

REDEEMER'S UNIVERSITY TENDERS MANUAL

PREFACETO TENDER'S MANUAL OF REDEEMER'S UNIVERSITY

The Tender's Manual has been developed for the use of Redeemer's University in order to:

- * establish a uniform procurement system across the University
- * enhance transparency and accountability in procurement transactions
- * promote fiscal prudence in utilisation of the University's financial resources.

It is expected that departments will communicate implementation experiences to inform the continued development of best practices and procedures. Additionally, as the University is continuously faced with the need to react to change in a commercial environment, the manual must undergo periodic review and amendment. The manual addresses procurement of goods and services (excluding academic consultancies) and provides for the establishment and maintenance of a list of suppliers to the University in the selection of approved suppliers.

The Section relating to code of conduct for Suppliers and Contractors should be made available to all University registered Suppliers and Contractors of the University who are involved in procurement. The Manual should be made available to all Staff of the University who are involved in procurement.

Even though the Public Procurement Act of 2007 does not directly apply to Redeemer's University, the provisions of this manual capture the total essence of the Act. Provision has also been made in the manual to comply with provisions of the Act where the Federal Government or other organisations/agencies provide funding for any project in the University.

This Manual was 1st approved for use by the Governing Council of Redeemer's University in June 2009. This revised version was approved by the Governing Council at its statutory meeting on 8st August, 2013.

1 INTRODUCTION

1.1 Purpose and Objective

Redeemer's University acquires a significant volume of goods and services from External Suppliers. The Council of Redeemer's University has the responsibility to ensure that the University funds are judiciously used, and to ensure that procurement transactions are:

1.1.1 Open (or Transparent)

Procurement processes must establish and also maintain rules and procedures that are accessible and unambiguous.

1.1.2. Economically delivered and give Value for Money

Procurement should be done at the least cost possible, with best quality in mind. Lowest initial cost may not equate to lowest cost over the operating life of the item procured. Maximum value for money must be obtained.

1.1.3. Fair and Equitable

Good procurement processes must be impartial and consistent. They must offer all interested Contractors, Suppliers and Consultants a level playing ground on which to compete and thus expand the University's options and opportunities.

1.1.4. Done with Integrity and Accountability

Personnel responsible for procurement must be held responsible for enforcing and obeying the rules set to guide procurement processes. They should be sanctioned, if appropriate, for neglecting or bending the rules.

1.1.5. Efficient

Procurement processes must be simple, swift, producing positive results without protracted delays. Efficiency implies practicability, especially in terms of compatibility with the administrative resources and professional capabilities of the University Staff involved in the procurement processes.

1.1.6. Checked for Legal Compliance

To ensure that the risk of litigation against the University is minimised.

Towards this, an instrument, which is consistent with the Accounting Manual of the University, is required to guide and regulate the conduct of procurement transactions; hence the need for this manual.

This document sets out and explains the policies and procedures governing procurement at Redeemer's University. It is intended for the guidance of Officers engaged in planning and contracting for the procurement of goods, services and works on behalf of the University. It is also intended to assist Suppliers and Contractors in the provision of services to the University.

1.2 Scope of Application

The policies and procedures set out in this document apply to all procurement carried out in the University. In carrying out procurement activities, employees of the University shall follow the policies and procedures as set out herein. Failure to comply with the procurement policies and procedures set out in this document will result in the imposition of appropriate sanctions.

1.3 Accounting Manual

The policies and procedures defined in this manual shall be read and interpreted in conjunction with the relevant sections of the Accounting Manual of Redeemer's University.

1.4 Structure of the Manual

The remainder of the manual is structured as follows:

Section 2 -Procurement Policies This section defines the policies for procurement at Redeemer's University. It documents the university-approved policies for the full range of procurement activities.

Section 3 -General Procurement Procedures This section defines the university-approved steps to be taken to perform and complete procurement activity.

Section 4 -Contract Procurement The section on Contract Procurement details the University approved steps to be taken specifically for contracting for capital works.

