



COVENANT UNIVERSITY PROCUREMENT POLICIES

**COVENANT UNIVERSITY POLICY ON PROCUREMENT
GENERAL GUIDING POLICY FOR THE PROCUREMENT DEPARTMENT**

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A. INTRODUCTION

This policy shall guide the procedure for originating, awarding and execution of procurements, contracts and projects in Covenant University in Canaan land Ota, Nigeria hereafter referred to as the Institution.

Covenant University's Strategic Plan contains a vision to be one of world leading University with cutting edge in innovation, research and rediscovery.

The Procurement strategy, aligned to the University's Strategic Master Plans, sets out the action plan that will enable University procure their needs with good value for money, timely delivery having following due process.

The purpose of this Manual is to:

- a. State the Institution's procurement policies and procedures involving the procurement of goods, services and work, engagement of vendors and award of contracts.
- b. Provide a step-by-step guide for the conduct of "A" above.
- c. List the responsibilities of the User Department, Procurement Department, Vendors, Tender Boards, Procurement Board and Procurement Committee as they apply to the Procurement function.

All employees of the Institution are responsible to review the policy manual and become familiar with its contents. Any questions regarding this policy manual or any procurement questions in general, should be directed to the Head of the Procurement Department.

B. OBJECTIVES

The Procurement Department has the obligation towards the efficient and prompt procurement of goods and services to ensure that institutional goals are met, while upholding the highest level of professional ethics and moral principles.

The Procurement Department will maintain a commitment to excellence through professional ethics and practices, abiding by the University's Procurement Policies and Procedures while aiming to develop and implement operational procedures that provide the highest level of service.

C. THE ESTABLISHMENT OF THE PROCUREMENT DEPARTMENT

The Procurement Department shall consist of Procurement Officer and a mix of other technical specialists together with the necessary supporting and administrative staff.

A person with sufficient professional and/or academic qualifications and experience in procurement functions shall head the Procurement Department. The procurement department shall:

1. Possess the requisite competence to be able to source materials to reliably fulfill institutional requirements on a regular basis;
2. Manage all procurement and disposal by tender activities of the University;
3. Support the functioning of the Procurement Committee
4. Implement the decisions of the Procurement Committee
5. Liaise directly with the University Management on matters within its jurisdiction.
6. Plan the procurement and disposal by tender activities of the University
7. Prepare tendering documents;
8. Prepare advertisements of tender opportunities
9. Prepare contract documents;
10. Issue approved contract documents
11. Process any claims against vendors;
12. Maintain and archive records of the procurement and disposal process;
13. Maintain a list or register of all contracts awarded;
14. Prepare monthly reports for the Procurement Committee and Tender Board.

D. CODE OF CONDUCT OF PROCUREMENT DEPARTMENT

The Procurement Department is bound to engage sound business judgment and the exercise of highest moral standards in the conduct of her affairs on behalf of the institution.

The Department shall subscribe to the code of ethics as outlined hereafter:

1. Give first consideration to the objectives and policies of the institution.
2. Strive to obtain the maximum value for each Naira of expenditure.
3. Decline personal gifts or gratuities from vendors and potential vendors of the institution.
4. Grant equal consideration to all approved quotations and bids as long as it meets the basic requirements for bidding to render such service.
5. The department must conduct her interactions with vendors with utmost confidentiality, integrity and conversations void of ambiguity.
6. Make prompt and courteous calls (where permissible) to vendors on agreed issues relating to a potential engagement or an-ongoing service engagement requiring such calls
7. Demand the highest form of sincerity from all vendors in the presentation and representation of their quotations, invoices and sundry documents for contractual engagements.
8. Engage the use of a "Request for Proposal (RFP)" when seeking to award a contract to vendors where specifications of purchase is paramount.
9. Be ready to alert necessary authorities where there is a perceived or concluded controversy regarding a contractual engagement.
10. Foster fair, ethical, and legal trade practices.

E. VENDOR RELATIONSHIP AND OBLIGATIONS

1. All vendors /bidders for local shopping must have their companies registered with the institution annually.

2. All vendors' registration documents must be screened on the following grounds:

a. Validity of Company Registration with Corporate Affairs

b. Evidence of compliance with regulations on Tax, Professional Associations and other relevant bodies

3. Vendors must not have interest in more than one company registered with the institution.

4. Periodic delisting of vendors who violate ethical standards and contractual obligations in the discharge of their contracts shall be done.

