

POLICY GOVERNING PURCHASING, INVENTORY MANAGEMENT SUSTAINABILITY, AND ASSET DISPOSAL

1. Purpose

Fujairah University (FU) shall purchase responsibly, safeguard inventory and assets, and ensure authorised, sustainable and traceable asset disposal. FU shall maintain complete, accurate and retrievable records demonstrating control over purchasing and inventory management, including sustainability and disposal of assets.

2. Scope

This policy applies to all colleges, research units and administrative functions, and all goods, works, services, consumables and assets acquired, held, used or disposed of under FU authority. It includes sponsored purchases, subscriptions, ICT, laboratory and clinical equipment, and off-campus assets.

3. Authority and supporting documents

Apply UAE requirements, FU governance instruments, and the approved Delegation of Authority. The document-control table identifies supporting standards and instruments. The companion Procedures and Forms, Version 2.3, retains Annexes A–M; its policy-section references refer here. Supporting documents shall not change authority or weaken controls. QA-IEA controls publication and version history.

4. Definitions

Sustainable procurement addresses environmental, social, ethical and economic impacts. Whole-life cost covers acquisition, use, maintenance and end of life. Inventory comprises stock and consumables; assets are items controlled by FU with service potential or economic value. Custodians safeguard assigned assets. Disposal removes FU control; internal transfer and repair retain ownership.

5. Policy principles

Decisions shall demonstrate legitimate need, value for money, fair competition, integrity, proportionate risk control and responsible resource use. FU shall prioritize avoiding unnecessary purchases, sharing, reuse and repair, and maintain traceable custody, reliable records and verified closure throughout the asset life cycle.

6. Governance responsibilities

RESPONSIBILITY	ACCOUNTABLE FUNCTION
Policy approval and material escalation	University President under FU governance instruments
Implementation resources performance and corrective action	Vice President for Administrative and Financial Affairs, policy owner
Sourcing supplier assessment contracting and procurement evidence	Procurement Function
Budget financial verification, accounting and payment controls	Finance Department
Physical registers, tagging, custody counts, movement, and disposal	Department of Facilities and Asset Management (DFaM)

RESPONSIBILITY	ACCOUNTABLE FUNCTION
Need acceptance safeguarding and incident reporting	Requesting units, budget owners and asset custodians
Technical data security, safety, and legal clearances	IT and Information Security; Facilities/HSE; Legal Affairs
Document control and effectiveness monitoring; independent audit	QA-IEA; Internal Audit respectively

7. Purchasing and sustainable procurement

7.1 Integrity and authorization

Separate requesting, approval, sourcing, receiving, custody, adjustment and payment duties wherever practicable. The policy owner shall authorize independent compensating review where staffing prevents separation. Self-approval is prohibited. Declare and manage conflicts; evaluators shall document confidentiality and conflict declarations. Independently verify supplier creation and bank-detail changes. Purchases shall not be split to avoid competition or approval limits.

7.2 Need budget and specification

Before sourcing, requesting units shall document the need, quantities, intended outcomes, delivery requirements and functional specifications in Annex C. DFAM shall check stock, reuse, repair and sharing options; Finance shall confirm budget. Procurement shall complete Annex B sustainability screening and open the Annex H evidence index. Strategic or high-risk purchases require advance sourcing and contract-management planning.

Specifications shall address relevant efficiency, durability, repairability, accessibility, labour, safety, data-security, packaging and end-of-life requirements. Reduce unnecessary packaging and single-use plastics; consider appropriate digital alternatives. Named brands require justification and provision for equivalents unless an authorized exception applies. Assess whole-life cost for relevant equipment and services; verify sustainability claims and consider equivalent substantiated evidence.

7.3 Competition and evaluation

Procurements above AED 5,000 require at least three quotations unless a justified exception is approved under the Delegation of Authority. Use the total anticipated commitment, including linked requirements and options. Procurement shall assess supplier identity, capability, integrity, and relevant environmental, labor, safety, and information-security risks through Annex D.