1.5 The procurement system of the University is operated through

- (1) A system of Committees with varying levels of authority and power to award contracts,
- (2) Departments and individuals with centralized responsibility for specific steps in the procurement process.
- (3) User departments that initiate procurement transactions.

1.5.1 Finance and General Purposes Committee (F & GPC)

This is a standing Committee of the University Council which shall exercise the powers of the Council in all matters connected with the receipt and expenditure of money and in all other financial matters that the Council has not specifically delegated to other persons.

1.5.2 University's Tenders Board

This is a Committee of Council which must have a minimum of five members, whose duties will be to consider tenders for supply of goods and services for procurement contracts in excess of N10m.

1.5.3 Bulk Purchase Committee

This is a Committee of Management whose duties shall be to consider tenders for supply of goods and for procurement of contracts with values above N150,000.00 and up to a maximum of N10m. The committee is expected to purchase items in bulk and directly from wholesalers and manufacturer's representatives, not from retail outlets or from University Registered Suppliers. Membership will consist of

- (1) A Nominee of the Vice Chancellor who is the Chairman
- (2) A representative of Internal Audit
- (3) The Purchasing Officer
- (4) Representatives of the Colleges
- (5) A Nominee of the Registrar as Secretary.

Processes of the Bulk Purchase Committee should be reviewed annually for effectiveness and efficiency.

1.5.4 The Minor Works Committee

This is a Committee of Management whose duties will be to consider tenders for contracts of works and services with values above N150,000.00 and up to a maximum of N10m. Contracts for services below N150,000.00 that require letters of award to be issued, may also be handled by the Minor Works Committee

Membership will consist of

- (1) The Vice-Chancellor's Nominee -Chairman
- (2) A representative of Registry
- (3) A representative of Bursary
- (4) A representative of Works and Physical Planning
- (5) A representative of Internal Audit
- (6) Representatives of Colleges (where necessary)
- (7) A Nominee of the Registrar as Secretary

Processes of the Minor Works Committee should be reviewed annually for effectiveness and efficiency.

- 1.5.5 Stores Officer who heads the Stores Unit of the Bursary is responsible for receiving goods purchased, keeping records of inventory and initiating the purchase of items that should be in stock.
- 1.5.6 The Purchasing Officer who heads the Purchasing Unit of the Bursary, is responsible for direct purchases of goods and services valued up to N150,000.00. The Purchasing Officer also works with the Bulk Purchase Committee to purchase higher valued items.

1.5.7 Price Monitoring Unit

This is a unit of the Internal Audit that has the responsibility to conduct periodic market surveys and compile current prices of goods and services from reputable outlets with verifiable prices such as Departmental Stores and Manufacturers' Representatives. The prices they compile will be for the guidance of Committees or persons awarding contracts or purchasing items on behalf of the University. The market survey should not be older than one month.

1.5.8 Committees or Persons awarding contracts should co-opt representatives of Departments with technical know-how for the specific purpose or project. For instance during the process of awarding of contracts for IT equipment a Staff of IT Department should be co-opted for that purpose only.

1.5.9 Signing Officers

The following persons are authorized to sign Contracts on behalf of the University: -

The Vice-Chancellor

The Registrar

2. Procurement Policies

This section of the manual defines procurement policies of the University for goods and services and includes but is not limited to: Procurement Planning Application of procurement methods Code of Conduct and Sanctions for breaches of approved University policies and procedures.

2.1 Procurement Planning

Departments shall perform forward planning for all procurement in order to ensure that the University meets the needs in the most effective, economical and timely manner. Annual procurement plans shall coincide with budgets and shall address technical, operational, management and other significant considerations.

2.2 Procurement Methods and Conditions for their use.

Officers involved must plan the process to ensure that the most appropriate methods of procurement are used having regard to the nature and value of the goods, works or services required. Persons requiring assistance are encouraged to liaise with the Minor Works Committee, Bulk Purchase Committee or the Purchasing officer.

2.2.1 Letter of Award and/or LPO

Purchases shall be made by way of a formal letter of award and/or Local Purchase Order for supplies with values of N150,000.00 and above or by direct purchase from wholesalers or manufacturers' representatives.