5. Quality of Service Delivery shall be measured by Industry standards as well as relevant regulatory agencies such NAFDAC, SON, NSE amongst others.

6. Vendors will be asked to disclose their relationship within the Institutions on the approved vendor form.

7. The institution will not tolerate the solicitation or acceptance of improper or illegal benefits. No officer, employee, contractual employee, youth corps employee or agent will solicit, accept, or agree to accept, any gift or other benefit, directly or indirectly, monetary or otherwise, from another person, firm, or corporation where such gifts or benefit may, will, or is intended to influence business conduct or decisions or which may otherwise be illegal or give the appearance of impropriety.

8. The procurement of goods and services either directly or indirectly from any of the parties below, will be strictly prohibited or will lead to disciplinary action and possible caution, unless there is full disclosure and compliance with the procurement policy:

- i. Current employees or companies in whom a current employee has an ownership interest or an ongoing business relationship.
- ii. An ongoing business relationship where a current employee stands to personally profit from any transactions between a vendor and the Institution.

F. PROCUREMENT PROCEDURE

F1. CORPORATE PROCUREMENT PLAN

1. Procurement planning is part of the annual budgeting process of the Institution. Each Department Head is responsible for planning his/her Department.

2. The APP Forms from the various Heads of Department are submitted to the Director of Finance/Head of Budget for consolidation into an Overall Procurement Plan of the Institution.

3. The Director of Finance/Head of Budget will present the consolidated budget to the Procurement Board/Executive Management with his/her recommendation, giving his/her recommendation as to overall limit affordable.

4. Each of the Heads of Department will present his/her Procurement Plan to the Procurement Committee, justifying each of the planned procurement.

5. The Procurement Committee will approve the overall Procurement Plan, giving due consideration to the Institution's liquidity, priority of procurement items within the overall goals of the Institution, capacity for satisfactory execution, etc.

Department's procurement needs on annual basis, broken down quarterly, using an Annual Procurement Plan Form (APP Form)

6. The Heads of Department shall be advised of the list of approved Plan of Procurement by the Secretary to the Procurement Committee

7. The above is without prejudice to emergency situations which shall be treated as an exception and would require the approval of the Procurement Committee and the Chancellor, as an amendment to the Corporate Procurement Plan

F2. SPECIFIC PROCUREMENT PROCEDURE

1. The Head of Requesting Department shall initiate a Procurement Requisition (the PR) to the Procurement Department based on the Annual Procurement Plan approved for the Department by the Procurement Committee at the beginning of the year. The PR shall include: the Item (s) required, Quantities required, Expected Delivery Dates & Locations, Names and Signatures of the Originating Officer and The Head of Department

2. The Procurement Department shall verify and ascertain that the specific procurement was approved at the beginning of the year.
3. A need assessment will be carried out by a team from the Procurement Department to establish the necessity for the request being made by a department. This can be done by site visits or document verification (re-order levels etc.)
4. Following this, the procurement department will design and develop a Request for Proposal (RFP) for the approved task.
5. This RFP will be hosted on the online portal for vendor bidding. (All relating guidelines to timing as earlier stated will suffice to guide the Procurement department).
6. At the close of the bidding process, all submitted bids would be accessed from the online portal for evaluation and selection of appropriate vendors for each job. Access shall be granted to the Chief Internal Auditor as well as the Head of Procurement Department.
7. The Procurement Committee shall evaluate and approve procurements within its limit and send details of such approvals to the Management of the Institution for noting accordingly, within 3 working days of its meeting.
8. For contracts above the approval limit of the Procurement Committee, it shall forward its report(s) containing list of recommended vendors / contractors for each job categories to the Vice Chancellor for approval within 3 working days. If satisfied, the VC will approve the recommendation of the committee and send details of such approvals to The Chancellor for ratification. The VC shall have the liberty to return the committee's recommendation for more details and/or clarification.
For contracts above the powers of The Committee, it shall send its report to The Chancellor for approval within 3 working days of its meeting.
9. Building construction contracts award process shall be the responsibility of the Tenders Board; opening of online portal and evaluation of bids and afterwards forward their report(s) containing list of selected vendors / contractors for each job categories to the Management of the CU for ratification and shall be forwarded to the Chancellor for final approval.

10. Upon ratification and final approval, it shall be communicated to the relevant officer/s expected to generate relevant documentation (letter of award, LPO etc. for engaging the vendor.

