

# Chung Yuan Christian University Procurement Measures

- 2010.1.7 Approved at the 870th administrative affairs meeting
- 2010.3.30 The name of the committee and the corresponding text is amended in accordance with Yuan-Mi-Zi No. 0990000878
- 2011.10.6 Amended at the 890th administrative affairs meeting
- 2012.5.3 Amended at the 897th administrative affairs meeting
- 2014.01.02 Amended at the 916th expanded administrative affairs meeting
- Amended in accordance with Yuan-Mi-Zi Document #1050002657 on 2016.8.25
- 2020.5.7 Amended at the 980th administrative affairs meeting
- 2020.10.29 Amended at the 985th administrative affairs meeting
- 2023.3.2 Amended at the 1009th administrative affairs meeting
- 2023.07.04 Amended in accordance with Yuan-Yen-Zi No. 1120002325

## Chapter 1 General Provisions

- Article 1 The Procurement Measures are formulated in accordance with Article 1 of the Establishment Standards of the Chung Yuan Christian University Procurement Committee to establish a procurement system and improve procurement performance. (Hereinafter referred to as the Measures)
- Article 2 Procurement as mentioned in the Measures refers to contracting of construction work, the purchase or lease of property, the retention or employment of services, etc.
- Article 3 "Construction work" as mentioned in the Measures refers to the activities performed above or underneath the ground for building, augmenting, altering, repairing, or dismantling structures and their respective auxiliary equipment/facilities, or reforming natural environment, including architectural, civil, water, landscaping, electrical and other projects as determined by the government agencies.
- "Property" as mentioned in the Measures refers to various articles (except raw and fresh agricultural or fishery products), materials, equipment, machines, tools, and other personal property, real property, rights, and other properties as determined by government agencies.
- "Service" as mentioned in the Measures refers to professional services, technical services, information services, research and development, business operation management, maintenance and repair, training, labor and other services as determined by government agencies.
- Where the content of a procurement involves construction work, property and services, or any two of them, and it is difficult to categorize the content of the procurement as construction work, property, or service, the one which takes the highest percentage of the budget of procurement shall govern.
- The amounts mentioned in the Measures are all in New Taiwan Dollars or its equivalent in foreign currencies.
- Article 4 Areas of responsibility:
- I. Procurement Committee: A committee established in accordance with the Establishment Standards of the Chung Yuan Christian University Procurement Committee to review procurement cases in accordance with the Measures.

- II. Requisitioning unit: Refers to the unit that plans, applies for, assists in the execution of procurement, or accepts and uses, or maintains property.
- III. Countersigning unit: Refers to the specialized unit that assists in reviewing the specifications of the procurement case to comply with procurement efficiency and government regulations.
- IV. Procurement unit: Refers to the Purchasing and Custody Section of the Office of General Affairs, which is responsible for conducting the school's purchasing tasks and providing relevant price information for review and reference by the Procurement Committee.
- V. Supervision unit: Refers to the School's Accounting Office, which is responsible for the preparation and review of the School's annual budget, as well as the supervision, review and acceptance inspection of procurement cases.
- VI. Inspection unit: Refers to the unit that takes over or uses or keeps property, and jointly inspects and verifies the contract performance results with vendors.
- VII. Joint inspection unit: Refers to the design, construction observation, procurement personnel or professionals or institutions commissioned by government agencies.

Responsibility assignment of each unit in the procurement procedures is shown in Appendix 1.

Article 5 Requisitioning units applying for procurement of items must first fill out a requisition form.

The content of the requisition requiring professional review must first be countersigned by the relevant units.

The requisitioning unit shall complete the requisitioning unit, requisition date, project number, funding source, project name, product name (in Chinese) and quantity, estimated unit price and estimated total price and procurement specification sheet listed in the requisition form, and attach a quotation sheet from a vendor. After the documents are signed by the unit supervisor and the head of the level-one operating unit, the Accounting Office will review the budget, funding source and purpose of procurement, before the requisition is sent to the Purchasing and Custody Section for procurement.

The procurement specification sheet shall detail the correct product name, quantity, specifications, type, delivery date, delivery location, payment method, education and training, penalties for breach of contract and other relevant key items.

If there are regulations otherwise specify the items that shall be filled in or attached to the requisition form as mentioned in Paragraph 2, the regulations shall prevail.

Article 6 For procurement cases that accept subsidies from government agencies, public schools, or public enterprises, and that the subsidy amount accounts for more than half of the procurement amount and is more than the publicly announced amount, they shall be

processed in accordance with the relevant laws and regulations on government procurement. All other procurement cases shall be handled in accordance with the Measures, unless otherwise provided by law.