2.2.2 Types of Tendering

2.2.2.1 Direct Contracting

Direct contracting consists of the contracting of a firm without following a competitive procedure. Direct contracting may be appropriate in circumstances such as the extension of an existing works contract, in the supply of specialised goods (for instance laboratory equipment), in emergency cases or to extend a structure or entity originally completed through the contracting firm's intellectual property.

2.2.2.2 Open Tendering

This refers to procurement opportunities that are open to any supplier or contractor whether or not they are registered with the University. These will usually be procurement of values of more than but not limited to \$\text{N10,000,000.00}\$ for construction works and associated consulting services. It basically involves advertising in the national and/or technical press the minimum requirements expected from interested tenderers who must have been legally registered with the Corporate Affairs Commission (CAC) and possibly with the University. Future tenders are generally widely advertised to offer opportunities to a number of Suppliers/Contractors, encourage competition and provide a greater pool of offers to select from.

2.2.2.3 Selective Tendering

Procurement opportunities offered through selective tender are open to suppliers that are appropriately registered with the University. It is one of the arms of competitive tendering. Selection is either by advertising for firms to indicate their interest (requiring them to supply particulars of their financial and technical capability in appropriate cases) and selecting a shortlist from those applying or simply by a selection from standing lists of investigated and approved firms, whose capabilities are known, in general terms.

2.2.2.4 Negotiated Tendering

This is usually restricted to those projects where specialised technical ability prevents or restricts competition, or where the University has an overriding reason to engage a particular firm.

2.2.2.5 Package Deal or Turnkey

This is usually referred to as an "All-in-service" in which the contractor is responsible for the design as well as the construction. This may also require the contractor sourcing for funds to execute the project and getting paid on completion.

2.3 Competitive Bidding

In order to get value for money, persons and departments involved in procurement should use competitive procedures best suited to the circumstances for efficient use of resources. Qualified and appropriately registered suppliers of goods, services and works shall be given equal opportunity to participate in bidding process. As a rule a minimum of three independent (3) quotations or tenders should be obtained for comparison before procurement decisions are made.

2.4 Publication Requirements

Publicity is one of the most important elements of public bidding because it attracts the maximum numbers of eligible bidders. When bidding is not restricted to pre-qualified firms, public notice should be given by advertising in at least 2 national dailies.

Where a supplier or contractor requires clarification about the advert placed, the University shall respond to such requests within a timeframe to allow the tenderer to meet the tender deadline. Such clarification should also be extended to all other tenderers.

2.5 Purchasing Unit, Bulk Purchase Committee, or other procuring departments shall provide to Suppliers and Contractors, clear, specific descriptions of all materials, models, components, drawings and documents that are required to enable the contractor/ supplier properly execute the contract.

2.6 Rejection of Tenders

The University may reject tenders or bids if they do not fulfill the requirements of the tender documents, prices offered are not reasonable, or there is evidence of collusion or lack of competition. Once tenders are opened, the procuring department must, upon request, provide the grounds for any rejection.

2.7 Contractor Registration and Classification

The Council Affairs and General Administration Division of the Registry shall be responsible for registration and classification of Suppliers or Contractors who wish to provide goods and services to the University. Qualification requirements for approved status include documented proof that applicants are capable of satisfactory performance in the categories and grades within

which they apply to be registered. Evaluation criteria for registration shall include:

- * Experience and results obtained in similar jobs
- * Professional qualifications (where applicable)
- * Performance record (where applicable)
- * Personnel and equipment available
- * Legal capacity to enter into contract
- * Any litigation resulting from prior contracts and how they were resolved.
- * Tax Compliance
- * Managerial, Technical and Financial Capacity.

All University departments that engage in procurement activities are required to utilize the register of suppliers or contractors except

- * No qualified firm in the particular discipline has been registered
- * No response to tender or proposal invitation is received
- * Where open tender is utilized.