11. Award letter issued to the selected vendors/ contractors to commence the process of execution of the job.

12. Direct procurement from manufacturers where possible must be considered in all procurement process. The Original Equipment Manufacturer(s) OEM Policy 2017 as approved by CU Board of Regents must be taken into consideration in all equipment /machine procurement.

G. PROCUREMENT COMMITTEE

There shall be in Covenant University the following governance structure for procurement of goods, work and services

The membership of this committee shall comprise of:

- | | |
|---|--------------------|
| 1. The Registrar | - Chairman |
| 2. The Director of Financial Services | - Vice Chairman |
| 3. The Director of Physical Planning and Development | - Member |
| 4. The Director of Centre for Systems and Information Services- | Member |
| 5. The University Legal Officer | - Member/Secretary |

The Quorum set for this committee shall be The Chairman (Or his Vice), and any other two members.

Frequency of Meetings. The committee shall meet weekly to consider matters within her terms of reference.

➤ The Chief Internal Auditor as well as the Head of Procurement Department, shall be responsible for the opening of online portal. They will jointly sign a schedule of downloaded bids and forward an advance copy of the duly signed schedule to the Chairman of the Procurement Committee.

➤ Decisions and recommendations of the committee shall be based on strict adherence to the RFP specifications, quality of proposals, cost and capacity to deliver.

➤ The Procurement Committee shall have the powers to approve procurement ad advised by the Principal.

The Procurement committee shall be responsible for:

1. Determination of recommendations from the Procurement Department and award of contracts;
2. Evaluate all applications for variations, addenda or amendments to ongoing contractual engagements;
3. Authorize tendering and contract documents;
4. Authorize procurement by procurement procedures;
5. Ensure that best practices in relation to procurement are strictly adhered by Procurement Department;
6. Ensure compliance with approved procurement policies; and liaising directly with the University Management on matters within its jurisdiction.
 - i. Where the item to be procured is of a specialist nature and the skill for proper evaluation is not available within the committee, The Procurement Committee, The Procurement Board and/or the Tenders Board shall be required to invite a specialist within the Institution to give a specialist advice.
 - ii. Where the specialist skill is not available within the Institution, The Procurement Committee shall seek the approval of the VC or The Chancellor to engage an External Consultant for advice through competitive bidding of not less than three, where feasible.
 - iii. For all procurements, The Procurement Committee shall ensure that minimum of three bids from vendors (of similar category, capacity and record of performance) are evaluated for each procurement.

H. AWARD OF CONTRACTS

Prior to the award of the contract being made, approval from the appropriate parties and authorities within and outside the University must be obtained depending on the value of the contract.

1. Notwithstanding any emergency, no department, unit or section shall
 - i. Seek for proposals in respect of a contract or a needed service; and
 - ii. Award any contract unless it is the same award, which has been approved by the appropriate authority.

2. No person or section of the University shall sign a contract with any vendor unless the appropriate awarding authority has approved the award.
3. Where it comes to the knowledge of the Procurement / Tenders board that a contract has been awarded or is about to be awarded in breach of the procurement policy, the Procurement / Tender board shall forthwith report the matter to the Management of the University, recommending such actions as it may deem appropriate.
4. The acceptance of a tender shall be communicated in writing to the vendor by the Procurement Department.

I. EVALUATION OF TENDERS/QUOTATIONS

A supplier is selected in accordance with the basis for award specified in the solicitation. Following the tender opening and initial checking, tenders will be distributed to the Tender Board for review and evaluation in accordance with the established evaluation criteria detailed within the tender documentation.

For purchases in response to an ITT (usually standard “off-the-shelf” products or works), the award should be made to the tenderer which has been determined to be responsive and qualified, and which offers the lowest evaluated price.

For purchases in response to an RFP (primarily services or technically complex goods) the award should be made to the tenderer which offers the best overall combination of technical qualifications and evaluated price. Pre-established weights, as detailed in the tender documentation, are applied for technical features and to the tenderer’s financial tender to generate a composite score. The tenderer with the highest composite score will be recommended for award of the contract.

The technical evaluation is undertaken independently and free from the influence of price. A two-envelope procedure is utilized whereby the technical and financial tenders are submitted in separate sealed envelopes. Only those tenderers whose technical tenders meet the minimum qualifying technical marks specified in the solicitation will have their financial tenders opened and evaluated.

