DIRECTIVES
concerning purchases and inventory

of September 2, 2002

Revision of July 1\textsuperscript{st}, 2010
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Section I: Scope of application

Art. 1 Objective
This document defines the rules and procedures concerning purchases and inventory at EPFL and the roles of the various actors involved in the purchasing of goods or services on behalf of EPFL, regardless of their source of financing.

Art. 2 Scope of application
The present directives and their annexes apply to all EPFL employees. They are periodically updated by the Purchasing Coordination Groups (GCAs – groupes de coordination des achats) and then approved by the EPFL Board.

Art. 3 Note
- All terms designating functions refer to persons of either gender, the masculine form being employed in this document for the sake of convenience.
- All amounts mentioned in this document are exclusive of VAT.
- The terms used in this document are defined in the Annexe on p. 13.

Section II General purchasing policy and organisation

Art. 4 General purchasing policy at EPFL
EPFL policy is to ensure the supply of goods and services under optimal conditions, that is, of the required quality, at the best price, in sufficient quantity, at the appropriate time and place.
Furthermore, EPFL requires that purchasers take particular care to:
- ensure compliance with the law concerning public markets (LMP) and its Ordinance (OMP),
- ensure the equality of opportunities and fair competition among suppliers,
- ensure that free competition is maintained without distinction as to the origin of goods (Switzerland or abroad),
- ensure that our requirements are met as well as possible, while seeking optimal solutions with regard to global life cycle costs, energy consumption and sustainability.

Art. 5 General principles
Generally speaking, units are responsible for the acquisitions concerning them and do their own ordering, within the framework laid down by the *Guide des achats et inventaires de l’EPFL*. However, EPFL designates specialised Purchasing Offices (CAs) for certain types of acquisitions whenever economic advantages are obtainable, safety reasons require it, and/or such designation is stipulated by the law or internal directives.

1 The Directives concerning purchases and inventory are distributed to all EPFL employees involved in purchasing. They are also accessible to everyone on the EPFL website http://polylex.epfl.ch.
2 employed by EPFL, the CEPF, or the Federal Council.
3 Ordinance on the organisation of EPFL - of 1.03.2004, revision of 1.05.2008

Art. 4 Competence of decision
- The EPFL Board has the following tasks:
  a. it edicts an internal directive of organization;
  b. it adopts the faculty regulation proposed by the dean. This proposition has to be approved by the council of faculty;
Art. 6 The units

1. As far as acquisitions of a scientific and IT nature are concerned, the technical expertise generally lies within the research units, with any necessary coordination being provided by the School.

2. Depending on the method of financing and amount involved, the VPAA-DAR or VPAI-DIT plays a monitoring and coordination role at EPFL level.

Art. 7 Purchasing Offices (CAs)

1. EPFL designates the following Purchasing Offices and delegates to them the responsibility for making purchases related to their particular domain.

<table>
<thead>
<tr>
<th>Purchasing Offices</th>
<th>Purchasing domain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research Delegate (VPAA-DAR)</td>
<td>Equipment and other acquisitions dedicated to research.</td>
</tr>
<tr>
<td></td>
<td>These purchases must be submitted to the VPAA-DAR in accordance with the instructions given in the credit allocation documents or, by default, from a cost of CHF 50,000.- upwards.</td>
</tr>
<tr>
<td>Information Technology Domain (VPAI-DIT)</td>
<td>IT (equipment, software)</td>
</tr>
<tr>
<td></td>
<td>Networking equipment</td>
</tr>
<tr>
<td></td>
<td>Maintenance and repairs of equipment and software</td>
</tr>
<tr>
<td></td>
<td>Lease of IT equipment</td>
</tr>
<tr>
<td></td>
<td>IT services</td>
</tr>
<tr>
<td></td>
<td>These purchases must be submitted to the VPAI-DIT from a cost of CHF 50,000.- upwards.</td>
</tr>
<tr>
<td>Scientific Information and Libraries (VPAA – SISB)</td>
<td>Acquisition of scientific and technical documentation</td>
</tr>
<tr>
<td></td>
<td>Documentary resources</td>
</tr>
<tr>
<td>Real Estate and Infrastructures Domain (VPPL-DII)</td>
<td>Office equipment and supplies, printed matter (économat)</td>
</tr>
<tr>
<td></td>
<td>Furniture</td>
</tr>
<tr>
<td></td>
<td>Vehicles</td>
</tr>
<tr>
<td></td>
<td>Audiovisual equipment</td>
</tr>
<tr>
<td></td>
<td>Telephony (fixed &amp; mobile)</td>
</tr>
<tr>
<td></td>
<td>Fixed laboratory furniture</td>
</tr>
<tr>
<td></td>
<td>Gas and technical fluids, drinking water</td>
</tr>
<tr>
<td></td>
<td>Energies</td>
</tr>
<tr>
<td></td>
<td>Construction and conversion of buildings</td>
</tr>
<tr>
<td></td>
<td>Equipment/maintenance for technical installations in buildings</td>
</tr>
<tr>
<td></td>
<td>Building/furniture repair (apart from technical installations)</td>
</tr>
<tr>
<td></td>
<td>Cleaning of property (interior/exterior)</td>
</tr>
<tr>
<td></td>
<td>Hiring of property</td>
</tr>
</tbody>
</table>