2.7.1 Addition of Suppliers or Contractors to approved list

The University will not engage in contractual relations with Suppliers or Contractors that are not on the approved list. Where the need arises for goods and services, which can only be obtained from a Supplier or Contractor that is not on the approved list, the user department or unit shall request in writing, the addition of the contractor to the approved list, passing through the required approval process.

2.7.2 Suspension and Black listing

A Supplier or Contractor may be disqualified and/or struck from the register of approved contractors without liability to the University:

- * If it is found, at any time, that the information submitted concerning the qualifications of the supplier or contractor was deliberately false.
- * For reason of poor performance.
- * For attempting to gain any advantage or concession for himself or any other person, by offering to a member of any Committee or Officer of the University, a gift of money or any other favour.
- * Failure to observe the terms and conditions of the contract
- * Evidence of collusion between the Contractor and University employee(s).

User departments should promptly report any such findings with any evidence to the University Management in writing.

2.8 Deposits and Pre payments

In general, the University will not pay in advance for goods and services. Where this becomes necessary the maximum amount that will be paid in advance is 50%. The contractor shall

provide an advance payment bond for the amount so paid.

2.9 Splitting of Contracts

No employee or Committee of the University shall sub-divide the quantity of goods to be supplied or services or works to be undertaken into two or more portions so that the value of the portions will be within the limit of their authority.

2.10 Legal Review of Contracts

All contracts are to be routed through the Head of Legal Department prior to signing to ensure that the terms of the contract protect the interest of the University.

2.11 Applicable Law.

The terms of all contracts entered into by the University shall be governed by the applicable Nigerian laws.

2.12 Code of Conduct

2.12.1 Conflict of Interest

The University procurement procedures shall be afforded the highest practicable degree of objectivity. In circumstances of conflicting interests, e.g. parties involved in procurement process who have connections with University officials, the University official must so declare at the start of the process or whenever the party becomes aware of the conflict and shall immediately disqualify himself/herself from participating in the particular procurement process.

2.12.2 Confidentiality

Every person who is in anyway involved in the procurement process shall regard and deal with all documents and information relating to the functions of the procurement process as confidential.

2.12.3 Soliciting favours from Suppliers & Contractors

Every staff of the University involved in the procurement process shall desist from soliciting favours from suppliers or contractors in cash or kind. Any supplier or contractor who is solicited by staff of the University should report the matter to the University Management.

2.12.4 Code of Conduct for Suppliers & Contractors

Contractors and Suppliers doing business with the University shall be held to standards promoting sound and ethical business practices. The standards of conduct for contractors or suppliers are as follows:

- * Contracts shall be arranged/negotiated only with the officers of the University authorised to do so.
- * The conditions of the contract are binding on all parties concerned.
- * Any supplier or contractor offering gifts or personal advantages to University staff or representatives may preclude themselves from future tenders.
- * Officers are required to report to the University Management any case of attempted bribery.
- * All contract information is to be treated as confidential and contract documentation shall be kept securely.
- * If there is any uncertainty as to whether dealings with suppliers or contractors are fit and permissible, officers MUST consult with the Council Affairs and General Administration Division of the Registry.

2.13 Sanctions

The approved Policies and Procedures for procurement form a part of the University's approved rules and regulations. Non adherence to these policies and procedures will result in appropriate sanctions.

2.14 Purchase of Fixed Assets

All Fixed Assets must be recorded in the University's Fixed Asset Register, (the payment of the invoice for the related asset will alert the Fixed Asset Officer in the Bursary to the purchase). The Fixed Asset Officer will then confirm the purchase, locate and tag the asset, with the Fixed Asset Register number.

2.15 Donor Funds

Where procurement of goods, services and works are executed using externally provided project funds from donors, and the donor has his own policies and procedures for procurement, the policies of the donor will be followed. Without prejudice to the foregoing, matters not dealt with by the donor shall fall within the University's procurement policies and procedures.

2.16 Emergency Purchasing

From time to time, it may be necessary to procure equipment, goods or services to prevent or

alleviate threat to the safety, health or welfare of students, staff or the public. Such situations may include the breakdown of plant and equipment or natural occurrences. In addition, where the condition or quality of goods, equipment or buildings can seriously deteriorate unless action is taken to keep them in their useful state, an emergency purchase can be made.