Prior to making the award recommendation, the TEP shall determine whether the tenderer with the highest composite score has the capability and resources to perform the contract satisfactorily based on predetermined criteria. If the recommended award is not to the tenderer with the highest composite score, the TEP's rationale for this decision will be documented and approval will be obtained from the PC.

J. CONDITIONS FOR REJECTING TENDERS AND/OR PROPOSALS

- 1) Tender documents and request for proposals may demand that the institution reject all tenders or all proposals.
- 2) The rejection of all tenders or all proposals shall only be tenable where:
 - a. there is lack of sufficient competition;
 - b. tenders or proposals are not substantially responsive to the request for proposals and terms of reference;
 - i. the financial or technical information of the project have been altered; or
 - ii. tenders or proposals involve costs substantially higher than the original budget or estimates.
- 3) Where the rejection of all proposals is due to lack of competition, wider advertising shall be considered and where the rejection is due to most of the proposals being non-responsive, new proposals may be invited.

K. THE ROLE OF USER DEPARTMENTS

The user Department of the University shall perform the following functions:

- a. Interface with and assist the Procurement Department throughout the procurement process to the point of contract placement;
- b. Institute procurement as guided by the procurement policy and forward it to the Procurement Department;
- c. Suggest technical inputs to RFP for procurement requirements to the Procurement Department;

- d. Suggest technical specifications to the Procurement Department when necessary;
- e. Confirm that goods and services received are in accordance with specification and certify invoices for payments to vendors;
- f. Disclose any departure from the terms and conditions of an awarded contract to the Procurement Department;
- g. Forward details of any required contract amendments to the Procurement Department for action;
- h. Maintain and archive records of contracts management;
- i. Prepare a work plan for procurement based on the approved budget, which shall be submitted to the Procurement Department for implementation when required.

L. CONFLICTS BETWEEN PROCUREMENT DEPARTMENT & PROCUREMENT COMMITTEE AND USER DEPARTMENT

Disagreements

Disagreements between a Procurement Department and a User Department concerning any decision pertaining to the recommendation for the award of contract, application or interpretation of any procurement approach, process or practice, shall be resolved by the procurement committee.

Conflict of interest

This occurs when there is a conflict between the individual obligation to the Institution and personal self-interest.

All those related to the Institution by an employment contract or service engagement other than vendors should avoid any relationship with other businesses that could impair or unduly influence their ability to discharge their duties properly. An implied conflict is as damaging as an actual conflict.

M. CONFIDENTIALITY OF INFORMATION

i. Every person having an official duty or being employed in the administration of this policy shall consider and deal with all documents and information relating to the functions of the University as confidential.

ii. No person in possession of or control over any document or information relating to any business or transaction of the University shall communicate or attempt to communicate any information contained in such document or pass on such documents to any person other than the DFS / VC / a member of the Tenders / Procurement Board or the Procurement Department.

N. EXCEPTIONS TO PROCUREMENT POLICIES

It has been established that purchase requisitions, purchase orders, price comparisons and competitive bids are not required for the procurement of these materials.

It has been decided that price comparisons and the formal bidding processes do not readily apply to these categories of materials.

The University Management and BoR will coordinate the procurement process for these exceptions.

Specific contractual exceptions to the procurement policies and procedures

1. Real Estate (Purchase or Lease including Residence)
2. Legal Services
3. External Auditing
4. Money Instruments.
5. Land Contracts
6. Consultant Services
7. Local and International Communication Services
8. PHCN and Other Utilities
9. Airline Tickets and Travel Related Expenses
10. Tariff Duties (including Customs Entry) and Taxes, (Property, Income)

O. PROCUREMENT PRINCIPLES

The institutions shall plan their procurement in such a manner as to:

- a. Refrain from emergency procurement wherever practicable;
- b. Combine its requirements wherever possible, both within the University and between Institutions (Faith Tabernacle and Covenant University), to obtain value for money and lower procurement costs;
- c. Engage framework contracts wherever suitable to provide a flexible pattern of procuring services or supplies that are required repeatedly over a period;
- d. Avoid splitting of procurement except such splitting is to enable wider participation of vendors in which case the leadership of the institutions shall determine such; and
- e. Align its procurement budget with its expenditure plan.

P. QUALIFICATIONS OF VENDORS.

In order to participate in the procurement process of the institutions, vendors shall have to qualify by meeting the stipulated criteria set out by the Institutions.

