

Key Difficulties in the “Streamlining, Regulation, and Service” Work of Government Procurement in Higher Education Institutions

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Abstract: *In order to promote the development of scientific research in higher education institutions, China has been implementing the “streamlining, regulation, and service” initiative for the procurement of scientific research instruments and equipment in higher education institutions for several years. Based on this initiative, various universities have conducted numerous practical explorations, clarifying the key areas of work. This includes establishing designated authorities and their responsibilities, formulating corresponding management systems, strengthening internal controls for government procurement, and actively conducting policy training. However, there are still certain difficulties in this work, such as the challenging definition of the scope of scientific research instruments and the limited variety of procurement methods. Therefore, targeted solutions are needed to address these issues and provide support for the implementation of the “streamlining, regulation, and service” initiative.*

Keywords: *higher education institutions; government procurement*

1. Introduction

In 2016, China issued relevant documents to support scientific research in higher education institutions, with a focus on the “streamlining, regulation, and service” initiative in government procurement, particularly in the procurement management of scientific research instruments and equipment. Seizing this opportunity, universities have formulated corresponding management measures for the procurement of teaching and research equipment and service procurement at different levels, in accordance with the requirements of the *People’s Republic of China Government Procurement Law* and the *Implementation Regulations of the People’s Republic of China Government Procurement Law* and other related documents^[1]. They have transformed national notifications into practical and feasible institutional frameworks at the school level to improve the effectiveness of procurement for scientific research instruments, equipment, and services. To successfully implement the “streamlining, regulation, and service” policy in government procurement in higher education institutions, it is necessary to focus on key work areas, address potential difficulties, and find solutions to work-related issues, thereby ensuring the practical implementation of the “streamlining, regulation, and service” initiative in universities.

2. Analysis of Key Work Areas

2.1 Clarifying designated authorities and business functions

The primary focus of implementing the “streamlining, regulation, and service” initiative in government procurement is to define the organizational structure and delineate the specific functions. The responsible department for procurement in higher education institutions is typically a designated authority or a separate procurement center. It may be under the jurisdiction of the school’s asset management department or infrastructure department, usually at the division-level or deputy division-level. The specific responsibilities of these departments may vary depending on the actual circumstances of the school. Generally, they include four categories of procurement work: goods, services, maintenance projects, and infrastructure projects. The primary responsibilities^[2-4] of the designated authority for government procurement in higher education institutions typically include:

- (1) Diligently implementing relevant national laws and regulations, and formulating and improving

various procurement management measures within the school.

(2) Establishing and improving procurement procedures and organizing procurement activities in accordance with relevant regulations.

(3) Compiling government procurement budgets and submitting technical lists of procurement items.

(4) Organizing negotiations with suppliers, signing and fulfilling procurement contracts as required, and cooperating with other departments to ensure proper acceptance of purchased goods or services.

(5) Collecting, summarizing, and publishing procurement information.

(6) Organizing training for relevant personnel and providing procurement policy consultation services to faculty and students.

2.2 Developing management systems with unique characteristics of higher education institutions

To effectively implement the national “streamlining, regulation, and service” policy, procurement departments in higher education institutions should develop procurement management systems that align with the practical needs of the school, based on the laws, regulations, and policy documents issued by the government. These systems should specify the organizational structure and functions of the procurement management department for goods and services, outline budget management procedures, procurement methods, and change procedures, and establish contract signing and acceptance protocols. These systems provide institutional guidance for the procurement of goods and services in higher education institutions. When developing procurement management systems, the following aspects should be considered:

First, adjusting the applicable scope of the government centralized procurement catalog.

Prior to the implementation of the “streamlining, regulation, and service” policy, procurement departments in higher education institutions strictly followed the purchasing methods specified by the national financial departments and education authorities for goods and services listed in the centralized procurement catalog. After the introduction of the “streamlining, regulation, and service” policy, central universities and research institutions are allowed to independently organize or entrust procurement agencies to procure various types of scientific research instruments and equipment. These procurement activities are carried out in accordance with the regulations of the government procurement laws. Therefore, the procurement of scientific research equipment is no longer restricted by the government centralized procurement catalog. Projects involving the procurement of “scientific research instruments” are exempted from centralized procurement and can be organized by the procurement center independently. Therefore, higher education institutions need to accurately understand the policy changes and adjust the scope of centralized procurement accordingly, handling scientific research-related procurement projects separately and conducting decentralized procurement.

