



CENTER FOR INTEGRATED HEALTH PROGRAMS (CIHP)

Standard Operating Procedures

Procurement Guidelines

May 2014

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18.1 Background of CIHP

The Center for Integrated Health Programs (CIHP) is a leading non-governmental, non-profit organization that promotes better healthcare for all through the creation of strong and sustainable health systems. Established with the support of the US Government President's Emergency Plan for AIDS Relief (PEPFAR), CIHP is the successor organization to Columbia University's Mailman School of Public Health Nigeria LLC's Track 1.0 funded HIV Prevention, Care and Treatment activities in Nigeria. The organization will sustain the International Center for AIDS Care and Treatment Programs (ICAP)'s achievements and successes in service delivery, monitoring, evaluation, and training/education in Nigeria. In addition, CIHP will utilize its indigenous professional expertise, experience and technical resources to implement programs and adopt broad-based innovative strategies to address other key health and development issues to help fast-track the achievement of the Millennium Development Goals 4, 5 and 6 in Nigeria by 2015.

18.2 Purpose of Procurement Guidelines

The purpose of these guidelines is to provide a strategic framework and direction for efficient and effective management of procurement processes in CIHP. This document outlines the applicable policies and procedures and also explain the responsibility and accountability of those involved in the procurement process in line with best practices. This is to ensure that the organization gets value for money in all procurement transactions.

For the purpose of these guidelines, *Procurement* is any transaction or activity entered into for the purpose of obtaining goods and services in furtherance of the objectives of the organization. These guidelines contain actions to be taken on procurement of goods and services as stipulated in the SOPs and other guiding rules and provisions on Programs funded by the US Government and other donors. It is the responsibility of all CIHP staff to know and adhere to these governing regulations as they apply to procurement, as well as to other areas of CIHP operations.

18.3 Definition of Procurement

Procurement is a process, which is defined as the acquisition of property, equipment, goods, works or services through purchase, hire, lease, rental or exchange from any source. Actions undertaken to carry out procurement are defined as procurement activities, which include all actions from planning and forecasting, identification of needs, sourcing and solicitation of offers, evaluation of offers, review and award of contracts, contracting and all phases of contract administration until delivery of the goods, the end of a contract, or the useful life of an asset.

A specified series of procurement activities, which have to be executed in the same manner in order to obtain the same result under the same circumstances, is thereby defined as procurement procedures.

The scope of procurement is limited to commercial activities, and does not include agreements, grants and public private sector partnerships, which are subject to other financial regulations and

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rules. Selection and administration of individual contractors and consultants remain in the human resources domain and therefore those guidelines are not included in this manual but can be obtained in the Employee Policy and procedure manual.

18.4 General Procurement Principles

The procurement functions include all actions necessary for the acquisition, by purchase or lease, of property, including products and real property, and of services, including works. The CEO may delegate authority, as appropriate, for such procurement functions.

The following general principles shall be given due consideration when exercising the procurement functions of CIHP:

- Best value for money;
- Fairness, integrity and transparency;
- Effective national and international competition subject to applicable donor regulations;
- Quality services that will be provided in accordance with the stipulated TOR, within the time allotted and at a fair and reasonable price;
- Works that are contracted for at the most advantageous cost and terms, carried out in a competent manner according to design, and will be completed and accepted by the target date without cost-overruns and reservations;
- Goods that meet technical specifications and local service conditions at most advantageous cost and arrive in good condition at the project site in a timely manner.
- Economy and efficiency, and
- The interests of CIHP.

As regards economy and efficiency, particular attention should be paid to maximizing the use of bulk orders for standard supplies and confirming current and foreseeable orders for similar items from the same source.

18.5 Conflict of Interest

CIHP respects the rights of its staff relative to activities outside this employment which are private and which do not conflict with or reflect adversely upon CIHP. Similarly, employees are asked to refrain from any activity that would negatively influence CIHP or its ability to do business in Nigeria or elsewhere.

CIHP employees are expected to promote CIHP's interests and to refrain from using their position in the organization to supplement their incomes directly or indirectly, or to obtain other material benefits including gifts.

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An employee of CIHP may perform work or services for other organizations only to the extent that the activity does not prevent the employee from devoting the time and effort to CIHP business that her/his position requires, and such work takes place outside business hours.

CIHP staff may not, directly or indirectly, be financially engaged or involved in any enterprise or program to which CIHP is providing assistance; or an activity being performed with funding from the USG and its entities.