- Article 7 Requisitions for cooperative education, research projects, continuing education, alumni donations and other project funds shall be carried out in accordance with the Measures. If it is necessary to change the use of funds after procurement, the change must be reported to the principal for approval.
- Article 8 New construction projects are considered an increase in fixed assets and shall be carried out in accordance with the relevant provisions of the "New Construction Project Processing Procedures" of the "Chung Yuan Christian University Accounting System" regarding the accounting treatment procedures for fixed assets.
- Article 9 Procurement of items of the same nature or provided by the same vendor shall be handled jointly.  
For the procurement mentioned in the preceding paragraph, priority shall be given to inter-entity supply contracts, energy-saving and eco-friendly products, and items produced by welfare institutions for persons with disabilities or sheltered workshops.
- Article 10 Procurement cases involving the following matters shall be handled in accordance with the following provisions:
- I. To protect secrets and rights, the requisitioning unit handling matters involving intellectual property rights (patents, trademark rights, copyrights, integrated circuit layout rights, trade secrets, plant variety rights, etc.), personal data, sensitive information, and business secrets shall specify them during the invitation to tender process, depending on the needs of the tender, and ask bidders to sign a confidentiality agreement or affidavit.
  - II. In order to ensure national or information security and procurement quality, procurement cases involving information and communication software, hardware or services must be handled in accordance with relevant government laws and regulations.
  - III. To promote a sustainable campus and achieve the goals of energy conservation and carbon reduction, procurement cases shall be carried out in accordance with the School's energy management measures.
- Article 11 Matters that shall be handled in accordance with the Occupational Safety and Health Act are as follows:
- I. For procurement cases where it is necessary to remind the vendor of hazardous factors in the work environment and to implement safety measures, the requisitioning unit shall submit the hazardous factor notification documents for contractors and the requisition specification sheet to the vendor when conducting a request for quotation. The winning bidder shall submit a response form to the work environment hazardous factor notification for contractors, to be included among the documents for acceptance check, before construction.
  - II. Requisitions for type certification of mechanical products, controlled items, drugs and raw materials, or items involving pest control, etc., shall be handled in accordance with relevant government regulations.
- Article 12 Procurement items are defined depending on the types of current accounts and capital accounts:
- I. Books (including video tapes, discs, etc.) are considered listed properties regardless of amount.

- II. Equipment with a unit price (as the same below) of NT\$3,000 or more but less than NT\$10,000 is categorized as "operating unit-controlled".
- III. Equipment with a unit price of more than NT\$10,000 is considered "listed property".
- IV. The purchase of books, instruments and miscellaneous equipment, funded by external institutions, with the value meeting the definition of "listed property" or "operating unit-controlled" shall be considered as "property card-controlled".
- V. The purchase of books, instruments and miscellaneous equipment, funded by external institutions, with the value meeting the definition of "listed property" or "operating unit-controlled" but not belong to the School due to contract specifications shall be considered as "unlisted property".

## **Chapter 2 Procurement**

Article 13 Important notes on general procurement:

- I. Requisition cases shall be accompanied by a specification sheet.
- II. If the budget amount is less than NT\$75,000, a quotation sheet from one or more vendors shall be attached; if the budget amount is between NT\$75,000 and NT\$150,000, a quotation sheet from two or more vendors shall be attached; If the budget amount exceeds NT\$150,000, a quotation sheet from three or more vendors shall be attached. The quotation shall be carried out by the requisitioning unit and the Purchasing and Custody Section respectively. The requisitioning unit must attach at least one vendor's quotation sheet.
- III. For purchases of consumables with a budget of less than NT\$75,000, the original proof of purchase must be submitted to be reviewed by the unit supervisor through the School's accounting invoice system before being settled in accordance with accounting regulations.
- IV. For open tendering cases, vendors must be present at the School to submit bids in accordance with the bidding instructions. For all other cases, vendors may seal or transmit electronically the bids to the Purchasing and Custody Section for verification and price comparison.
- V. Cases with a budget exceeding NT\$150,000 must be reviewed and approved by procurement meetings and submitted to the principal for approval before being processed. If the price of an award of bid is more than NT\$750,000, except for inter-entity supply contracts or alliance price cases, a contract shall be signed with the contractor within ten working days after the award of bid, and the terms of the contract shall clearly state the terms of performance bond.
- VI. If necessary, specialized units (personnel) may be entrusted with the procurement case, and planning and design fees will be given as appropriate, and the case will be carried out in design and construction two phases.
- VII. Award of bid:
  - (I) For procurement with a base price, the lowest bidder that complies with the provisions of the tender documents and is within the base price will win the bid.