Second, adopting “demonstration-based”^[5] approach for valuable scientific research instruments and equipment (including imported equipment).

Higher education institutions play a vital role in conducting scientific research and possess numerous valuable scientific research instruments and equipment, including imported equipment. Procurement processes for such equipment often involve large amounts, limited competition among manufacturers, and long importation lead times. Therefore, when dealing with procurement projects for these types of equipment, the procurement department in collaboration with research units and user departments should conduct thorough demonstrations of the necessity of procurement. Based on the results of the demonstration, the procurement can be carried out, streamlining the approval process for imported facilities and equipment to achieve cost-effectiveness and save procurement time.

2.3 Strengthening internal control management of government procurement

The delegation of power in procurement work does not imply a lack of oversight. On the contrary, higher education institutions should leverage the policy support provided by the government to strengthen government procurement management. This can be achieved by developing internal procurement management systems, standardizing procurement processes, and gradually establishing detailed implementation guidelines for government procurement that are compliant with laws and regulations. In particular, it is important to establish internal operation and control mechanisms for the

procurement of scientific research instruments and equipment. This proactive and conscientious approach ensures sound constraint mechanisms, standardized exercise of authority, effective risk control, and proper supervision and accountability, thereby effectively regulating the internal exercise of power in government procurement activities. The main internal control measures include the following aspects:

(1) Clearly define the scope of “scientific research instruments and equipment” and implement categorized procurement

The premise of procurement management is to clearly distinguish procurement objects and implement corresponding procurement procedures for different objects. Therefore, the primary task of the “streamlining, regulation, and service” policy is to define the policy’s scope of application, enabling the implementation of targeted procurement plans for different procurement objects. For procurement projects that do not fall within the scope defined as “scientific research instruments and equipment”, the procurement departments in higher education institutions should follow the relevant national regulations. This means that projects exceeding the decentralized procurement threshold (including) or listed in the catalog should be procured through centralized procurement, while projects below the decentralized procurement threshold or outside the catalog should follow one of the five decentralized procurement methods specified by the state. For procurement projects that fall within the defined scope of “scientific research instruments and equipment”, the procurement should be organized by the centralized procurement management department. It should be noted that self-organized decentralized procurement in higher education institutions does not equate to “arbitrary procurement” but is typically based on the project’s budget amount and procurement content, utilizing different procurement methods. “Categorized procurement” promotes the standardization of government procurement processes in schools, improves overall procurement efficiency while implementing the “streamlining, regulation, and service” policy, and lays the foundation for enhancing procurement outcomes.

(2) Standardize the self-procurement process for scientific research instruments and equipment and strengthen internal supervision mechanisms

“Categorized procurement” is a prerequisite for optimizing procurement, while “standardizing the self-procurement process” is an important guarantee for procurement optimization. For self-procurement of scientific research instruments and equipment, higher education institutions should clarify the self-procurement process and strengthen internal supervision and management mechanisms. This can be achieved through the establishment of self-procurement teams, competitive bidding, and the disclosure of needs and results, among other standardized measures to control the self-procurement methods and processes. The centralized procurement management department should conduct initial inspections and periodic inspections of self-procurement projects in various departments to supervise and inspect the self-procurement work of subordinate units within higher education institutions.

2.4 Conduct training for secondary department procurement to facilitate implementation of procurement policies

As procurement work is highly policy-oriented, practitioners are required to have a thorough understanding of procurement policies. The implementation of the “streamlining, regulation, and service” policy places higher demands on “self-procurement departments”. Therefore, the centralized procurement management department in higher education institutions should provide procurement policy and process training to procurement personnel in all secondary departments through instant messaging software, training documents, phone calls, and other means. Special emphasis should be placed on providing policy training to research and teaching staff who have actual procurement needs. This ensures that researchers in higher education institutions can engage in scientific research instrument procurement without obstacles, further promoting the standardization and normalization of self-procurement.

3. Possible Difficulties in the Work and Solutions

3.1 Difficulties in the work

(1) Difficulty in defining “scientific research instruments”

The national regulations state that “central universities and research institutes can independently procure scientific research instruments and equipment”, but they do not provide a clear definition of

“scientific research instruments and equipment”. How to define “scientific research instruments” becomes a prominent challenge in procurement work.