No staff member should knowingly act in a capacity, or urge the organization to act in a manner designed to confer any financial or commercial benefit, whether actual or potential, on her or himself (including family members), or on any firm or corporation in which s/he has a significant interest as partner, stockholder, director or officer. CIHP, as a general rule, does not enter into purchasing contracts with staff or members of their immediate families. An acquisition from a business in which a CIHP employee has an interest is prohibited unless full disclosure of the background facts are presented in writing to the Chief Executive Officer and approved. Interest is deemed present if the CIHP employee and/or his or her spouse or partner or children own ten percent (10%) or more of the assets of a business. No CIHP employee, officer, or agent shall participate in the selection, award, or administration of a purchasing contract supported by U.S. government/donor funds if such participation would involve a real or apparent conflict of interest. Information obtained because of employment at CIHP that is not generally available to the public should not be communicated to any individual(s) or organization(s) outside CIHP. The organization reserves the exclusive right to determine what information can or cannot be communicated outside the organization.

CIHP strives to be in strict compliance with all laws and regulations that are applicable to its activities. In the event that a regulation is ambiguous or difficult to interpret, CIHP has access to legal counsel to determine compliance with a policy and observance of all laws and regulations. Such advice shall be sought if any questions arise.

18.6 Procurement Modalities

- Entering into procurement by contract: No contract shall be entered into on behalf of CIHP except by the CEO;
- Cooperating with other national and international organizations: The CEO may cooperate with other organizations to meet the procurement requirements of CIHP, provided that the regulations and rules of those organizations are consistent with those of CIHP. The CEO, as appropriate, may enter into agreements for such purposes. Such cooperation may include carrying out common procurement actions together, or CIHP may enter into a contract relying on a procurement decision of another organization, or may request another organization to carry out procurement activities on behalf of CIHP, and
- Cooperating with Government and other organizations: The CEO may, to the extent authorized by relevant legislation of the Board of Directors, cooperate with a Government, non-

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governmental organization, or other public international organization, in respect of procurement activities, and enter into agreements for such purposes.

18.6.1 Award of Procurement Contracts on the Basis of Formal Methods of Solicitation

The award of a contract shall be made after due consideration has been given to the general principles described in general procurement principles above and in accordance with the following:

- When a formal invitation to bid has been issued, the procurement contract shall be awarded to the qualified bidder whose bid substantially conforms to requirements set forth in the solicitation documentation and offers the lowest cost to CIHP.
- When a formal request for proposals has been issued, the procurement contract shall be awarded to the qualified proposer whose proposal, all factors considered, is the most responsive to the requirements set forth in the solicitation documentation.
- The CEO may, in the interests of the program, reject bids or proposals for a particular procurement action, recording the reasons for rejection in writing. The CEO shall then determine whether to undertake a new solicitation or to negotiate a procurement contract directly pursuant to “Award of procurement contracts on the basis of exceptions to the use of formal methods of solicitation” section below, or to terminate or to suspend the procurement action.

18.6.2 Award of Procurement Contracts on the Basis of Exceptions to the Use of Formal Methods of Solicitation

- The CEO may determine for a particular procurement action that using formal methods of solicitation is not in the best interest of CIHP when:
- The value of the procurement is below the monetary amount established for formal methods of solicitation;
- There is no competitive market-place for the requirement, such as where a monopoly exists, where prices are fixed by legislation or government regulation, or where the requirement involves a proprietary product or service;
- There has been a previous determination or there is a need to standardize the requirement;
- The proposed procurement contract is the result of cooperation with other organizations, pursuant to “Procurement Modalities” section above;
- Offers for identical requirements have been obtained competitively within a reasonable period and the prices and conditions offered remain competitive.
- A formal solicitation has not produced satisfactory results within a reasonable prior period.
- The proposed procurement contract is to purchase or lease real property;
- There is a genuine exigency for the requirement.
- The proposed procurement contract relates to obtaining services that cannot be objectively evaluated.
- The CEO otherwise determines that a formal solicitation will not give satisfactory results.

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When a decision is made pursuant to the above, the CEO shall record the reasons in writing and constitute a committee that may then collectively award a procurement contract, either on the basis of an informal method of solicitation, or on the basis of a directly negotiated contract, to a qualified vendor whose offer substantially conforms to the requirements at an acceptable price.