- (II) For procurement with an undetermined base price, the lowest bid that complies with the provisions of the tender documents, has a reasonable price, and is within the budget will be the winning bid.
  - (III) The most advantageous tender that meets the provisions of the tender documents shall be the winning bidder.
  - (IV) During the award of bid process, the School may set a deadline for the bidder offering the lowest tender to provide an explanation or a guarantee if the total or a part of the bid price is low and unreasonable, and there is a risk of reduced quality and failure to perform the contract in good faith or other circumstances. If the bidder fails to provide a reasonable explanation or guarantee before the deadline, the bid may not be awarded to the vendor and the bidder with the next lowest bid shall be the lowest bidder.
  - (V) If the budgeted amount exceeds the publicly announced amount, except for the requisition using inter-entity supply contracts or alliance prices, a base price shall be set. If the budgeted amount does not reach the publicly announced amount, the base price may not be set.
- VIII. If the budget amount is more than the publicly announced amount, the participating bidders must attend the Procurement Committee meetings for price inquiry and negotiation and pay a tender deposit.
- The amount of tender deposit may be either a fixed amount or 5% of the bid price, and shall be determined by the entity in the tender documents. The "Regulations for Bid Bond, Guarantee Bond and Other Guarantees" shall apply to the above mentioned fixed amount. (which can be converted into the performance bond after the award of bid). Unless otherwise specified, the winning bidder shall pay a performance bond within ten working days after the bid is awarded. The payment shall be based on 10% of the bid awarded. The performance bond shall be returned without interest upon completion of the agreed terms.
- If the bidder fails to pay the performance bond before the deadline, the requisitioning unit shall request the vendor to make the payment within a time limit. If the bidder fails to make corrections, the tender deposit will be forfeited and the award of bid shall be revoked or the contract shall be terminated in accordance with the provisions of the tender documents.
- IX. For procurement cases where a warranty is necessary, the bidding terms shall clearly specify the warranty period, method, deadline and amount (usually 3% of the award of bid amount). If the vendor fulfills its warranty obligations at the expiration of the warranty period, the warranty bond will be refunded without interest according to the agreed warranty period and number of warranty services. Other agreement terms may prevail if signed and approved.
- X. For requisitions that are not deliberated by the procurement meetings, the base price may not be set; the requisitions are signed off by the Chief of General Affairs and the Accounting Director after the Purchasing and Custody Section negotiates the price to determine the award of bid. Requisitions approved by

procurement meetings must be reviewed by the Office of General Affairs Office and Accounting Office and then approved by the principal before being returned to the requisitioning unit to notify the winning bidder of delivery and construction. The requisitioning unit shall also track the supplier's delivery, construction quality and progress at any time.

- XI. If a contract needs to be signed in accordance with regulations after the procurement procedures are completed, the requisitioning unit shall first submit the contract accompanied by a "Contract Review and Signing Form" to relevant units for review and then seek the principals approval before signing the contract.
- XII. Cases exceeding the publicly announced amount that are not handled in accordance with Article 4 of the Government Procurement Act shall still be handled in accordance with the principles of the Government Procurement Act, unless otherwise provided.
- XIII. The Procurement Committee is authorized to determine the base price, which shall be completed before the tender, and shall be submitted to the principal for approval after the procurement meeting. If the principal or convener changes the base price authorization practice, a written authorization shall be provided for confirmation.
- XIV. If the purchased items are operated by an exclusive vendor (including exclusive rights, exclusive manufacturing or supply, for which the vendor must provide proof), or are designated brands and vendors, or are sold by other government agencies and the price cannot be compared, the reason must be stated. An "Exclusive Purchasing Instructions" shall be filled out, and price negotiation (comparison) will be carried out (either on-site or over the phone) with the approval by level-one supervisors.

For exclusive procurement cases that accept subsidies from government agencies, and that the subsidy amount accounts for more than half of the procurement amount and is more than the publicly announced amount, they shall be processed with the restricted tender approach in accordance with Article 22 of the Government Procurement Act. A restricted tender application form shall be filled out, which needs to be approved by the principal (or an authorized proxy) before on-site price negotiation is conducted.

If the restricted tender referred to in the preceding paragraph does not fall under Article 4 of the Government Procurement Act, it may be handled *mutatis mutandis*.

- XV. Purchased items shall be new and shall be reviewed by the unit supervisor and level-one supervisor. If the Procurement Committee finds that there are other brands offering the same performance and quality to meet user needs but at a

lower price, it may recommend changes, which will be carried out after approval by the principal.

If it is necessary to purchase non-new products, except that books must be authorized and approved by the "CYCU Chang Ching Yu Memorial Library Committee", all purchases must be signed and approved by the principal, and can only be paid for by non-governmental awards and subsidies.

- XVI. In addition to conduct procurement in accordance with the above regulations, the Purchasing and Custody Section may also consider the needs of the entire school to enter into contracts with vendors for preferential wholesale prices.
- XVII. Envelopes, letter paper and folders and binders for official use and chalks and erasers for class use are purchased and controlled by the Purchasing and Custody Section; cleaning supplies are purchased and controlled by the General Affairs Section; water and electricity consumables are purchased and controlled by the Facilities & Campus Maintenance Section.

The procurement process is shown in Appendix 2.

#### Article 14

Important notes on general repair and maintenance:

- I. The requisition and procurement of repair and maintenance projects shall be handled in accordance with the provisions of Article 13 of the Measures.
- II. For major repair and maintenance projects, the Office of General Affairs shall discuss the renovation projects submitted by each operating unit at meetings before preparing the budget for the new school year. After approval by the principal, the Office will collaborate with the preparation of the annual budget for a comprehensive review and include the projects in the annual renovation project plan.
- III. When applying for a repair and maintenance project, relevant information such as engineering drawings, construction plans, and budget sheets shall be prepared based on project needs, and submitted to the principal for approval before being handed over to the Office of General Affairs Office or relevant units for implementation.
- IV. The materials for the projects must be inspected by the requisitioning unit before they can be used. The construction process will be supervised by personnel assigned by the Office of General Affairs.
- V. When the repair and maintenance project is completed, it shall be inspected and accepted by the unit handling the project together with the personnel of the Accounting Office. If the project materials are found to be inconsistent with specifications after inspection, payment shall be stopped and the contractor shall be instructed to make corrections or redo the project. Contractors who are dissatisfied with the decision may request another expert appraisal. The contractor shall cooperate with excavation or demolition where needed, and conduct repair free of charge after acceptance is confirmed.