- i. Local vendors wishing to participate in any procurement process shall fulfill all relevant requirements for registration with appropriate current professional/regulatory statutory bodies in Nigeria.
- ii. Foreign vendors wishing to participate in the procurement process are exempted from the requirement under number (2), but where as a result of the procurement process, any foreign vendor is selected as having submitted the best ranked proposal, such a vendor shall register with the appropriate professional statutory body and shall be required to submit evidence of registration as an approved company in Nigeria.
- iii. Any qualification criteria shall be made known to and shall apply equally to all vendors and the Institutions will not engage any form of discriminatory criteria, requirement or procedure with respect to the qualifications of any vendor.

iv. The institutions shall engage in a **pre-qualification stage** with a view to sighting vendors either prior to a request for proposal or after taking part in any other predetermined procurement process.

v. In the case of a post-qualification of vendors, the following shall guide the institutions:

vi. If prospective vendors have not been pre-qualified, the institutions through the procurement committee shall determine whether the vendor whose proposal has been appraised to offer the lowest evaluated tender has the capability and resources to execute the contract as offered.

vii. The criteria to be met shall be set out in the tendering documents and if the tenderer does not fulfill the criteria satisfactorily, the tender shall be thrown out and the institution through the Procurement Committee shall make a similar evaluation for the next lowest evaluated tenderer.

viii. The institution through the Procurement Committee may require a tenderer which has submitted a lowest evaluated tender for a procurement to reaffirm its qualifications before the award of contract is validated and finalized.

ix. The procedures to be used for evaluation in subsection (3) above shall be the same as those already set out in this policy.

x. This process shall continue in the case of a default until the most competent is arrived at. This shall be only in demonstrated exceptional places.

Q. LANGUAGE OF TENDERS & PROPOSALS

All pre-qualification documents, response to request for proposal and tender documents shall be written in English and calls for tenders, as well as request for proposals shall be done in English language as well.

R. BONDS & SECURITIES

1. Where the Institution require vendors who are submitting proposals or tenders to provide any form of security, guarantee or bond against satisfactory performance of the awarded contract, such requirement shall apply equally to all vendors.
2. The Tenders board shall provide guidance on the appropriate values to be provided for such security, guarantees or bonds.
3. Service Level Agreement (SLA) must be signed with /provided by Vendors awarded any contract that requires after installation /post contract execution maintenance.

S. DELEGATION OF PROCUREMENT ACTIVITIES

The responsibility for procurement of certain goods and services by the University rests in Procurement Department, Procurement Committee and Tenders' Board with support of some Officers of the University due to specialized nature of some items and equipment. Such areas include:

| S/N | Area of Delegation | Officers |
|------------|---|--|
| 1 | General construction and renovation contracts/materials | Director, PPD/Facility Officers |
| 2 | Library book acquisitions | University Librarian |
| 3 | Sport equipment | University Sport Director |
| 4 | Laboratory equipment and consumables | HODs/Chief Technologist of such Department |
| 5 | ICT equipment/accessories & communication devices | Director, CSIS/CSIS Representative |
| 6 | Medical equipment /accessories | Chief Medical Officer |
| 7 | Logos - Use of the University identity/seal | Media and Corporate Affair (M&CA) |
| 8 | Signage - Interior/Exterior | Director, PPD/Facility Officers |

| | | |
|---|---|------------------------------------|
| 9 | University printing - stationery, letterhead, envelopes, business cards, etc. | Media and Corporate Affairs (M&CA) |
|---|---|------------------------------------|

However, the delegation is subject to approval of the Procurement Committee.

T. THE PROCEDURES DEFINITIONS AND TERMS

This section defines a variety of specific terms used within this document and describes the various activities associated with the procurement process in the University;

- **Goods** are tangible products that fall under a variety of commodity headings including, but not limited to: stationery supplies, office equipment, furniture, computer hardware and standard ‘off-the-shelf’ software, audio-visual equipment, photocopiers, vehicles, etc.
- **Services** are non-tangible commodities and can include major labour contracts such as security, cleaning, catering, building maintenance, and complex computer software development and installation, as well as more incidental assistance in the form of equipment rental, installation and repair, etc.
- **Works** cover those activities where there will be elements of supply of both goods and services such as office refurbishment, carpentry, electrical, and other construction works.
- **Written Solicitation.** A written solicitation is a formal competitive purchasing request issued to prospective suppliers consisting of applicable documents to obtain tenders or proposals. This may consist of a scope of work, price sheet, questionnaire, proposed contract terms and conditions, format for submission of supplier response, weighting of evaluation criteria and any other necessary information.
- **Invitation to Tender (ITT).** An Invitation to Tender is a written solicitation used when the requirement is clearly and completely specified and the basis for award is primarily price.
- **Request for Proposal (RFP).** A Request for Proposal is a written solicitation used when the Bank wants the option of making an award following initial proposal and/or conducting discussions with the tenderers.