18.7 Guidelines for Procurement Requests:

- A. Any CIHP employee , who needs goods or services to be procured, in furtherance of CIHP Programs shall complete a Purchase Requisition Form which must be endorsed by his/her line manager after confirming that the item being requested is allowable under the applicable donor regulation and has been included in an approved budget for the fiscal year (s). Strong justification is required for essential goods or services which hitherto were not covered in the fiscal year budget but crucial for program implementation. The requisition form will be forwarded to the appropriate Director (in the case of central office) or Director, State Coordination (in the case of State offices) for recommendation to the CEO or designate for approval. All approved requisitions forms will be passed to the Senior HR/Administration Manager for further necessary action.
- B. Specifications and class of the goods or services (e.g. IT, medical furniture, facility repairs, reagent, office stationery, etc.) to be procured should be clearly indicated on the Purchase Requisition Form. Evidence of usage of the last batch purchased, e.g. bin card should be provided where necessary.
- C. For the purpose of coordination and follow-up at the central office, approved requisitions should be sent to Senior HR/Administration Manager or designation or before COB every Wednesday. The senior HR/Administration manager or designate will collate the requisitions every Thursday and forward the grid and the scanned approved request forms to the Director, supply chain management or designate by Friday of the same week for necessary action. In cases of emergencies, some approved purchase requests can be processed before Friday.

18.8 The Procurement Process:

- A. The Director, Supply Chain Management or designate will keep an electronic register, called the Tracking Log for registration of approved purchase requisitions for follow up and to ensure transparency. This register will also serve as a historical record of the procurements of goods or services that have been processed by the Supply Chain Management unit.
- B. A Procurement file must be opened and updated regularly with the documents of every procurement activity that has been processed, in addition to the Tracking Log for future references.

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- C. Prequalified vendors will submit quotes for procurement of goods or services for CIHP sites and state offices but such bids will be submitted to and processed in Central office, Abuja (except expressly authorized otherwise, by the CEO). Final payment for jobs executed and supplies made in any CIHP offices including facility repairs will only be made after certification of the job(s), in line with LPO and/or specifications, or delivery of the items involved. This will be prepared by SPM/Designee, acknowledge by Facility Medical Director, and reviewed by Facility Maintenance Co-coordinator. However, for expediency, procurement of items with total value not more than N75,000.00 (\$500 USD) may be handled at the state level to meet exigencies but there must be an approved purchase request form by the CEO or designate and such must also meet the requirements of these guidelines.
- D. To document action trails, Senior HR/Administration Manager or designate will acknowledge the receipt of the approved requisition(s) from the office of CEO with date-stamp. The Director, Supply Chain Management or designate will also acknowledge the receipt of the collated approved procurement requests from the Senior HR/Administration Manager or designate.

18.9 The Pre-Qualification Process

A. Written Procurement Contracts:

Written procurement contracts or purchase orders shall be used to formalize every procurement for a monetary value over specific thresholds established by the applicable donor and relevant guidelines. Such arrangements shall, as appropriate, in case of contract specify in detail:

- The nature of the products or services being procured;
- The quantity being provided;
- The contract price;
- The period covered;
- Conditions to be fulfilled, including the general conditions of contract;
- Terms of delivery and payment;
- Name and address of supplier.

In case of Purchase Order:

- The exact description of the goods;
- The quantity required;
- The price of each article;
- The condition at the time of delivery;
- The general conditions of the Purchase Order, and
- The conditions of delivery and the terms of payments.

B. To ensure effective control and documentation in order to minimize errors, irregularities and legal risk as well as aiding, control consciousness of responsible personnel, the Purchase Order (LPO) is prepared by the Procurement Officer/Facility Maintenance

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Coordinator, the second stage of verification is done by Director of Procurement and SCM who ensures that all procedures are effectively followed and in line with the SOP, the third level of verification is done by the Director of Finance and Sub Contract who in addition ensure that all items/services are accommodated in the Budget. The final approval is done by the Chief Executive Officer of CIHP based on recommendations and verification by the two level directors.