2. The CAs, with the approval of the Vice-Presidency on which they depend, are authorised to delegate responsibility for making certain purchases to the units. These delegations are stipulated in the *Guide des achats et inventaire de l'EPFL*.

3. Within the framework of the present directives, the CAs lay down their particular purchasing procedures and define them in the *Guide des achats et inventaire de l'EPFL*.

4. The CAs organise regular meetings in order to encourage information exchanges and coordination, particularly with regard to the following:
   - Standardisation of acquisition principles within EPFL
   - Information sharing
   - Continuing education of purchasers.
7.1 Coordination at EPFL level

With the support of the Strategic Purchasing Office (DABS), the CAs establish acquisition procedures and create the appropriate documentation. They have the following tasks:

- Compilation and updating of the Guide des achats et inventaire de l'EPFL.
- Distribution of this document and all the necessary annexes on the EPFL intranet at the address: http://polylex.epfl.ch/ “Purchases” section.
- Support and advice on legal matters regarding purchasing, if necessary with the assistance of external consultants.

Art. 8 EPFL Purchasing Coordination Groups (GCAs)

Coordination groups are formed for different product families and placed under the responsibility of a Purchasing Office.

Purchasing Coordination Groups are made up of representatives of the Schools and at least one member of the Purchasing Office concerned.

They are responsible for the coordination and updating of purchasing procedures, and their adaptation to the organisational environment of EPFL. Their tasks are as follows:

- They propose ways of optimising acquisition principles at EPFL and the procedures necessary for their implementation.
- They participate in follow-up evaluations concerning acquisition.
- They distribute information concerning purchasing policy with regard to their area of expertise.
- They may assist with negotiations with suppliers if necessary.

Art. 9 Frame-agreements with suppliers

The term frame-agreement refers to any document that clarifies matters concerning the financing, legal aspects, and/or technical procedure of an acquisition. Frame-agreements may relate to all types of procurement of goods and services (purchasing and updating of equipment and software, service agreements, etc...).

Only Purchasing Offices are authorised to negotiate frame-agreements.

A list of frame-agreements and their content is available under Polycontrats, via the EPFL purchasing platform (http://achats.epfl.ch/). This is reserved for the exclusive internal use of EPFL and other institutions of the ETH domain, or university-level institutions in Switzerland.

Art. 10 Inventories

The inventory of durable goods permits objects to be identified and located and ensures the monitoring of their movements and the supervision of EPFL property. It is kept in accordance with the instructions given in the Guide des achats et inventaire de l'EPFL.

Swap and share
Any equipment that is no longer used will be made available on an internal "swap market" in accordance with the instructions given in the Guide des achats et inventaire de l'EPFL.

Confidentiality

- The data contained in the inventory is reserved exclusively for the internal use of EPFL and accessible only on the EPFL intranet.
- The visibility of data connected with the inventory must respect the confidentiality required by the unit concerned or by any contractual partners.

Art. 11 Signatory power

Basic principle: for amounts exceeding CHF 5,000.-, all EPFL orders must bear at least two signatures.

For amounts exceeding CHF 50,000.- all orders must be issued in writing and signed by the head of the unit, who assumes the responsibility of selecting the equipment with respect to technical and scientific specifications and by the person responsible for a competent Purchasing Office,
who ensures that the legal conditions relating to the purchase are fulfilled. The Vice-Presidencies concerned may enact additional restrictions for higher amounts. The splitting up of orders in order to circumvent the above-mentioned threshold is not permitted.