Publish criteria, scoring and evidence requirements before bids are received. Sustainability is a mandatory tender evaluation factor. Standard weights are 20% sustainability, 40% price and value, 20% technical specification and 20% vendor reliability. Any category variation requires justification and approval before invitation and must total 100%. Retain scores, moderation, award rationale, and approvals.

Emergency and sole-source purchases require documented justification, alternatives, price reasonableness, risk, mitigation and delegated approval. Follow the FU Emergency Procurement Procedure where applicable. An exception does not remove receiving, sustainability or records controls. Report unauthorized commitments as breaches; backdated approval is prohibited.

7.4 Award receipt and payment

Issue purchase orders and contracts only after budget, delegated and applicable specialist approvals. Specify deliverables, acceptance, sustainability obligations, warranty, remedies, data protection and end-of-life responsibilities. Approve changes before commitment. Receiving personnel shall verify quantity, condition, and conformity before recording acceptance; quarantine or report discrepancies.

Finance shall match the approved order or contract, acceptance and invoice before payment. Resolve affected discrepancies, unsupported charges, and duplicate invoices before release. Advance payments require President approval under the Delegation of Authority and documented safeguards. Retain payment and exception checks in Annex H. Annex L provides the operating procedure.

8. Inventory and asset life cycle management

8.1 Registration and custody

DFaM shall maintain the central asset register and stock ledger using Annex E data requirements, including identity, acquisition, cost, location, custodian, condition, movements and disposal history. Record and tag equipment on receipt and before deployment; IT shall inspect ICT equipment. Finance shall validate classification, capitalization, depreciation, and book value. The source threshold for fixed assets is cost above AED 5,000 and useful life of at least one year, subject to validation against approved accounting policy. Control lower-value sensitive items as well.

Use unique identifiers, restricted editing, timestamps, auditable change history, backups and periodic access review. Preserve retired asset history. Custodians shall accept responsibility, safeguard assets and report loss, damage, defects or unauthorized movement promptly.

8.2 Receipt storage and issue

Match stock receipts to approved orders and acceptance records. Protect stock from loss, unsafe access, damage and expiry. Issue only against authorized requests and update the ledger at receipt and issue. Apply first-in, first-out, or first-expiry, first-out where appropriate. Set reorder points using demand, lead time and criticality. Check critical supplies weekly; units report monthly usage, and DFaM reports monthly balances, shortages, overstock, and expiry risks.

8.3 Verification and reconciliation

Units shall conduct quarterly physical verification and a full annual count coordinated by DFaM; custodians confirm assigned assets at least annually. Increase counts where value, movement, expiry or operational risk warrants. Control the movement cut-off, retain original count sheets, and independently recount differences using Annex F. Finance and DFaM shall reconcile physical, register, and accounting records at least annually. Internal Audit undertakes quarterly risk-based sampling within its approved plan.

Explain every variance. Investigate quantity variances greater than 5% of recorded quantity and unexplained stock against a zero balance. Report suspected fraud, loss, safety, or data-security incidents immediately regardless of percentage. Adjustments and write-offs require investigation evidence and delegated approval, with a named action owner and verified closure.

8.4 Maintenance and movement

Maintain assets according to manufacturer, safety, operational, and contractual requirements, and retain repair, calibration, and warranty evidence. Use Annex G before transfer, reassignment, off-campus movement, loan or external repair. Obtain receiving-custodian acceptance and relevant clearance. DFaM shall update the register within 48 hours of authorized movement. Record loan return dates, follow up overdue items, and complete asset return or reassignment before staff custody clearance. Annexes K and M provide the operating procedures.

9. Asset disposal and circularity

The requesting unit and DFaM shall assess need, condition, repairability, safety, data risks, contractual restrictions and recovery value before disposal. Apply the hierarchy: redeploy or share; repair or refurbish; return or trade in; donate or sell; recycle; certified destruction as a last resort. Record the assessment in Annex A; internal redeployment or repair uses Annex G and retains FU ownership.

Finance shall verify book value, valuation and accounting implications. Obtain delegated approval before disposal and verify recipient or contractor identity and capability. Donations require safe condition, institutional benefit and recipient acceptance. Sales and trade-ins require documented selection and proceeds or credit received through Finance. Staff shall not appropriate surplus assets.