- **Selection of Suppliers**

Vendors are selected for their capability to serve the needs of the University in the most economical and efficient manner possible. Past performance and cooperation are important factors.

The Procurement Department is committed to evaluating new suppliers, and whenever possible, more than one source will be sought and considered. Alternate or multiple sources of supply are maintained as a means of insuring good value, performance, and service, and minimizing costs.

- **Vendor Qualifications**

The University will only make purchases from responsible vendors who possess the ability to perform successfully under the terms and conditions of the purchasing contract. The University will evaluate the vendors for their responsibility, business integrity, record of past performance, insurance, reputation, financial and technical resources in addition to any other measures the University deems relevant.

- All vendors doing business with the University are monitored as to how they perform, particularly vendors doing business with the University for the first time.

- **Supply Sources**

Requisitioning departments are encouraged to suggest sources of supply for unusual items. Authority for the final selection of the vendor, however, shall be left to the Procurement Department and Committee, which will make its decision in light of the overall needs of the University.

- **Quality of Materials**

The Procurement Department is committed to procuring materials of a quality suitable for their intended use and to assist University Departments/Units in determining the required quality of materials. Determining the proper quality is of greatest importance, since buying a higher quality than what is required is often as wasteful as buying a lower quality.

- **Price Reasonableness**

Reasonableness of a proposed price may be determined by a comparison of: prices found reasonable on recent previous purchases; current price lists; catalogs; advertisements; and similar items in a related industry.

Also, reasonableness of price may be determined by a price analysis or a cost analysis.

- **Equal Opportunity**

Covenant University provides equal opportunity to all qualified vendors.

- **Competitive Selection Process**

The requesting of bids is a recognized and accepted means of ensuring effective competition among suppliers. Analysis of bids is a means by which the total cost of ownership of the item is determined. It is the responsibility of the Procurement Department to originate, control, and analyze supplier bids/quotations/proposals. The requisitioning department is responsible for defining quantity, specifications, delivery date, and all other pertinent information essential to proper purchase. In some cases, it may be acceptable for a department to conduct the bid process, but all quotes, bids or requests for proposals must accompany the requisition paperwork for analysis and review by the Procurement Department. When quotations have been secured by the requisitioning department, the supplier's original written bids must accompany the requisition so that full information concerning the Purchase Order contract is available for audit purposes.

Competitive bids and/or quotations will be obtained in accordance with the following guidelines: The Procurement Department, and/or the end user department, will attempt to obtain three quotations. These bids, quotations or proposals will be obtained either by email, or written bid request, depending on the nature of the items requested.

- **Waiver of Bid Requirements**

Bidding requirements may be waived in certain situations, including but not limited to:

- a. Bids have recently been received for the same items and the bids are still valid.

- b. Item is a University standard (furniture, computers, etc.)

- c. The item must be purchased from a sole source distributor or manufacturer.

- d. The item or service being provided is being furnished by a University recommended vendor.
- e. It can be demonstrated without question that the department could not have foreseen the required purchase in sufficient time for normal purchasing procedures to be used.
- f. Life will be endangered, property will be destroyed, or considerable cost will be incurred because of events beyond the control of the department if the procurement is not completed without delay.
- g. If the goods or services are being purchased to directly interface with or attach to equipment of the same manufacturer, and no other manufacturer's goods will correctly interface with existing equipment.
- h. There is other justification for not soliciting competitive bids (memo of explanation must be provided).

- **Confidentiality of Bids/Quotations/Proposals**

In accordance with fair and sound business practice, all information supplied by vendors in their bid, quotation or proposal must be held in strict confidence and may not be revealed to any other vendor or authorized individual.