The department that requires goods/services on an emergency basis may proceed to identify a supplier, obtains quotations, get approval from the Vice-Chancellor and order the necessary goods/services on its own. However an out of stock form must be obtained from the Stores Officer with a note explaining the justification for the emergency purchase.

Where emergency purchases are required outside working hours, prior approval may be waived. However such purchases must be authorised by the head of the requesting Unit, Department or College, who should seek to obtain a fair price for the goods or services.

The supplier selected for an emergency purchase should be from University's approved list. Where this is not possible the Supplier that is chosen should be added to the approved list as soon as possible, and in consultation with the Council Affairs and General Administration Division of the Registry.

2.17 Selection and Contracting of Consulting Firms

In selecting consultants

- * The process shall be transparent and equitable.
- * All efforts shall be made to ensure that consultants selected are fully competent to provide high quality service.
- * Services are delivered in an economic, efficient and timely manner.

In selecting Consultants the University shall invite proposals from a minimum of three independent Consultants through a competitive process taking into consideration the following:

- * Quality of service
- Cost of services
- * Reliability of the consultant.

The University may also approach a single Consultant of its choice with appropriate justification. Proper terms of reference shall be prepared. Typical activities to be performed in

contracting consulting services include but are not limited to:

- * Advertisement for statement of interest or proposal or prequalification
- * Review of proposals

The Council Affairs and General Administration Division of the Registry shall maintain a Register of approved Contractors and Consultants. The register should be updated regularly to remove contractors who have been found unreliable in the past.

- 2.18 Invoice Settlement.
- 2.18.1 Departments shall not make commitments to pay external suppliers without consultation with the appropriate authorities.
- 2.18.2 Departments shall ensure that where supplier's invoices provide for discounts if payments are made within a specified period, these invoices are forwarded to the Bursary on a timely basis to take advantage of such opportunities.
- 2.18.3 Statutory deductions at the appropriate rates will be made from invoices before payment.

3. General Procurement Procedures

- 3.1 All employees of the University, charged with authority in the procurement of goods, services and works, are expected to act responsibly and make decisions that will ensure the continued and efficient operation of the University.
- 3.1.1 Purchasing is centralised with the Bulk Purchase Committee. Letters of award are issued by the Registrar, and LPOs are issued by the Purchasing Unit of the Bursary. Whenever an LPO or Letter of award is issued, a commitment is made against the University's funds provided that
 - * A legitimate need has been identified.
 - * Competitive bids have been requested and received
 - * All supporting documentation for the request has been secured.
 - * Approval has been given for the procurement of the items
- 3.1.2 Purchases fall into the following categories:
 - * Recurrent
 - * Minor Capital
 - * Major Capital

Recurrent Purchases refer to the acquisition of office supplies, teaching and research materials, repairs and maintenance services. These purchases are funded from Department's annual budget allocation. Heads of departments and Deans of Colleges are the designated Budget Holders vested with the authority to authorise all expenditure provided for in the Department's budget, subject to their approval limits. When a department needs an item or a service, the first step is to fill a Store Requisition Form or a Service Repair Request Form. If the items are not available in the Store, the Stores Officer will issue an "out-of-stock" form. Such items may then be bought directly using a cash advance or referred to the Bulk Purchase Committee if of high value. The Bulk Purchase Committee may decide to purchase directly or ask for quotations from registered suppliers. Based on the quotations received a Supplier is selected to make the purchase. A letter of award and/or an LPO will then be issued to the Supplier.

Where items to be purchased fall below N150,000.00 and current prices are available from the Price Monitoring Unit of the Internal Audit, the Purchasing Officer may buy such items from Departmental Stores, Supermarkets or other Speciality Stores. A cash advance will be issued to the Purchasing Officer for the purchase. The cash advance should be retired within 7 days of the date of purchase.

Minor Capital Purchases are purchases that are capital in nature but are valued at less than N10,000,000.00.