6 Those persons who have signatory power in accordance with the present directives may formally, in their turn, delegate this power by means of an ad hoc form available on the intranet (http://www.epfl.ch/administration/sf/formulaires.html). Only those persons with such authorisation are legitimately and legally entitled to undertake commitments on behalf of EPFL.

7 Those persons with delegated signatory power may not in turn delegate that power to anyone else.

8 The School Deans and Central Services may enact further restrictions regarding signatory power within their respective Schools and publish them under Polylex.
Section III:  Purchasing procedure at EPFL

Art. 12  Budget

1  The units that purchase objects must have the financial means at their disposal to cover the expenses involved.

Art. 13  Request for proposals

1  In accordance with the law on public markets and its ordinance (LMP and OMP), a request for proposals must be drawn up for any order involving the amount of CHF 50,000.- or over for transactions involving goods, and CHF 150,000.- or over for orders involving services or construction. The concerned Purchasing Office has to be informed of the project without delay.

2  For acquisitions costing CHF 230,000.- or more, a public call for tenders must be issued, with the Purchasing Office concerned being responsible for organising and monitoring the procedure. By default, this responsibility is assumed by the DABS.

3  Providing that the number of competent tenderers is sufficient, the allocator must invite at least three of them to submit an offer, one of them must have its origin from another region (OMP).

4  When placing orders, the purchaser chooses suppliers on the basis of objectively assessable criteria.

5  A request for proposals enables the precise definition of the specific features of the good or service to be purchased. It includes at least the three following elements:
   - Description of the environment in which the required equipment will be used and definition of the necessary features.
   - Commercial restrictions.
   - Allocation restrictions.

6  The request for proposals is sent to suppliers as part of a call for tenders.

Art. 14  Evaluation of proposals and allocation

1  Competing offers are evaluated on the basis of a protocol. This written protocol must focus on the following points:
   - Technical compliance: the technical and/or scientific requirements stipulated in the calls for tenders and/or requests for proposals must be fulfilled.
   - Price and operating costs: the comparison of offers takes into account the lifespan and operating costs of the goods or services offered.
   - Quality and respect of deadlines: previous experiences with tenderers must be taken into account, especially with regard to the quality of their goods or services and compliance with deadlines.
   - Compliance with the general terms and conditions applicable in the ETH Domain: in the comparison of offers, preference will be given to the tenderer who accepts the general terms and conditions applicable. Any amendments must be decided by the CA concerned by the order, with the assistance of the DABS or legal advice if necessary.
   - Respect for the environment: preference will be given to solutions that renounce, reduce or replace products causing environmental pollution, solutions that preserve the environment in waste treatment, re-treatment or disposal processes and low-energy consumption.
   - Negotiations: tenders must be negotiated in accordance with the OMP. When a negotiation is complete, it is the offer that best corresponds to the requirements listed in the request for proposals and is the most economic in the long term that will be selected with a view to ordering.

4  An outline is available at: http://dar.epfl.ch/page62395-fr.html
5  An outline is available at: http://dar.epfl.ch/page62395-fr.html
Art. 15 Orders

1. Having made a market study (call for tenders, evaluation of offers, negotiations, decision) in accordance with Art. 13, the purchaser will respect the following principles:

2. Orders must be prepared using the EPFL electronic purchasing platform.

3. All documents relating to an order must be uploaded into the purchasing platform.

4. All orders must refer to a valid offer, which will refer to the request for proposals; failing this, the order will refer to the request for proposals.

5. Orders are prepared by the unit requiring the goods or services (decentralised purchases), or by the Purchasing Office, in accordance with the instructions given in the Guide des achats et inventaire de l'EPFL. In principle, pre-payments are not accepted; for dispensations, see Art. 17, par. 2.

6. For amounts of CHF 50,000.- and upwards, all orders must be pre-validated by the Purchasing Office concerned which verifies the allocation report, technical and financial information, ordering conditions and compliance with purchasing procedures. By default, the DABS provides the pre-validation.

7. For amounts of less than CHF 5,000.-, for goods that cannot be inventoried and only if the EPFL electronic purchasing platform cannot be used, EPFL accepts orders by fax, email or electronic form sent by a third party. In these cases, use of the general terms and conditions applicable in the ETH domain is preferable, but not mandatory. A pre-payment may exceptionally be accepted for this type of order if no other means of payment is possible. The unit submitting the order assumes sole responsibility for any financial risk.