- **Errors in Bids or Quotations**

Vendors are responsible for the accuracy of their quoted prices. In the event of an error between a unit price and its extension, the unit price will govern. Quotations may be amended or withdrawn by the bidder up to the bid opening date and time, after which, in the event of an error, bids may not be amended but may be withdrawn prior to the acceptance of the bid. After an order has been issued, no bid may be withdrawn or amended unless the Purchasing Department considers the change to be in the University's best interest.

- **Rejection of Bids**

The University reserves the right to reject all bids, quotations and/or proposals and re-solicit or cancel the procurement if deemed by the University to be in its best interest.

- **A Scope of Work** (sometimes called a Work Scope) or Schedule of Requirements defines the contractual performance required of suppliers

and varies in format with the type and complexity of the goods, services or works being obtained. Technical Specifications are also used to state the Bank's needs for the purchase of specialized goods, services or works which can be specified using definitive quantitative standards and specifications.

- **Tender Board/Evaluation Panel (TEP).** A TEP is a committee which includes representatives of the User Department and other knowledgeable staff. The TEP is responsible for establishing evaluation weights and criteria included in a solicitation and for reviewing and evaluating the tenders accordingly.
- **A Pre-Qualification Panel** similar to a TEP is established to evaluate responses received following an invitation for pre-qualification.
- **Contract/Contract Amendment.** For the purpose of this Policy a Contract is a legally enforceable agreement between the University and the supplier which details the terms and conditions and technical specifications of the goods or details of the services to be purchased. It should be signed by both parties and once signed it should be altered only through a Contract Amendment.
- **Purchase Order/Purchase Order Amendment.** A Purchase Order is a simple contract with standard conditions. It is signed **only by the Registrar**. Purchase Orders may be extended or changed through a Purchase Order Amendment.
- **User Departments are responsible for identifying expected annual purchasing requirements during the annual budget preparation cycle.**

The Procurement Department will review forecasts with User Departments of major and minor purchasing activity. The various purchasing estimates, and any other information deemed necessary, are combined into a University procurement plan and budgetary preparation.

The keys to success in any tender are thorough planning and preparation of the technical specification, contracting strategy and, if possible, draft contract

before the tender invitation is issued. It is important to allow sufficient time for this planning and preparation phase, especially for complex projects.

- **Direct Purchasing Requests**

For contracts estimated to cost less than N1Million Naira, the User Department/Procurement Department may carry out the purchase directly providing a record is kept of the reasons for using a supplier.

- **Competitive Purchasing.**

For every purchase request, the Procurement Department will open a Purchase Order file. The purchase order file includes, as applicable, all written forms, quotations, tenders, correspondence and documents concerning the purchase.

Upon its receipt by the PD, a purchasing request is reviewed to:

- i. Determine whether it requires expedited processing;
- ii. Ensure that all necessary information to identify the requirement is included with the request;
- iii. Determine the appropriate purchasing method;
- iv. Determine that the time allowed between the receipt of the request and the delivery date of the goods, or commencement date of the works or services, provides sufficient time for potential suppliers to respond, consistent with the magnitude and complexity of the request.

The PD will contact the User Department to clarify the request, as necessary.

- **Written Solicitation**

A written solicitation is issued to prospective suppliers. The Head of PD determines whether to use an Invitation to Tender (ITT), or Request for Proposal (RFP). An ITT is appropriate when a requirement is clearly and completely defined and the basis for award is primarily pricing. An RFP is normally used when the requirement cannot be clearly and completely specified or if detailed technical evaluations are to be performed. Depending on the nature, complexity and cost of the purchase, the written solicitation should normally include a scope of work price sheet or optional questionnaire, Compliance Statement, proposed contract terms and conditions, evaluation weighting, and other items deemed necessary for tenderers in preparing their tender submission. If applicable, and before issuing a written solicitation under competitive tendering, a Tender Evaluation Panel (TEP) should be established for all contracts of N10 million or more.

- **Preparation of Documentation**

User Departments are responsible for the development of the Scope of Work and Technical Specifications. The PD will review these for clarity, completeness and adherence to the Policy. Care should be taken by the User Department to ensure that Technical Specifications do not discriminate among suppliers and that they adequately define the requirement in terms of performance parameters.

- **Price Adjustment**

The solicitation will state either that tender prices must be fixed or that price adjustments (upwards or downwards) will be considered (for instance if changes occur in major cost components of the contract such as labour, equipment, materials and fuel). Price adjustment provisions are usually not necessary for simple contracts involving delivery of goods or services within about a year but may be included in contracts that extend over several years. It is normal commercial practice to obtain firm prices for most types of equipment regardless of the delivery time and, in such cases, price adjustment provisions are not required.

