



UARctic Procurement Policy

1. Purpose

This document describes UARctic procurement policies and practices. The Procurement Policy is designed to ensure that the Procurement of all Supplies, Works and Services including Consultancy services required for the operation of UARctic is handled in a transparent, timely, efficient and effective manner with due regard to the objectives of the association and in line with the organization's financial policies and anti-corruption standards.

2. Scope

The Policy covers all purchases of direct and indirect material and services including investments and outsourcing.

3. General Principles

UARctic, as a non-profit association registered in Finland, operates under specific procurement policies that align with its unique structure. Most purchases are conducted in accordance with the regulations of the host institutions of staff and project partners. As such, these purchases typically remain the property of the respective member institutions.

In all UARctic purchases the (Finnish) Act on Public Procurement and Concession Contracts as well as the (EU) state aid regulations need to be observed and complied with as may be necessary.

4. Supplier selection

When initiating the purchase, consideration for competitive bidding should be made based on the estimated value of the procurement.

- The purchases with estimated value of less than €15,000 euros can be purchased directly from the desired supplier.
- If the value is greater than €15,000 euros, it should be considered to ask for competitive bids.
- Direct procurement greater than €15,000 without competitive bidding can be done if the management considers that the circumstances of the procurement demand so.



- The decision for direct procurement over €15,000 must be documented and approved by The President. For procurements initiated by The President, approver is Board Chair.

If the purchase is related to government, EU or some other financial institution grant the project terms and values need to be followed accordingly.

5. Approval of purchases

When UArctic ry needs to make purchases, the following guidelines apply for seeking approval:

- **Authority for Purchases:**
 - All purchases must be properly approved before binding order is made
 - The Secretary General has the authority to approve purchases up to a value of €20,000.
 - For purchases required by the Secretary General, authorization must be obtained from the President.
 - Any purchases exceeding €20,000 require approval from the President.
 - Any purchases exceeding €100,000 must be approved by the Board Executive Committee.
 - Approvals are made in written form, e.g. meeting minutes or in an e-mail.

 - **Recurring commitments:** Any recurring financial commitment equal or under €25,000 must be approved by the Secretary General.
 - Any recurring financial commitment that exceeds €25,000 annually must be approved by the President.
 - Recurring financial commitments over €50,000 must be approved by the Board executive committee.
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- **Invoice handling in accounting system**

Due to limited user rights in the accounting system, invoices are reviewed by the Finance secretary based on inquiries and sufficient supportive documentation from the person who initiated the purchase (orderer).

Person who is authorized to approve the purchase can approve the invoice related to it. In practice, invoices are approved by the Secretary General or The President.



Neither can approve their own invoices. If Board Executive Committee is authorized to approve the purchase, The President or Secretary General approves the invoice on their behalf based on sufficient documentation, i.e. meeting minutes.

Invoice review and approval shall always be documented in the accounting system.

6. Procurement for Leadership Needs

UARctic leadership must maintain the technical and physical capability to work across all time zones, which necessitates access to appropriate IT equipment, furniture, and connectivity both at home and while traveling. The following rules apply to such equipment:

- UARctic ry may purchase necessary equipment for its leadership if the home institution does not provide it.
- The purchased equipment is intended strictly for work purposes and should not be considered private taxable income for personnel.
- All equipment purchased under these guidelines remains the property of UARctic ry and must be recorded in a property ledger maintained by the UARctic International Secretariat.
- Upon the conclusion of an individual's position with UARctic, any equipment must be returned to the UARctic Secretariat or the host institution.
- Equipment is considered to have lost its value after five years and will be removed from the ledger.
- Purchasing such equipment will follow the same guidelines as other purchases in terms of required approvals.

7. Requirement for formal contracts

Written contracts should always be signed if the total purchase value is over €10,000 euros or if the invoicing is recurring (e.g. phone, data, rent, software use, subcontracting or delivery service).

UARctic contracts are drafted or if supplier's contracts are used, the terms are reviewed by the Secretary General.

All contracts must be approved/signed in accordance with the procurement authorization policy.

The process for forming service agreements follows the guidelines outlined in the [UARctic Financial Management Policies and Procedures Manual](#).



8. Compliance with Anti-Corruption Policy

The President is responsible for ensuring that all procurement activities comply with the [UArctic Anti-Corruption Policy](#). This includes:

- Avoiding conflicts of interest in all procurement processes.
- Ensuring transparency and fairness in all dealings with suppliers and service providers.
- Promoting ethical practices and avoiding any actions that could be perceived as corrupt or unethical.

Approved by the Board of UArctic on October 31, 2024