Data-bearing assets shall not leave FU control until IT or Information Security verifies sanitization or approved media destruction and records device identifiers, method and certification. HSE shall clear hazardous, clinical, chemical and safety-sensitive items for specialist treatment through authorized providers; general waste disposal is prohibited.

DFaM shall retain witnessed handover, chain of custody and final treatment evidence, and update asset status within 48 hours of execution. Finance shall reconcile proceeds, costs and authorized accounting entries. Preserve register history and track missing certificates as open actions. Close Annex A only when evidence and reconciliations are complete. Annex K prescribes the disposal workflow.

10 Records retention and evidence of control

Maintain accurate, complete, secure and retrievable records covering purchasing, inventory, sustainability and asset disposal. Link each transaction to its approvals, evidence and unique identifiers. Annex H indexes procurement files; Annex J records retention, holds and authorized disposition. Approved electronic workflows may replace forms only if all applicable fields, approvals and audit trails are retained. Justify any “not applicable” entry.

RECORD SERIES	MINIMUM RETENTION
Requisitions receiving payment sustainability stock ledgers counts and investigations	7 years from transaction or reporting-period closure
Sourcing award and contracts	7 years after contract completion
Asset custody maintenance and supporting asset records	Asset life plus 7 years; apply later contract closure where relevant
Asset disposal supporting evidence	7 years after disposal or contract closure, whichever is later
Asset register history	Permanent

These are FU minimums. Apply longer legal, contractual, donor, audit or investigation requirements. Suspend destruction under an authorized hold. Record destruction requires the records owner, custodian, and applicable disposition approval, with a destruction log. Disposal of an asset does not authorize destruction of its records.

11. Monitoring and improvement

Procurement shall submit quarterly sustainability and compliance reports to the policy owner and QA-IEA, and an annual consolidated review using Annex I. Maintain supplier evidence, expiry dates and unresolved concerns. DFAM and Finance shall verify relevant register and financial data. Reports shall identify trends, high-impact purchases, exceptions, losses and corrective actions, with defined populations, denominators, targets, evidence and data limitations.

CONTROL MEASURE	REVIEW
Complete procurement approvals, competition receipt, and sustainability screening	Quarterly
Sustainability criteria and supplier contractual compliance	Quarterly
Inventory accuracy, unresolved variances, and responsible disposal evidence	Quarterly and annual consolidation
Asset verification completion	Annual
Corrective actions closed and independently verified by due date	Quarterly

Management owns implementation and remedial action. QA-IEA monitors evidence and effectiveness; Internal Audit provides independent assurance. Findings shall inform budgets, risk controls, training and process improvement.

12. Non-compliance and corrective action

Report material control failures, suspected fraud, property loss, unsafe disposal, data breaches or environmental harm without delay through the competent FU route. Escalate material matters to the President and, through audit governance, the Board of Trustees Audit Committee. Preserve evidence, document containment and impact, assign actions and due dates, and verify closure.

Responses may include suspension of a transaction, withholding affected payment, corrective action, withdrawal of purchasing authority, contractual remedy, recovery of loss or disciplinary referral under applicable FU procedures and law. Independent assurance functions shall not approve operational transactions.

13. Development, implementation, and review

Apply the FU Policy Development Governance framework to consultation, review, approval, issuance, implementation, revision and withdrawal. Procurement, Finance and DFAM shall consult affected units and specialist functions and retain the regulatory crosswalk, risk assessment, consultation, operational validation, implementation and review evidence.

The policy owner shall confirm feasibility, resources, thresholds, tender weightings, roles, performance measures and implementation readiness before recommending approval. QA-IEA shall verify the approval route, controlled versions, publication and archival arrangements. Record approval and effective dates only after authorisation; the effective date shall follow essential communication, role assignment, system preparation and training.

Review every three years, or earlier following material legal, regulatory, financial, audit, risk or performance changes. Publish the policy with the approved companion procedures and forms. Changes to delegated authority, mandatory controls or approval requirements require the relevant policy approval; administrative form changes follow documented change control. Archive superseded versions and preserve their approval history.