- VI. Miscellaneous repair projects of the same nature shall be put together for requisition.

Article 15 Important notes on renovating dormitories for dependents:

- I. House damaged and leaking, damaged electric water heater, leaking circuit or water pipes, or others that may present safety risks shall be put into repair request at any time.
- II. The painting and renovation of old buildings and the renovation of public facilities shall be included in the annual plan for coordinated repair by the Office of General Affairs Office, and separate repairs will not be carried out.
- III. Relevant facilities (equipment) inside and outside the house, such as screen doors, screen windows, lights, range hoods, electrical equipment (excluding electric water heaters), faucets, furniture and other consumables shall be repaired and replenished by the residents. Relevant units of the Office of General Affairs only provide technical services, and the fees required are borne by the residents.
- IV. If there are new residents assigned to dormitories for dependents, the Office of General Affairs will review renovation as needed, and the above mentioned restrictions do not apply.

Article 16 Important notes on interior decoration and renovation:

- I. Interior remodeling projects: Refers to decoration construction of ceiling and internal walls secured to the building structure or partition walls with a height exceeding 1.2 meters and secured to the floor or used as cabinets, or change of partition walls. However, they do not include the pasting and furnishings of wallpaper, wall coverings, curtains, furniture, movable partitions, carpets, etc.
- II. The requisitioning unit must attach detailed specifications, stating the completion time, materials, design drawings, etc. The quotation sheet must also indicate the submission time, and whether it includes the submission fee and design supervision fee. The Schools' relevant units shall check and assess project items to be carried out and control to be implemented before procurement.
- III. After the Purchasing and Custody Section receives the project requisition, it must assess whether there are changes to the purpose of use, structure, fire protection and electrical modifications of the space which need to be countersigned by relevant units. The Center for Environmental Protection and Occupational Safety and Health reviews the use of energy-saving and fire and disaster prevention designs, and the Facilities & Campus Maintenance Section assesses renovation matters to be reviewed.

Article 17 Important notes on procurement of book resources:



- I. For book resources (including video tapes and discs), regardless of the amount, a requisition form must be filled out.
- II. Procurement of book resources shall be conducted in accordance with the Measures, except for pricing and vendor service terms which shall be carried out in accordance with the "Key Points for Chung Yuan Christian University Book Resources Procurement".

The specification form to be filled in the requisition form as mentioned in Article 5 does not apply.

Article 18 Important notes on overseas procurement:

- I. Overseas procurement refers to the purchase of goods by the School independently or by commissioning agents to purchase property from overseas vendors in the name of the School, and that payments in foreign currencies are made to them by wire transfer, letter of credit, etc., as well as applying for import and tax exemption. For advance payments to foreign vendors by using a personal credit card or purchases independently made abroad which are not applicable for tax exemption, the customs duties and other handling fees shall be included in the total price. Overseas procurement cases (hereinafter referred to as overseas procurement) can be quoted in New Taiwan dollars or foreign currencies, and the trade terms must be clear. The agreement on trade terms is based on the DDP (Delivery Duty Paid), that is, the quoted amount shall be agreed upon first, including various handling fees, regulatory fees, insurance premiums, freight and other expenses.
- II. The School may apply for tax exemption in accordance with the provisions of the Customs Act, the Value-added and Non-value-added Business Tax Act, and the Regulations Governing Duty Exemption of Imported Education and Research Goods. The School shall issues official documents for tax exemption application documents, and the winning bidder shall be the importer. The name and purpose of the requisitioning unit shall be indicated on the import declaration. The vendor's quotation shall not include exempted taxes, but if the payment is made to a vendor with the border of Taiwan ROC, it shall still include business tax.
- III. Overseas procurements shall be carried out within a time limit in accordance with Article 6 of the Regulations Governing Duty Exemption of Imported Education and Research Goods, and shall be carried out all at once at the beginning of each school year.
- IV. The requisitioning unit must find an import agent, negotiate price and terms, and handle the application in accordance with procurement regulations. Before procurement, the requisitioning unit shall ask the agent or overseas vendor to prepare the following: quotation for, proforma invoice, wire transfer and letter of credit and bank account information to facilitate subsequent bank transfer

and foreign exchange settlement. Before procurement, the Chinese and English names, specifications, and amounts of imported items must be confirmed. After the award of bid is approved, the Purchasing and Custody Section will handle the import procedures for the requisition.

