).
- D. Maintenance Department - Purchase of equipment with exceptional characteristics (manually).
- E. Director of Research - Evaluation of the compatibility of the purchase with the research budget paragraph (systemically).
- F. Inventory - Purchase of inventory equipment (systemically/manually).
- G. Funds and Research Section - Checking the compatibility of the purchase with the funds budget paragraph (systemically).
- H. Desert Research Institutes - Checking the compatibility of the purchase with the budget paragraph (systemically).
- I. Zionism Research Institutes - Checking the compatibility of the purchase with the budget paragraph (systemically).
- J. Vice President and Dean of Research and Development- Scientific equipment worth more than 50000\$- manual- (Not in Tafnit system).

- 2. Should approval of the procurement request be rejected by one of the authorizing entities, the request shall be returned to the requisitioner with a copy for the buyer, including details of the reason for the rejection.

F. **Placement of order with the supplier**

- 1. The purchase order shall specify all the terms of the contract which have been finalized with the supplier in connection with the order.
- 2. The buyer shall issue the order and transfer it for the manual signature of the underwriting parties and for their approval in the computerized system. The order shall not be valid until its approval and only then shall it be sent to the

supplier. The parties underwriting the order are defined according to the value of the order as follows:

Area	Value of the order (NIS)	Underwriting party
Goods, services, import (systemic)	Up to 3,500	Buyer
	3,500-30,000	Buyer + Procurement Division Manager/Director of Property Section/Director of Contracts and Accounts Section
	30,001-100,000	Buyer + Director of Property Section/Director of Contracts and Accounts Section + Director of Procurements Division
	100,000-200,000	Buyer + Director of Property Section/Director of Contracts and Accounts Section + Procurement Manager + CFO
	Over 200,000	Buyer + Procurement Division Manager/ Director of Property Section/Director of Contracts and Accounts Section + CFO + General Manager

**3. Orders issued by the Planning, Construction and Maintenance Department shall undergo a round of internal approvals in the Department as detailed hereinafter:**

Area	Value of the order (NIS)	Construction	Maintenance
Engineering Department Construction-Maintenance	Up to 20,000*	Project Managers + Director of Contracts Section	Director of Operations Section /Director of Electromechanical Systems Section
	20,001-50,000*	Director of Contracts Section + Construction Division Managers	Director of Operations Section /Director of Electromechanical Systems Section + the Campus Engineer
	Above 50,000	Director of Contracts Section + Construction Division Manager + CFO	Director of Operations Section /Director of Electromechanical Systems Section + Engineer + CFO
*Bills in the project in question cumulatively amounting to over NIS 50,000 must be forwarded to the CFO for approval (even if the bill itself is less than NIS 50,000).			

Expedited procurement orders without involvement of the purchaser-initiator and without the

signatures referred to above may be placed with suppliers who are in the Tafnit system, provided that they do not exceed NIS 5,000, and in certain areas NIS 1,200, in accordance with the definitions in the Tafnit system.

### 5. Responsibility

**The Finance and Engineering Departments shall be responsible for the implementation of this Directive.**

### 6. Commencement

**This Directive shall come into force from the date of its publication and revokes any other directive concerning the subject-matter which it relates to.**

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**David Bareket**  
**Vice President and CEO**

### Appendix A: Flowchart of the contract and tender process

#### The contract and tender process - Master process

Buyer/contracts coordinator	Issuer/requisitioner
5.1 Examination of the request	Submission of procurement request
Does a valid agreement exist?	Attachment of specification + quotations (optional)
No	
Contract exempt from tender and under NIS 100,000?	Attachment of sole/foreign supplier explanation, tender exemption request (if required)
No	
Convening of Procurement Committee 5.2, 5.3	Transfer of request to buyer (systemically)
p Exemption Procurement Committee decision?	Tender

#### Request for quotations (exempt from tender)

#### Tender

No 5.4 Education inputs/exemption by virtue of amount? Convening of Procurement Committee	Convening of Tender Committee to approve type of Tender (closed/public), potential suppliers and its documents
No Approval of Tender Committee and/or CEO and/or Exemption Committee	Invitation to treat to suppliers (closed)/publication of (public) 5.5
Yes	Opening of bids that were submitted
Invitation to treat to supplier/s 5.4	Evaluation and comparison of bids 5.7
Receipt of bids and their analysis according to the criteria 5.6	Tender Committee clearance
Conduct of negotiations	
Completion of procurement requisition data	Negotiations required?
Round of procurement request approvals (systemic + manual) 5.8	Conduct of negotiations by Tender Committee
Placing of order 5.9 results of tender	Determination of winner and announcement of
Round of approvals by underwriting parties (systemic + manual)	Signing of contract and receipt of guarantees and/or insurance confirmation