- C. The Director, Supply Chain Management shall develop a data base of pre-qualified vendors in order to have a pool of contacts to hasten the process of calling for bids and also ensure competitiveness and transparency. For repairs/ renovations, the Senior Facility Maintenance Associate shall maintain a data base of prices of building materials (price list) in categories, in addition to BOQs. These are to be reviewed on a quarterly basis to form a bench mark for comparison with bid prices and facilitate negotiations of the bids.
- D. The pre-qualification review should be independently handled by a Procurement Committee (PC) set up for that purpose.
- E. The invitation for bids can be conducted through one or by a combination of any of the following means:
 - i. By advertisement – in any news media – papers, radios/TVs and/or public places/locations.
 - ii. On phone with any of the pre-qualified vendors, or new ones subject to verification by the PC.
 - iii. By e-mail, or dispatched invitation letters
 - iv. A copy of the Request for Quotation (RFQ) is placed on the Notice Board provided at the entrance gate within the period of solicitation or duration of the RFQ.
 - v. Direct contact by visitation (although not encouraged), and also subject to verification by PC.
- F. It is estimated that it will take about seven (7) to ten (10) working days from the time the approved purchase requisition is received by the procurement unit, up to the time sealed bids/quotations are received from suppliers. Maximum of two (2) days would be required for the PC to meet and finalize the review process; and one day for the Procurement Manager to collate the PC's recommendations, and raise a memo and LPO in favor of recommended vendor. The documents are then submitted to the CEO for consideration and possible approval. Completing a procurement process would take about thirteen (13) working days (about three weeks).

Staff are therefore advised to submit their requisitions in good time recognizing the turnaround time for processing. Some jobs, like printing and facility repairs may require more than three (3) weeks to process. For the purpose of clarity, the following time lines are considered for some procurements:

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TABLE 1: PROCUREMENT TIMELINES

S/N	ITEMS TO BE PROCURED	TIME LINE
1	Office stationery (bulk)	5 working days
2	IT Equipment/Consumables (bulk)	5 working days – (Local)
3	Medical equipment/Drugs	5 working days – (Local)
4	Furniture/Fittings/Electricals/Electronics	5 working days
5	Reagents	5 working days
6	Lab Equipment	10 working days (2wks – Local)
7	Facility Repairs,	10-15 working days (3wks)
8	Printing and other Special Services	5-10 working days (2wks)

G. The Director, SCM or designate shall review the list of approved requisition forms, check items requested for special conditions (e.g. prohibited items, restrictions, exceptions/waivers), and ensure that necessary approvals/consent on such special conditions is obtained from donors/funders, before calling for bids/quotations. He/she should ensure that the items are **allowable** within the context of all guiding provisions. CDC and USAID/other donors/funders require specific approval prior to making expenditure for the following:

- v. Alterations and renovations;
- vi. Vehicles;
- vii. Other major equipment having a unit cost greater than N750,000.00 or US\$5,000 USD in line with USG and N3,750,000.00 US\$25,000 for CDC/other funders.

H. The Director, SCM or designate shall call for bids/quotations from pre-qualified vendors for procurements with a total cost of N75, 000.00 (US\$500) and above. This will be in line with the approval limits in accordance with the table below after the sign-off of the CEO or designate. A copy of the letter of invitation for bids should be given to the PC on the bid review day with a copy kept in the Procurement file.

I. Procurement of office supplies, food bank stuffs, and items of substantial amounts like printing, etc., should be done in bulk to take advantage of quantity discounts on bulk purchases.

J. The Director, SCM or designate should determine the appropriate re-order levels to avoid stock outs and over-stocking.

K. Purchasing authorities are subject to overall authority levels depending on donor requirements. Please, note that these guidelines relate to all purchases of goods and services, including major equipment and property leases. Also, the limits below are based on the cumulative purchase value not a “per unit” cost.

The table below provides more details on purchase orders and bid requirements:

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TABLE 2: PURCHASE ORDER AND BID REQUIREMENTS

PURCHASE VALUE	WHO CAN SIGN CHEQUES?	SOURCE OF PURCHASE ORDER?	NUMBER OF BIDS/QUOTATIONS?
\$1-\$499	Local Authorized	Central Office, unless purchased by Donors/Funders	One
	Signatory	purchased by Donors/Funders	
\$500-\$2,499	Local Authorized Signatory	Central Office, unless purchased by Donors/Funders	Minimum of Two (as per USG/ donor regulations)
\$2,500-\$9,999	Local Authorized Signatory	Central Office, unless purchased by Donors/Funders	Minimum of Three
\$10,000-\$30,000	Local Authorized Signatory	Central Office, unless purchased by Donors/Funders	Minimum of Three
\$30,001-\$70,000	Local authorized signatories	(Dual in-country signatures with permission from the Donors, CEO or Designate.	Central Office, unless purchased by Donors/Funders
Minimum of Three	> \$70,000	Donor - authorized signatories	Donors/Funders

All LPOs must be raised at the Central Office procurement unit.