- V. In the event there are no suitable domestic products or agents to meet the needs of teaching and research, and the School intends to purchase from overseas vendors, the procurement shall follow the provisions of subparagraph 14, paragraph 1 of Article 13, and be carried out after the proposed payment method is stated and signed for approval.
- VI. If the price of an award of bid is more than NT\$750,000, the Purchasing and Custody Section will coordinate with the agent and assist the requisitioning unit in signing the contract.
- VII. After the contract is established, the Purchasing and Custody Section shall report to the Ministry of Education forward the request for approval of tax-free import to the Ministry of Finance. After obtaining the import permit (takes about one month from application to receiving), the bank shall be contacted immediately to issue a letter of credit or wire transfer to complete the exchange settlement.
- VIII. After the goods arrive in Taiwan, the bank will be notified to conduct foreign currency settlement for advances depending on whether the goods are sent by sea or air freight.
- IX. After obtaining the source document, the actual amount of foreign exchange settlement shall be checked together with the relevant information of the requisition, which will be made into accounting entries after being signed by personnel at all levels.
- X. Overseas procurements shall have various legal documents signed off and settled for closure before the deadline set by the contracts or exchange settlement agreement without delay.

### **Chapter 3 Acceptance**

Article 19 Acceptance shall have the following documents attached depending on the procurement specifications:

- I. Invoice or receipt (original copy required, photocopy not allowed).
- II. The original copy of the approved requisition form.
- III. Factory certificates (including place of origin and manufacturing date).
- IV. Quality assurance document (warranty) issued by the original manufacturer.
- V. Operating instructions (at least in Chinese or English).
- VI. Performance test report or compliance certificate (such as interior decoration permit, flameproof certificate, acoustic test report, quarantine certificate, etc.).
- VII. Contract.
- VIII. Other proofs of payment specified in the contract.

- IX. Response form to the work environment hazardous factor notification for contractors.
- X. Self-inspection form before accepting the listed property (except books).

Article 20

The acceptance shall be completed within one month after the vendor delivers the goods, unless otherwise specified in the contract.

- I. Quality acceptance: The requisitioning unit or the unit which will use the purchased goods shall inspect the attached documents with the procurement specifications, and proactively conduct self-inspection before acceptance.
- II. In order to protect the rights and interests of vendors and comply with the Government Procurement Act, quality inspection shall be carried out right after receiving the delivery. If there are no other pending matters, the winning bidder will be asked to issue an invoice to avoid late payment.
- III. After the self acceptance inspection is completed, the requisitioning unit or the unit which will use the purchased goods shall fill out the "Property Acceptance Form".
- IV. If the amount of the bid awarding is less than NT\$150,000, the Accounting Office is not required to send personnel for inspection. If the category of the requisition is non-listed property, the requisition document, invoice and the "Property Acceptance Form" completed with the acceptance process are sent directly to the Accounting Office for payment and settlement.
- V. If the amount of the bid awarding exceeds NT\$150,000, to proactively contact the Accounting Office for acceptance arrangements. If the amount of the bid awarding is less than NT\$150,000 and the management category includes "listed property", "operating unit-controlled" or "property card-controlled", proactively contact the Purchasing and Custody Section to schedule the acceptance. The abovementioned acceptance schedule will be announced or noted on other occasions
- VI. If the acceptance is qualified, the inspection personnel shall sign the "Property Acceptance Form".

Construction projects or property purchases with a budget exceeding the publicly announced amount shall be inspected for acceptance in accordance with the initial (re)inspection requirements of the contract, and the settlement acceptance certificate shall be signed by the acceptance and inspection personnel separately. This shall apply to labor service acceptance except for inter-entity supply contracts.

The settlement acceptance certificate or other similar documents referred to in the preceding paragraph shall be filled out within fifteen days from the date of qualified acceptance, and shall be signed by the chief inspector and the inspection personnel respectively. However, this does not apply to special

circumstances that require an extension approved by the principal or the authorized proxies.

VII. After the accountable property has passed the acceptance inspection, a "Property Addition Form" shall be filled out and sent to the Purchasing and Custody Section together with the requisition form, quotation form and invoice, and Property Acceptance Form to register the property. All requisitions must be inspected and the property registered in accordance with regulations before they can be transferred to the Accounting Office for payment verification.

VIII. For procurement cases using government awards and subsidies, unless otherwise agreed in the contract, payment and review procedures shall be completed within fifteen working days after receiving the vendor's payment invoice.

Payment invoices received from vendors shall be signed and marked with the receipt date. If no signature record is attached, the invoice date shall prevail.

Article 21 The unit intends to use the purchased goods shall be responsible for the quality acceptance, and it shall also retain the warranty (card), copy of the insurance policy, test certificates and other supporting documents for reference.

Article 22 When goods of overseas procurement arrive, the requisitioning unit shall proactively contact the agent, Accounting Office, and Purchasing and Custody Section to jointly unpack the goods. The packages cannot be opened in private without the joint presence of the three parties, otherwise the procurement unit or the unit which will use the goods shall bear the relevant responsibilities. If there is any damage to the equipment directly imported by the School, and that after photos are taken as evidence, the agent shall ask a notary company to handle the matter of claiming compensation from the insurance company.