Major Capital Purchases refer to all purchases that can be classified as fixed assets, costing more than N10,000,000.00 with a useful life of more than one year. These include the construction of new buildings or infrastructure, physical alteration to existing building or infrastructure, acquisition of equipment and furniture. Such purchases are primarily funded from the University's capital vote. Departments should make their requests for Capital purchases in writing, and they should be sent to the Vice-Chancellor who will present such to the University Tenders Board where necessary.

3.2 Naira Limits and Requirements Procurement transactions and the rules that govern how they are managed are based on the aggregate Naira value and the type of purchase.

Procurement transactions of N150,000.00 and below shall be made with as much competition as is practical and deemed necessary by the Purchasing Officer. This will involve carrying out market survey from at least three independent retailers. Purchase should then be made directly from the retail outlet.

Transactions above N150,000.00 and up to N10,000,000.00 shall be made with as much competition as is deemed necessary by the Bulk Purchasing Committee or Minor Works Committee. Normally a minimum of three independent tenders shall be obtained. The price list drawn-up by the price monitoring Unit of the Internal Audit should be consulted in evaluating quotations from suppliers.

Transactions over N10,000,000.00 shall be made with as much competition as is practical and deemed necessary by the University Tender's Board. Normally a minimum of three independent quotations shall be obtained.

- 3.3 Categories of Recurrent Expenditure.
- 3.3.1 Routine acquisition of frequently used supplies, materials and services necessary for the operation and maintenance of the University. For example photo copying paper, toners, toilet rolls for hostels, etc.

- 3.3.2 Scheduled Servicing and maintenance of equipment that are done routinely. For example servicing of vehicles and air conditioners, and recharging of fire extinguishers.
- 3.3.3 Emergency Acquisitions of equipment, goods or services to prevent:
 - * threat to safety, health or welfare of students or staff or public.
 - * damage or destruction to University property or facilities
 - * disruption of services vital to the University's operation. Prior to an emergency procurement authorisation must be obtained from the Vice Chancellor or in his absence the designated Officer.

3.4 Categories of Capital Expenditure

Expenditure falling in the Capital Category are:

- * Development of the permanent site
- * Extensions to existing buildings
- * Acquisition and installation of equipment
- * Acquisition of motor vehicles, generators and other moveable capital assets
- * Emergency

3.4.1 Development of the Permanent site

All capital expenditure relating to the permanent site must be approved by Council. Most of the expenditure shall be handled as contracts. (See section 4 of this Manual).

3.4.2 Extensions to existing buildings

Any request for building extension should be submitted to the Minor Works Committee, regardless of the amount of money involved or the source of funds. (This is because of the technical nature of such procurement or services.)

3.4.3 Acquisition and Installation of Equipment.

Departments that wish to purchase equipment that involves utility connections (e.g. air conditioners, large computer installations, water coolers etc), shall contact the Director of Works & Physical Planning (DWPP) who will obtain approval from the Vice-Chancellor. DWPP must determine whether present building facilities are adequate to carry the load and if the structure of the building is sufficient and appropriate to house the equipment.

3.4.4 Motor Vehicles, Generators and other moveable Assets

Requests for capital assets should be made to the Vice Chancellor who will ascertain whether funds are available. If funding is available the transaction will be in accordance with the applicable requirements based on the value of the purchase asset out in section 3.2 of this manual.

3.4.5 Computers and Peripherals

Procurement of computers and peripherals should always be routed through the IT department. IT department will recommend standards of products to be bought, bearing in mind the use of each department and associated work load.

3.4.6 Emergency Purchases

Prior to emergency purchases the Vice Chancellor shall be contacted for authorisation. The normal quotation process may be waived under such circumstances. However, supporting documents and justification must be sent to the Vice-Chancellor within 48 hours of the transaction to substantiate the purchases, and obtain approval in retrospect.