Central universities and research institutes need to define the scope of “scientific research instruments” based on their specific circumstances. According to research feedback, universities generally define “scientific research instruments and equipment” as instruments and equipment purchased by various units of the university using budgetary funds for research activities. This includes the construction of classrooms, laboratories, training bases, supporting services, and goods (accessories, experimental consumables, furniture, specimens, software, books, etc.), as well as instruments and equipment purchased by teachers and researchers for scientific research. This definition is applicable to engineering and comprehensive universities with prominent research capabilities. However, for liberal arts colleges, this definition has certain limitations and may pose challenges in implementing the “streamlining, regulation, and service” policy for the procurement of scientific research instruments and equipment.

(2) Insufficient variety of procurement methods for purchases below the decentralized procurement threshold

The national regulations stipulate six procurement methods, including open tendering, invitation to tender, competitive negotiation, competitive dialogue, request for quotation, and single-source procurement. These procurement methods are based on the principle of “fair competition”, and their procurement processes and requirements ensure fairness and openness to a certain extent. However, for purchases below the decentralized procurement threshold, universities face constraints in terms of procurement methods to varying degrees.

On the one hand, adhering to the national regulations regarding procurement methods ensures that university procurement work complies with the prescribed procedures. However, these procurement methods have specific provisions regarding procurement time, the number of bidders, handling of queries, etc. If universities solely rely on these procurement methods for decentralized procurement, it may be challenging to meet the high timeliness requirements of certain projects, thereby limiting the effectiveness of procurement work.

3.2 Solutions

(1) Define the scope of “scientific research instruments” based on the characteristics of each university and include teaching instruments in the scope of self-procurement

It is recommended that the higher supervisory departments of central and local universities conduct research and analysis on the universities under their jurisdiction, and based on this, provide guidance and suggestions on defining “scientific research instruments”. This can help universities define the scope of “scientific research instruments” and further standardize the procurement of “scientific research instruments” in universities. Therefore, it is necessary to rationalize and expand the scope of “scientific research instruments” in a reasonable and universal manner. For example, “scientific research instruments” can be identified as procurement projects that are beneficial to both teaching and research. “Scientific research instruments” can be defined as equipment for teaching and research, including the construction of classrooms, laboratories, training bases, as well as the provision of supporting services and goods (accessories, experimental consumables, furniture, specimens, software, books, etc.). Additionally, instruments and equipment purchased by teachers and researchers for teaching and scientific research should also fall within the scope of “scientific research instruments and equipment”.

(2) Establish a regionalized information-based procurement platform for universities^[6]

While scientific research instruments and equipment are procured by universities themselves, there is no unified procurement method for self-procurement. To address issues such as low procurement efficiency and inflexible procurement methods while ensuring compliance with national procurement regulations, it is necessary for each university to conduct in-depth discussions. Considering the geographical location and teaching advantages of universities, a regional management approach can be adopted. One or two universities can take the lead and establish a procurement platform that reflects the characteristics of universities in the region. This can further improve procurement efficiency while adhering to relevant national laws and regulations. At the same time, it is important to strengthen learning, communication, and training for procurement personnel. Providing a platform for policy learning and experience exchange will enable procurement professionals to better understand

procurement policies and standardize the procurement process.

4. Conclusion

In conclusion, streamlining administration, delegating powers, combining regulation with service optimization are reforms to traditional procurement methods, procurement processes, and even procurement concepts. These reforms aim to improve procurement efficiency and effectiveness through fair and transparent means. Under the guidance of national policies, universities have implemented a series of reform measures in their procurement work, simplifying the complex administrative approval process, reducing procurement costs, and promoting the enhancement of scientific research capabilities in universities. However, it should be acknowledged that the implementation of “streamlining administration, delegating powers, and optimizing services” in the procurement field is still in the exploratory and research stage. Policy control and process formulation still require further improvement. Therefore, procurement personnel in universities need to continue learning, comprehensively summarize, and boldly innovate, implementing the principles of “streamlining administration, delegating powers, and optimizing services” in future procurement management. They should explore feasible measures and transform procurement work into a driving force for the development of universities.

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