

Procedure on Open Bidding

In an open, transparent and competitive procurement process that ensures equitable treatment of potential sources and selection of the most effective and efficient provider of goods and services, AUA adheres to its established procurement rules and procedures depicted in the steps below:

Step 1: Establishing a Bidding Committee

AUA has a Standing Procurement Committee (SPC) appointed for a five-year term by the Decree of the President. The University Purchaser is an ex-officio member of the Committee. Based on the need to procure goods/services, academic and administrative departments submit the corresponding purchase request to the AUA Purchaser who is a member of the University Procurement Committee (PC). For procurements exceeding the thresholds (greater than \$20,000 for AUAC in the U.S. and greater than AMD 10,000,000 for AUAF in Armenia), the Standing Procurement Committee may decide to designate a Project-Specific Procurement Committee (PSPC) comprising the University Purchaser, technical expert(s) corresponding to the specific procurement, project team member(s), and a principal liaison from the SPC.

Step 2: Preparing the bidding package

The committee prepares the bidding package that includes the following:

- invitation to participate in the bidding;
- process description and project specific technical requirements;
- application form for participation in the competition;
- vendor selection criteria, including:
 - price of services; quality standards of goods/services; availability of goods/services within the required delivery time; post-acquisition services, including availability of parts/supplies; bidder's track record of past performance; ability of bidder to render satisfactory servicing of the particular acquisition; financial stability of the vendor; availability of bidder's representatives to call upon for consultation; payment terms; warranty coverage; ability to provide samples;
- relevant informative documents (time frame to complete the project, etc.);
- required documents to be completed and submitted (info on past performance/completed projects, staff composition/qualifications, etc.)
- statement that the lowest price offer will not necessarily be the winner of the bidding process, and that the selection decision will be based on a comprehensive evaluation of all information received, including the consideration of the extent to which the services procured meet the strategic development goals/priorities of the university.

Step 3: Making a public announcement

Upon finalizing the bidding package, the bidding committee makes a public announcement (via newspapers, professional journals, etc.) inviting potential bidders to participate in the procurement setting out the vendor selection criteria.

Step 4: Providing additional instructions/information

The committee provides additional instructions/information essential to potential bidders immediately following the public announcement, including:

- the complete bidding package, as described above;
- e-mail account for requesting clarification of questions from potential bidders. Responses to questions from any bidder received prior to the deadline are shared with all potential bidders.
- invitation to a general pre-bidding informational meeting to answer questions from potential bidders or their designated representatives.

Step 5: Receiving bids

The bids are required to be submitted in sealed envelopes. (Not sealed envelopes will be rejected.) The accepted envelopes are kept in a secure location until the set date/time of bid opening.

Step 6: Opening the bids

The sealed envelopes containing bids are opened on the date/time/location notified in advance and in the presence of the participating bidders or their representatives. As each bid is opened, a designated member of the bidding committee calls the name of the bidder, checks the content of the envelope, and confirms that it contains all the required documents. Incomplete bid packages are not accepted and are returned to the bidder with a cover letter stating the reason(s) why it was rejected.

Step 7: Assessing the bids

The evaluation of accepted bids begins thereafter. Tenders are first assessed based on their technical merits, i.e., qualifications and capacity to deliver the required quality service(s) within the stated time period as specified in the bidding package. Once tenders have been evaluated for technical merit, bidders' cost offers are evaluated separately and independently.

Subsequently, a comparison analysis is performed of the technical merit and cost offer of each bidder on the basis of the criteria/rubrics established in the bidding document to determine the best value. This stage establishes the combined rankings of the tenders.

Step 8. Conducting negotiations

The bidding committee then holds negotiation meetings with the two top-ranked bidders to further validate the accuracy of information provided in respective offers and identify the best-value vendor.

Step 9. Preparing the summary bidding report

Upon completion of the aforementioned steps — acceptance and evaluation of the bids for technical merit and cost, negotiations with the two top-ranked bidders, and finalization of the selection decision — the bidding committee prepares a brief report that summarizes the completed process leading to the selection of the winner.

Step 10. Informing the bidders of the final selection decision

Following acceptance of the report by members of the bidding committee, participants in the particular bidding are duly informed about the winner. A letter, signed by the bidding committee chair, along with the brief report that includes the name of the selected company and the amount that the project works will cost is sent to all the bidders.

The successful bidder receives formal notification of the award and is invited to sign a contract.