3.5 Procedure for Procurement of Goods and Services

3.5.1 Recurrent Expenditure

Requisitioning and Ordering

Departments that need goods or working tools should fill the Stores Requisition Forms and such items will be made available by the Stores Unit. However where goods or services are technical, departments shall endeavour to identify potential Suppliers from the list of approved Suppliers maintained by the Council Affairs and General Administration Division of the Registry. Where goods or services can only be obtained from a Supplier who is not on the approved list, such a Supplier should be added to the approved list as soon as possible.

Quotations or pro-forma invoices shall be obtained from at least three independent (3), suppliers when the value of the proposed purchase exceeds, N150,000.00. Such purchase

request must be sent to the Bulk Purchase Committee to handle as appropriate.

In the Bursary, the Budget Officer shall use the letter of award or LPO to identify if there are sufficient funds in the vote.

The payment copy of the LPO and/or letter of award should be sent to the Accounts Payable unit of the Bursary. LPO's are valid for a maximum of three months, after which the University reserves the right to terminate it, in absence of a request for an extension from the requesting department.

<u>Payments in Advance</u> Payments in advance of goods and services being supplied pose a risk, therefore the University will in general not make payments in advance. Where a request is received for payment in advance, the Supplier or Contractor will be required to provide an Advance Payment Bond or Advance Payment Guarantee for the amount so requested, which is limited to a maximum of 50% of the contract sum, before payment.

Receipt of Goods. Goods should as a rule be delivered to the Stores along with a waybill, where the Stores Officer will verify that the items delivered are in accordance with the order placed, with regard to quality and quantity. The Internal Audit should be invited to witness the receipt of goods purchased. Where the goods ordered by a Unit of the University, the receiving Department shall verify the specification of the goods received, in accordance with the purchase order. The Stores Officer then issues a Goods Received Note, a copy of which is sent to the Accounts Payable Unit of the Bursary.

<u>Invoice settlement</u> Suppliers should submit their invoices to the Accounts Payable unit of the Bursary after they have delivered the goods to the Stores or completed the service. The Accounts Payable Officer matches the invoice with the GRN and payment copy of LPO, and passes it to the Vice-Chancellor for payment approval through the Bursar. Where the GRN indicates that the supply is a part supply, the portion so received should be indicated on the payment copy of the LPO. A copy of the LPO should be attached to the invoice and sent for payment approval, whilst the original should be retained in the Accounts Payable Unit for

payment of subsequent deliveries.

After invoices have been approved they are returned to the Accounts Payable Unit for voucher preparation and approval. Approved payment vouchers are then forwarded to the Treasury Unit of the Bursary for cheque writing or electronic payment.

Signed cheques are to be collected from the Cash Office of the Bursary. As much as possible all payments should be done through e-banking processes.

<u>Internal Suppliers</u> In certain circumstances goods and services will be acquired from Internal University Departments. This section describes procedures for obtaining goods and services through these Internal Suppliers.

<u>General Stores</u> The requisitioning department shall prepare a Stores Requisition Form which is to be signed by the Head of Department. The signed requisition shall be submitted to the Stores Unit of the Bursary. The Stores Officer will then cost the items and send to Expenditure Control for commitment. Thereafter the items are issued, the bin card is updated and a representative of the requisitioning department is called to sign for the items.

Directorate of Works & Physical Planning -DWPP

To request service from DWPP a Service Request Form is filled, signed by the head of the requesting department and then sent to DWPP. Based on availability an artisan will be sent to carry out the assigned job.

Information Technology Department – IT

Requests for service from IT department are made either by memo or electronically through IT. The Head of IT will then assign an operator to attend to the request.

3.5.2 Procedure for Emergency Purchases.

When the need for procurement of goods or services on an emergency basis (as previously defined), arises, the Head of Department shall direct that 3 quotations be obtained from suitable Suppliers who can supply on a timely basis and at a reasonable cost. The Head of Department can then obtain approval from the Vice Chancellor to buy the goods. Depending on the cost of the items, a Cash Advance will be approved to buy the goods. The Cash Advance will be retired with purchase invoice and evidence of delivery, which has been verified by the Internal Audit.