- **Pre-Qualification**

To ensure that tender documents are forwarded only to suppliers having the capacity and resources to perform the contract satisfactorily, a pre-qualification process may be undertaken for major contracts, Evaluation of the responses received will be undertaken by a pre-qualification panel, established in a manner similar to the TEP, based on predetermined criteria covering details of the tenderer's organizational and financial structure and capabilities as well as a list of previous similar work carried out and client references. All suppliers that successfully pre-qualify will be invited to submit a tender.

- **Changes to Tenders/Quotations**

Tenderers will not be permitted to alter tenders after they have been opened. Clarifications that will not change the substance of the tender may be requested by the PD and accepted for review by the TEP.

- **Cancellation of Purchase Orders**

Request to cancel an order should be submitted to the Procurement Department in writing or e-mail immediately so that the vendor can be notified before purchase and supplied occurs. Correspondence must state the reason for the cancellation and include the Purchase Order number and vendor's name and address.

The Procurement Department will send notification to the vendor informing them of the cancellation.

- **Modification of a Purchase Order**

The Procurement Department will issue a Change Order in cases where significant variances in specification, quantity or cost to an existing Purchase Order require written clarification.

If it is necessary to make any change to the original Purchase Order, such as price, terms, description, additions, deletions, change of account number, written correspondence (e-mail or memo) should be sent to the PD. This correspondence must reference the Purchase Order number and vendor's name and address and give explicit detail regarding the change(s) to be made.

The Procurement Department will issue a Change Order notification to the vendor.

- **Emergency Orders**

Even with the best of intentions and planning, emergencies do arise. It is understood that there is no way to avoid an occasional crisis.

In an emergency, the normal pattern for reviewing and approving purchases is maintained, and the purchasing processes are accelerated and expedited.

To initiate an Emergency Purchase Order a department must call the Procurement Department and explain the nature of the emergency. The PD will determine issuance of an Emergency Purchase Order. The department will be given instructions on how to proceed with the requisition.

- **Goods Inspection on Delivery**

The University Store Officer and Department Officers receiving and signing for purchased goods is responsible for verifying that items are received in proper

condition. Promptly unpack and carefully inspect good. This should be done as soon as possible after delivery.

If damages or shortages are discovered, a detailed description of discrepancies should be documented on the packing slip or bill of lading or invoice before accepting and signing for products. When damage to goods is discovered after the goods have been put into use, the department is responsible for immediately notifying the supplier of the damage so that appropriate action may be taken, such as providing a replacement.

The Procurement Department may be contacted to help settle any disputes or to negotiate any settlements. The University Internal Auditor will be invited to sight the items and ensure compliance with the approved documents considering the specification, quantity, quality and brands.

U: STEPS IN PROCUREMENT PROCESS

Step 1: Efficient Procurement Plan driven by needs assessment

Step 2: Adequate Appropriation

Step 3: Advertisement – University website or National Newspaper

Step 4: Pre-qualification of vendors/Tender

Step 5: Bid Submission and Bids Opening Process

Step 6: Bid Evaluation (Technical and Financial)

Step 7: Tender Board /Procurement Committee Review & Recommendation

Step 8: Contract Award and Execution

Step 9: Project Implementation

Step 10: Feedback from the requesting /user's Department

V: ABBREVIATION AND ACRONYMS

APP = Annual Procurement Plan

BOR = Board of Reagent

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| CIA | = Chief Internal Auditor |
| CSIS | = Centre for System and Information Services |
| CU | = Covenant University |
| DFS | = Directorate of Financial Services |
| ITT | = Invitation to Tender |
| LPO | = Local Purchase Order |
| M&CA | = Media and Corporate Affairs |
| NAFDAC | = National Agency for Food and Drug Administration and Control |
| NSE | = Nigeria Society of Engineer |
| OEM | = Original Equipment Manufacturer |
| PC | = Procurement Committee |
| PD | = Procurement Department |
| PPD | = Physical Planning Department |
| RFP | = Request for Proposal |
| SLA | = Service Level Agreement |
| SRV | = Store Received Voucher |
| SON | = Standard Organization of Nigeria |
| TB | = Tender Board |
| TEP | = Tender Evaluation Panel |
| VC | = Vice- Chancellor |