Art. 16 Delivery and inventory

1. With the exception of special cases defined in the Guide des achats et inventaire de l'EPFL, deliveries and invoicing are dealt with directly by the ordering unit. The units are responsible for checking the goods and carrying out acceptance tests.

2. After the reception and acceptance of an object whose value is equal to or higher than the inventory threshold defined by the Purchasing Offices in the Guide des achats et inventaire de l'EPFL, the unit or Purchasing Office must register the object in the inventory in accordance with the directives of the respective Purchasing Offices.

16.1 Inventory entry criteria

1. Amount
   - A piece of equipment must be inventoried if the value of the acquisition, construction or replacement exceeds CHF 5,000.-, delivery to EPFL, installation and testing costs included if applicable, or if its manufacture has required more than 200 working hours.
   - The CAs are authorised to decide lower inventory entry thresholds. In this case, details are specified in the Guide des achats et inventaire de l'EPFL.
   - The Deans may decide lower thresholds for their Schools.

2. Requirement
   - All purchased, loaned, hired or donated equipment placed under the responsibility of EPFL must appear in the inventory.

3. Conditions
   - In order to appear in the inventory, the equipment must be operational and accepted. Its lifespan must be longer than 1 year.

16.2 Responsibilities

1. The head of the unit is responsible for the correct management of his unit’s inventory and ensures that it is complete. The operational management may be delegated to an employee.

2. The certification of the inventory and validation of removal may not be delegated.

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6 SAP-EBP system – purchasing platform
3 Removal of the equipment from the inventory requires the approval of the head of the unit. For goods with a value below CHF 50'000.- excl. VAT (original purchasing price), the head of unit can delegate the approval to a member of his staff.

16.3 Inventory certification
1 Once per year the head of the unit certifies his unit’s inventory and the updates and provides the VPPL with a certificate of completeness.
2 The VPPL organises a periodic inventory check for each unit.

16.4 Removal from inventory
1 The decision to remove an item from the inventory is made by EPFL, is proposed by the head of the unit and based on the pre-advice of the Dean or his delegate, respecting the following points.

16.4.1 In all cases, when a piece of equipment leaves a School, the Dean or its delegate must give his approval, and prior to any sale, donation or disposal, the central purchasing service concerned by the type or equipment or, failing this, the VPPL, must be informed. The following priorities then apply:
   a. Redeployment to another EPFL unit.
   b. If no interest is shown within EPFL, the unit may use the equipment towards making a new acquisition (trade-in offer, exchange or counter purchase).
   c. Failing this, the unit may donate or sell it to another non-profit making public institution or any EPFL employees who may be interested (with priority being given to employees and students).
   d. Finally, sale to third parties.

16.4.2 In the event of a trade-in or sale, the professor or head of unit is responsible for taking into account any restrictions connected with resale or re-exportation.

16.4.3 In the event of the accidental destruction or total obsolescence of a piece of equipment, the unit is responsible for removing it from the inventory and informing the purchasing service concerned.

16.4.4 When a piece of equipment has to be disposed of, any environmental protection concerns are the responsibility of the professor or head of unit, who must take particular care regarding the following:
   a. decontamination of the equipment,
   b. respect for the environment in accordance with Swiss laws concerning the disposal of goods.

16.4.5 When a piece of equipment leaves EPFL, the professor or head of unit is responsible for cancelling any maintenance contracts.

Art. 17 Invoice processing

1 Only those objects or services delivered, checked and inventoried may be paid for.

2 In principle, EPFL will only consider pre-payments for transactions exceeding the amount of CHF 100,000.-. The pre-payments will, as far as possible, be covered by a bank guarantee.

3 The acceptance of pre-payments is a decision made by the CA concerned or, failing this, the VP on which it depends.

4 As a general rule, the unit that receives the invoice is responsible for its processing, in accordance with the following procedure:

5 As soon as an invoice is received, it must be marked with an accounting stamp, the various sections of which must be completed according to the directives of the Financial Service before it is signed by those persons authorised in accordance with Art 11 of the present document.

6 For acquisitions costing more than CHF 50,000.-, the original invoice must be sent to the Purchasing Office concerned, together with the inventory form and acceptance protocol if applicable. The Purchasing Office, after verification, forwards the documents to the Financial
Service for payment.

In all other cases, the documents are sent directly to the Financial Service.

All documents relating to the payment must be uploaded into the purchasing platform.