Publication (if necessary) and placement of order with supplier

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## **Appendix B : Rules for selection of closed tender contestants**

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### **Rules for selection of closed tender contestants**

**Regulation 20(e) - "The Tender Committee shall establish, with the approval of the institution's legal advisor and accountant, a written procedure for selecting the suppliers from amongst the list of bidders whom an invitation shall be sent to, in a manner that ensures an equitable and fair bidding cycle between them and confers the maximum advantages on the holder of the tender."**

Should the Tender Committee decide not to send an invitation to treat to all the bidders who appear in the bidders list, then for the purpose of a closed tender or a referral for receipt of competitive bids, a process for selecting the participating suppliers shall be conducted in an equitable, fair and transparent manner, which confers the maximum advantages on the University, and as detailed hereinafter, while endeavoring to invite as many bidders as possible to participate in each process:

1. (The list of suppliers in the system shall be divided into relevant categories. The suppliers will appear in the list in alphabetical order.
2. The first invitation to treat shall be sent to the first bidder, in the first five letters (at least). The second invitation shall be sent to the first bidder in the next five letters (at least) and so on. After inviting the first bidders in each letter, the second bidders in each letter shall be invited, and so forth.
3. In addition to the suppliers selected in accordance with the aforementioned arrangement, the Tender Committee may join the two bidders who achieved the best scores in the previous tender, public or private, to join in the tender, subject to the following conditions:
  - 3.1. The Tenders Committee found that the University was satisfied with the contract with the supplier.
  - 3.2. The said joinder may only apply once (for each tender in which the supplier submitted one of the two best bids).
  - 3.3. The joinder shall only apply to the tender which follows the tender in which the supplier submitted one of the two best bids.

- 3.4. The Committee may also direct that only one of the two suppliers as aforesaid may join the tender or that neither of them may join again.

The Committee's decision:

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Signatures:

\_\_\_\_\_  
VP of Development and Logistics

\_\_\_\_\_  
Attorney - Legal Bureau

\_\_\_\_\_  
Comptroller's Office

\_\_\_\_\_  
Director of Contracts and Tenders Section

\_\_\_\_\_  
Accountant - Finance Department

\_\_\_\_\_  
Direction of Special Budgets Section

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## **Appendix C : Text of Researcher's Higher Education Inputs Procurement Declaration**

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### **Researcher's declaration, for the purchase of higher education inputs under section 8 of the Mandatory Tenders Regulations (Higher Education Institution Contracts), 5770-2010:**

"An institution may enter into a contract for the execution of a transaction in goods, for the performance of work or for the purchase of services without holding a tender, if it is a contract for the purchase of scientific instruments, scientific literature, scientific equipment and materials used for higher education activity and services which are essential for research (in this paragraph "higher education inputs") and are required because their characteristics are relevant for the purpose of the higher education activity, including due to the need to maintain the credibility, uniformity or continuity of the research.... "

I hereby confirm that procurement request no. \_\_\_\_\_ from the supplier  
\_\_\_\_\_ meets the conditions specified above.

I declare that a personal and/or family and/or social and/or economic and/or business  
relationship of any kind or type \_\_\_\_\_ between myself and/or  
**exists/does not exist**

my relatives and/or those who are answerable to me and/or my supervisors and the requested  
supplier/manufacturer.

Should a relationship exist, please specify:

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In witness whereof I have signed

**Date:** \_\_\_\_\_

**Full name:** \_\_\_\_\_

**ID No.** \_\_\_\_\_

**Position:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

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## **Appendix D : Sole Supplier Opinion Form**

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**To: The Tender Committee**

**Re: Professional opinion within the framework  
of an intention to contract with a sole supplier**

The request is made in reliance upon section 3(18) of the Mandatory Tenders Regulations (Higher Education Institution Contracts), 5770-2010.

- 1. Essence of the contract (background and characteristics of the goods /services/work):**

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- 2. Details of the supplier and the contract:**

<b>Name of the supplier:</b>	
<b>Number of the supplier: (Private Company/other identifying number)</b>	
<b>Duration of the contract:</b>	
<b>Estimate/value of the annual contract (including VAT):</b>	
<b>Total estimate/value of the contract (including VAT):</b>	

3. **Reasons why the supplier is a sole supplier** (if necessary attach to the opinion any additional relevant document):

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In light of the reasons enumerated above we request that the contract be drawn up in a tender-exempt proceeding.

This opinion is given by virtue of my status as the professional authority regarding this issue.

Yours faithfully,

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