Article 23 For the value of book property which exceeds NT\$150,000, on-site acceptance inspection shall be carried out. If the value is less than NT\$150,000, a written certificate may be provided for written acceptance, exempted from on-site acceptance inspection.

Physical materials that belong to the "listed property" management category of book property must be logged in to the Library's Acquisition and Cataloging Section to obtain a barcode before acceptance. The acceptance process will then be initiated again and sent to the library for acceptance and cataloging procedures.

Article 24 For acceptance of interior decoration projects, various certificates of qualifications such as flame prevention, energy conservation, interior decoration, or fire safety inspection shall be obtained depending on the procurement content.

Article 25 If the goods are delivered in batches, the requisitioning unit shall indicate each acceptance and the quantity to be delivered on the requisition form. If the unit price or total price stated in the invoice or official receipt does not match, or some goods may be acceptable but the quality is different from what was ordered, the Purchasing and Custody Section shall notify the vendor for correction. If the vendor cannot deliver according to the requisition form, and a price reduction is discussed with the vendor,

the acceptance can only be conducted after the unit responsible for approving the procurement also approves the acceptance inspection.

- Article 26 If the winning bidder fails to complete or deliver goods in accordance with the contents approved in the requisition, or if the construction quality is poor or the goods are defective, in addition to being held accountable by the School according to law, the requisitioning unit shall reject the acceptance and ask the winning bidder for re-construction, delivery or compensation in the form of payment deduction. If the aforementioned situation can be attributed to the winning bidder, the Procurement Committee may suspend or penalize the winning bidder in accordance with the "Chung Yuan Christian University Procurement Operation Regulations for Vendor Suspension". The Purchasing and Custody Section shall record the supplier's performance of the agreement (contract) into the supplier's basic information file and make a memorandum to provide reference for procurement operations.

#### **Chapter 4 Supplementary Provisions**

- Article 27 The maintenance contracts for machinery, instruments and other equipment of each unit shall be performed after being signed and approved; photocopies of the contracts shall be sent to the Accounting Office for reference. The "maintenance fees" of various maintenance contracts signed with manufacturers cannot be paid in one lump-sum after signing the contract, so as to protect the School's rights and interests. The maintenance fee shall be paid in installments according to the maintenance status specified in the maintenance contract, and shall be handled in one of the following ways:

- I. Monthly payment: Payments will be made at the end of each month after the maintenance work is completed.
- II. Installments:
  - (I) If the annual maintenance fee is more than NT\$100,000: Paid evenly on a quarterly basis and at the end of each quarter.
  - (II) If the annual maintenance fee is less than NT\$100,000: Paid in two installments at the middle (or beginning) and at the end of the period.

- Article 28 Requisitions not conducted in accordance with the regulations shall have the reasons stated to be signed by the principal for approval, followed by make-up requisition (request for repair) procedures and then reimbursement.

If there is an urgent need for procurement, the requisitioning unit shall submit a requisition application in accordance with the procedures stipulated in Article 5 and state the reasons. After the request is signed and approved, it shall be sent to the Purchasing and Custody Section for preliminary price comparison and negotiation and then approved by the Chief of General Affairs and the Accounting Director, before the procurement is expedited.

If the aforementioned emergency procurement budget exceeds the publicly announced amount, the reasons and procurement conditions must be signed and approved by the principal before the procurement is carried out.

- Article 29 Procurement personnel shall fulfill their duties and be honest and self-respecting, and shall not engage in malpractice for personal gain, accept bribes, or receive kickbacks. Violators will be penalized in accordance with relevant laws and regulations and the School's personnel regulations.

- Article 30      Dedicated personnel shall be designated to handle the purchase, acceptance, recording and storage of various materials and general supplies. Requisition personnel and custodian personnel are not allowed to concurrently handle accounting. Procurement matters and custodial work shall not be handled by the same person. Re-inspection personnel cannot be procurement personnel.
- Article 31      Relevant regulations and forms for requisition, acceptance, property additions and other procedures will be published on the school website and available for download.
- Article 32      The Measures shall be approved by the administrative meetings and submitted to the principal for promulgation and implementation, and likewise for the amendment.

## Appendix 1: Areas of responsibility for procurement

Procurement amount (budgeted) (New Taiwan Dollars or its equivalent in foreign currencies)	Minimum number of companies providing quotations	Requisitioning unit	Budget review	Specialized countersign	Base price approval	Reviewed by						Principal
						Purchasing and Custody Section Leader	Procurement Committee	Chief of General Affairs	Accounting Director			
Less than NT\$75,000	1	Use unit or budget unit	Accounting Office	Sign-off	Exempted	Sign off	Exempted	Sign off	Sign off	Exempted	Sup the req g prin inv spe	
NT\$75,000 to NT\$150,000	2	Same as the above	Same as the above	Same as the above	Exempted	Same as the above	Same as the above	Same as the above	Same as the above	Same as the above	Sa	
More than NT\$150,000	3	Same as the above	Same as the above	Same as the above	More than the publicly announced amount: Principal or the authorized proxy	Same as the above	Sign off	Same as the above	Same as the above	Sign off	Sa	
For procurement cases that accept subsidies from	Processed in accordance with the Government Procurement Act	Same as the above	Same as the above	Same as the above	Principal or the authorized proxy	Same as the above	Same as the above	Same as the above	Same as the above	Same as the above	Sa	

government agencies, public schools, or public enterprises, and that the subsidy amount accounts for more than half of the procurement amount and is more than the publicly announced amount.														
---	--	--	--	--	--	--	--	--	--	--	--	--	--	--