17.1 Checking of documents and payment

The Financial Service is responsible for checking the conformity of invoices and, if applicable, the inclusion of inventory forms. If all is in order, it makes the payment and, if applicable, enters the object into the fixed assets section of the EPFL accounting system.
Art. 18 Compilation of purchasing files at EPFL

The order files must be stored in the EPFL purchasing platform\(^7\) or in the purchasing unit for a minimum period of 10 years. Items marked with an x in the table below must be included in the file:

<table>
<thead>
<tr>
<th>Documents to be kept</th>
<th>Orders representing amounts of less than</th>
<th>above</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CHF 5,000.-</td>
<td>CHF 10,000.-</td>
</tr>
<tr>
<td>Authorisation to issue call for tenders</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Request for proposals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Offers****</td>
<td>(x*)</td>
<td>x</td>
</tr>
<tr>
<td>Allocation protocol</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Copy of order</td>
<td>(x*)</td>
<td>x</td>
</tr>
<tr>
<td>Order confirmation</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Delivery note or service report</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Copy of invoice</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Acceptance protocol</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Entry in electronic inventory</td>
<td>(x***)</td>
<td>x</td>
</tr>
</tbody>
</table>

EPFL electronic purchasing platform obligatory

* If available.
** If defined in request for proposals.
*** If necessary, in accordance with the instructions in the *Guide des achats et inventaire de l'EPFL*, entry in electronic inventory.
**** All offers considered during evaluation of an order file (accepted offer and competing offers)

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\(^7\) SAP-EBP – purchasing platform and inventory
\(^8\) CHF 150,000.- for service or construction markets (Art. 36 LMP).
\(^9\) CHF 8,700,000.- for construction markets (Art. 6 LMP), Threshold values LMP.
Section III  Final provisions

1  The present directives were approved by the EPFL Direction at the EPFL Direction meeting of 8 July 2002.

2  The present revision of July 1, 2010 is effective on July 1, 2010. It cancels and replaces any other instructions concerning purchases and inventories at EPFL currently in force.

On behalf of the EPFL Direction:

Professor Patrick Aebischer
President

Susan Killias
General Counsel

Lausanne, July 1, 2010

ANNEXE I

Abbreviations used
Definition of terms used
Legal basis

Guide des achats et inventaire de l'EPFL.
ANNEXE I

Abbreviations used

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CA</td>
<td>Purchasing Office</td>
</tr>
<tr>
<td>CG</td>
<td>General terms and conditions applicable in the ETH domain</td>
</tr>
<tr>
<td>GCA</td>
<td>EPFL Purchasing Coordination Groups</td>
</tr>
<tr>
<td>LMP</td>
<td>Federal law on public markets</td>
</tr>
<tr>
<td>OMC</td>
<td>World Trade Organization</td>
</tr>
<tr>
<td>OMP</td>
<td>Ordinance on public markets</td>
</tr>
<tr>
<td>VPAI</td>
<td>Vice-Presidency for Institutional Affairs</td>
</tr>
<tr>
<td>DIT</td>
<td>Information Technology Domain</td>
</tr>
<tr>
<td>VPPL</td>
<td>Vice-Presidency for Planning and Logistics</td>
</tr>
<tr>
<td>SF</td>
<td>Financial Service</td>
</tr>
<tr>
<td>DII</td>
<td>Real Estate and Infrastructures Domain</td>
</tr>
<tr>
<td>VPAA</td>
<td>Vice-Presidency for Academic Affairs</td>
</tr>
<tr>
<td>DAR</td>
<td>Research Delegate</td>
</tr>
<tr>
<td>SISB</td>
<td>Scientific Information and Libraries</td>
</tr>
</tbody>
</table>

Definitions of terms used

Purchasing: Generic term covering purchasing, hire, leasing, service contracts, use of external installations, subscriptions and fees to external service suppliers.

Purchaser: Generic term covering the notion of purchaser and defining any person authorised to make a purchase.

Purchasing Office (CA): Any administrative unit designated by the EPFL Board as having authority regarding purchasing.

Order: Generic term covering all types of acquisition (via order or contract).

Unit: Any EPFL organisational entity (School, Institute, Chair, Section, laboratory, service, centre, …).


Legal basis

Purchasing at EPFL is governed by the following principle laws, ordinances and directives:

- General terms and conditions applicable to contracts for the procurement of goods and services awarded by the Swiss Federal Institutes of Technology (GC of the ETH domain) of 1st January 1998, amended June 5, 2005 (http://dabs.epfl.ch/page55353.html)

Guide des achats et inventaires de l’EPFL