4. Contract Procurement

4.1 Introduction

This section deals with a systematic approach for awarding of contracts that bind the University. It is intended to ensure a competitive and transparent process with receipt of tenders, to enable speedy and efficient assessment. When there are agreed or laid down guidelines, work will be performed with quality standards. The word competitive tendering portrays that there is also tendering that is uncompetitive. Making the tendering process competitive is meant to achieve some benefits for the University in general rather than to benefit individual persons or stakeholders.

4.2 Pre-qualification

- 4.2.1 Contracts may be initiated by:
 - Departments and Directorates
 - Committees
 - Management
 - Senate
 - Council
- 4.2.2 The pre-qualification system is to ensure that only those Contractors that can prove through documentary or other evidence that they can fulfill all the requirements prescribed by the University may be registered as future Contractors.
- 4.2.3 Pre-qualification should be effected as part of a preparatory exercise before invitation to bid. The University's Minor Works Committee or the Tenders Board can use their discretion based on the nature of contract or the previous experience with the Contractors.
- 4.2.4 Pre-Qualification must be based exclusively on the ability of the potential Contractors to carry out works in a satisfactory manner. The criteria to be applied in this evaluation will include:
 - * Technical Competence
 - * Experience and results obtained in similar jobs
 - * Financial Soundness
 - * Knowledge of local conditions
 - * Experience of the Project Manager

- * The existence of other obligations or pending future obligations that may compete with execution of the works.
- * Any litigation or arbitration resulting from prior contracts.

The pre-qualification evaluation process shall not include any requirements that would tend to violate the principles of equal treatment for all bidders. After the pre-qualification process all Contractors who indicated interest should be informed whether they have been successful or not.

4.3 Invitation to Bid

The Tenders Board shall be responsible for asking for invitations to bid for provision of goods, services and works with values over N10,000,000.00. Values below this will be handled by the Minor Works Committee or the Bulk Purchasing Committee.

Tender request documents; also referred to as Invitations to Tender, Request for Tender (RTF), Requests for Proposal (RFP) etc. outline what is required, that is what the University's needs are. These documents also outline the particular requirements, criteria and instructions that are to be followed.

4.4 Tender Notice

The Tender notice shall be signed by the Secretary of the Tender's Board and shall contain:

- * The place, time and date when pre-qualification or registration forms can be collected.
- * The opening and closing dates of bid.
- * Description of the goods or services required.
- * Validity period
- * Location of the Tender Box.
- * Provision for retention of contract payment.
- * The University's right to reject any or all Tenders.
- 4.5 Where the Contractor requires an advance payment, an Advance Payment Bond or an Advance Payment Guarantee shall be required before such payment, (which will be a maximum of 50% of Contract Sum) is made.

4.6 Receiving Tenders

There is a need to incorporate online bidding into the procurement process. Invitations will be sent to Contractors and Suppliers by e-mail. Bids will also be returned to the University by e-mail to a specific box, or other online processes. Modalities for its implementation will be

worked out by the IT department, whilst Management will determine which persons will have access to the e-mail box or database.

The University reserves the right to accept or reject any tender, or to annul the tendering process without incurring liability. A statement to this effect must be included in any tender notice.

The tender e-mail box should be opened by the two people given the passwords. Representatives of the Companies that tendered should be allowed to be present when the tenders are open. The tenders shall be recorded in a register and signed by the two custodians of the passwords. Depending on the value of the contract, the Tenders Board or the Minor Works Committee shall evaluate the bids and decide on contract awards. Letters of Award should be sent to the successful bidder. Where it is necessary a formal contract will be drawn up by the Directorate of Works and Physical Planning and the Legal Unit, and signed by the University and the Contractor.

The Tender's Board may reject tenders:

- * That do not comply with any provisions or rules laid down in the tender documents
- * Received after the closing date
- * That do not meet intentions or specifications
- * Where there is evidence of collusion

Subsequent to the commencement of work on a contract, circumstances may arise that result in variation of the work. For example change in scope or specifications. When major variations are to be made, approval must be obtained from the Tenders Board or Minor Works Committee as the case may be.