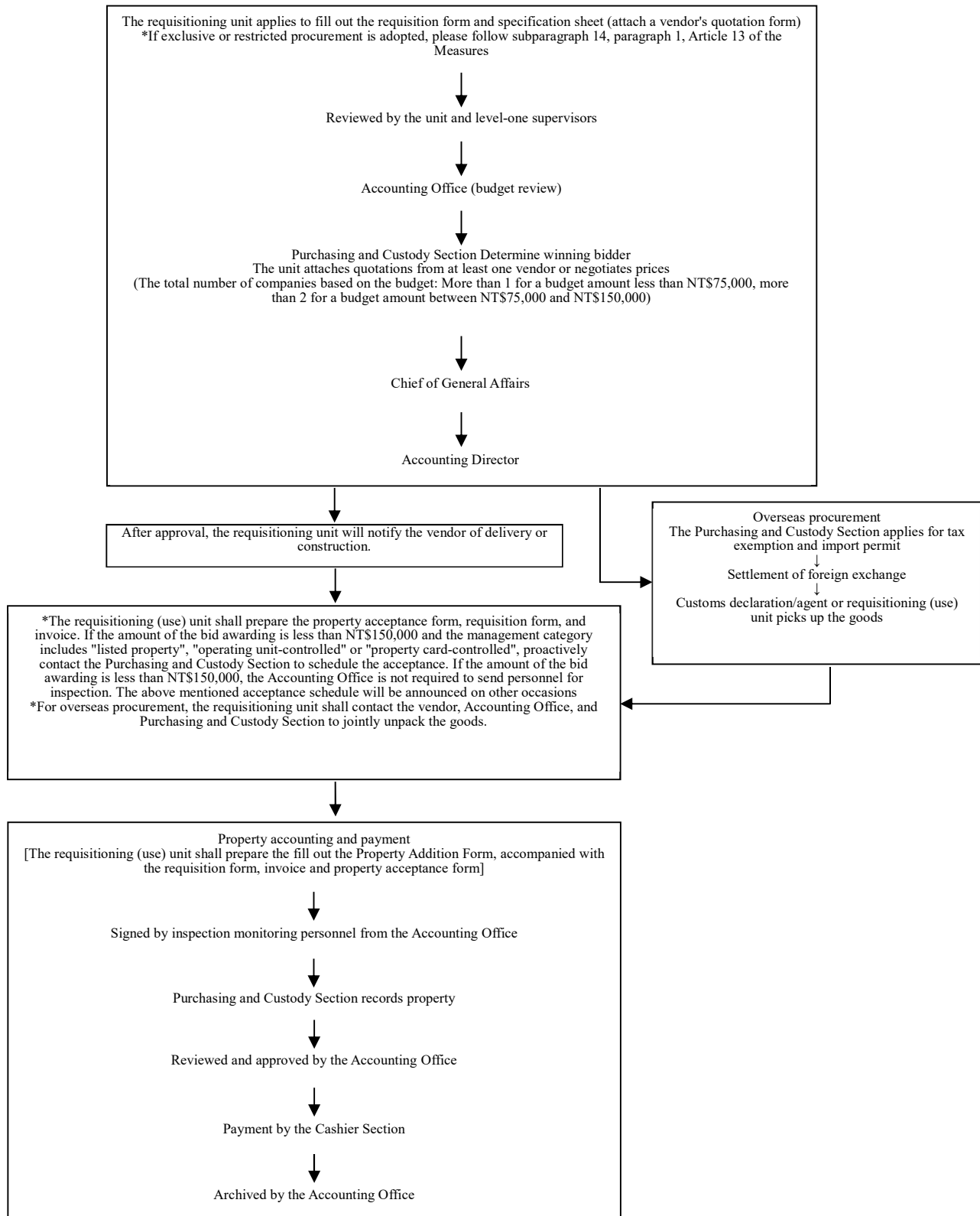
**Description:**

- I. This is the appendix of Article 4 of the "Chung Yuan Christian University Procurement Measures".
- II. Number of companies providing quotations: The quotation shall be carried out by the requisitioning unit and the Purchasing and Custody Section, respectively. The requisitioning unit must attach at least one vendor's quotation sheet.
- III. Responsible unit: Use unit or budget unit.
- IV. Specialized countersigning: Countersigning unit for specialized contents of requisition (Example: Facilities & Campus Maintenance Section and the Center for Environmental Protection and Occupational Safety and Health for interior renovation and major energy; Information Office for network installation and information security; Center for Environmental Protection and Occupational Safety and Health for toxic chemicals, type certification or pest control)
- V. Purchases of consumables: With a budget of less than NT\$75,000, processed with the School's accounting invoice system.
- VI. Inspection monitoring: If the amount of the bid awarding is less than NT\$150,000, the Accounting Office is not required to send personnel for inspection monitoring; if the amount is more than NT\$150,000 but less than the publicly announced amount, and meets the criteria mentioned in subparagraph 1 to 14, paragraph 1 of Article 3 of "Central Government Agency Supervision Measures for Procurement Less Than Publicly Announced Amounts", the Account Office may not send personnel for inspection monitoring.



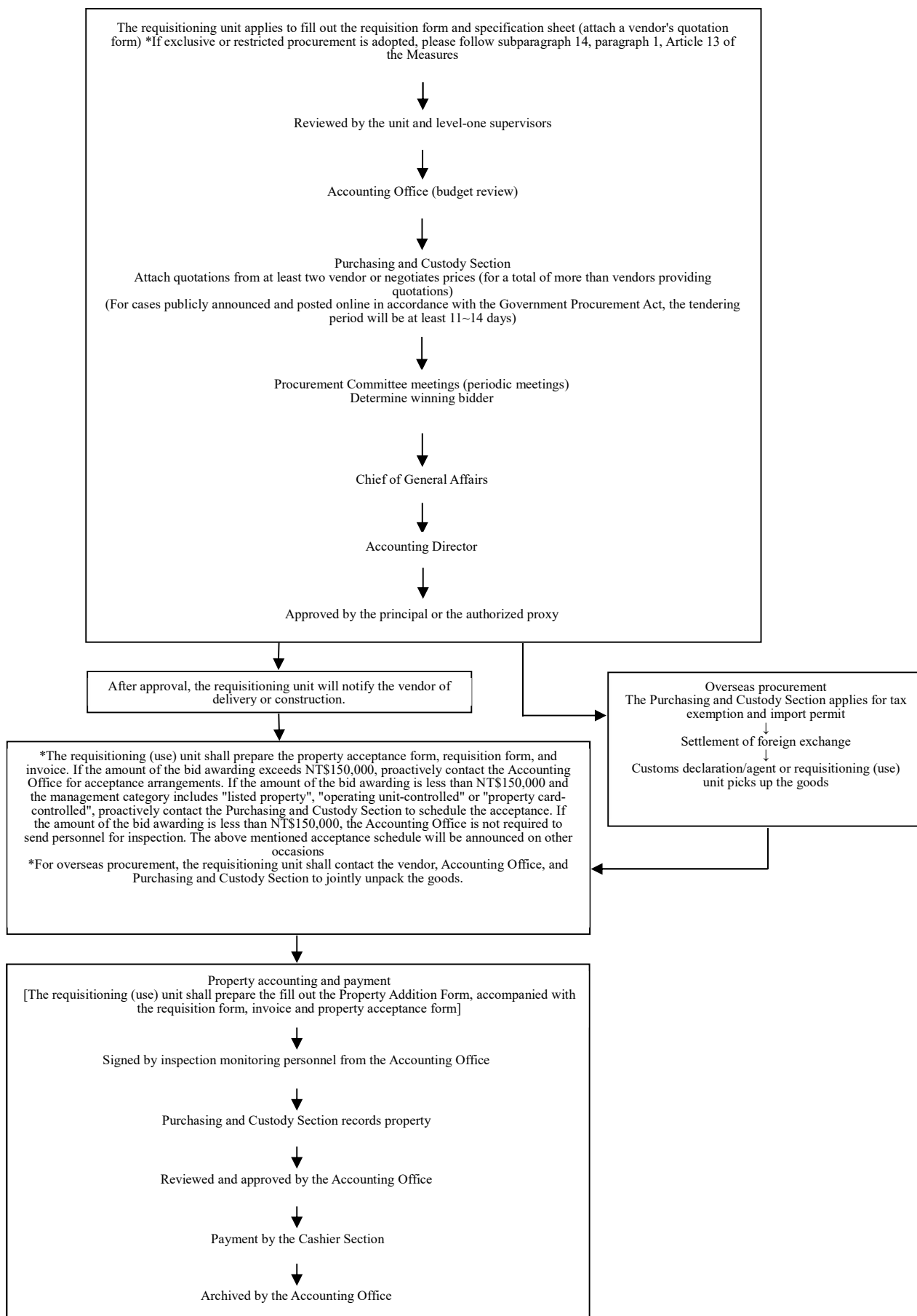
## Appendix 2: Procurement flow chart (requisition, acceptance, property accounting and payment)

### ► Procurement cases less than NT\$150,000



Purchases of consumables: If less than NT\$75,000, processed with the School's accounting invoice system.

## ► Procurement cases more than NT\$150,000



Purchases of consumables: If less than NT\$75,000, processed with the School's accounting invoice system.  
Note: This is the appendix to Article 13 of the "Chung Yuan Christian University Procurement Measures".