18.10 The Bidding Process:

- A. Whether the purchase is made through the Central Office or donors/funders, the appropriate number of bids/quotes as per the chart above must be obtained. Requirements of the bids include:
 - All bids/quotes must be in English, otherwise key elements must be translated.
 - Pro-forma invoice may be used as quotes but are not acceptable for payment. Stamped receipts from the vendor are required.
- B. The prospective supplier(s) should be given equal access to relevant information on the bid requirements. However, no prospective renovation/ repair vendor should be privy to the budgetary provision or the BOQ prices of the items for which s/he is bidding. Any indication to suggest that the vendor(s) has/ve a prior knowledge of the budgetary provision, or BOQ prices of the items, will lead to cancellation of such bid and the vendor(s) will be delisted from the list of pre-qualified vendors.

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- C. The selected bidders should send their quotations/bids in sealed signed envelopes, with their company stamp on both the quotations and the envelopes should be brought physically (or by courier) to the CIHP office in Wuse II, Abuja. Vendors will drop the sealed envelopes in the Procurement locked box kept at CIHP front office at the ground floor. Bids may be submitted through a CIHP designated e-mail address to be accessed by a designated IT staff who will print such bids for the PC after the submission deadline.
- D. No multiple bids will be allowed from the same company or individual or multiple companies owned by the same individual(s) or entity(s). Any company found to be involved in this act will have its bids disqualified and such company will be delisted from the pre-qualified vendors' list.
- E. If the item to be procured is of a specialized nature which only one vendor (sole source) has the franchise to supply, such vendor shall be considered on its own merit. If eventually found qualified or successful, it shall be added to the pre-qualified list. The vendor's profile may be submitted in a different envelope for processing by the Procurement staff. This also applies to sole- source Procurements. Single source vendor can also be where a prequalified vendor has been considered for a supply (through competitive bidding process) and there is need for such item within six month from date of initial supply.
- F. Quotations/bids are submitted on the vendor's letterhead. In a situation where the letterhead is not available, a paper marked with the vendor's official stamp, contact address and telephone numbers will suffice.
- G. The keys for the locked box will always be kept with Compliance Officer till the day of opening of the bids by the PC.
- H. The box will be opened by the Chairperson of the PC (as appointed by the Director of Finance and Sub-contracts or designate) on the bid review day in the presence of all committee members.
- I. The PC may not consider any bid that is not sealed and did not have the vendor's stamp and signature on both the quotation and the envelope.
- J. The Director of Finance and Sub- contracts will constitute an ad-hoc PC, with a minimum of 3 members and a maximum of 5 members for every bid review. The staff so appointed shall be notified before the bids opening day. The Director of Finance and Sub-contracts or designate shall give the PC members necessary orientation prior to their meeting and also provide all necessary documents relating to the transaction. The PC shall be disbanded at the completion of each procurement action.

18.10.1 The Procurement Committee

The following procurement actions could lead to the appointment of a Procurement Committee (PC) at a minimum:

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- Any procurement to be entered into with a single vendor for a requisition that can lead to series of related requisitions received and processed in a fiscal year.
 - Any amendment, modification, or renewal of procurement previously reviewed, where the contract amendment, or series of amendments in the aggregate increases the cumulative amount of the procurement by more than 20%.
 - Any amendment, modification, or renewal of a procurement not previously submitted to a committee.
 - Procurement of any value that could reasonably lead to series of related procurements.
 - Pre-qualification of vendors and confirmatory market surveys, where applicable.
 - Review of bids, single or sole source quotes.
- A. If the PC requires technical advice, especially on the specifications and quality of the item(s), this will be sought from the user (thematic area focal person), but such a representative will not have any voting rights in the meeting. The PC shall document the thematic area focal person/user's input.
- B. The Requisitioner shall not interfere with the selection and procurement processes. A vendor that allows the involvement of a Requisitioner in the procurement process will be disqualified from future invitation for quotations.
- C. The PC will review the sealed bids/quotations and make recommendations:
 - I.to accept any of the offers;
 - II. to further negotiate with one or more of the vendors;
 - III. to ask for clarification from vendors;
 - IV. to reject the offers and ask for fresh quotations/bids.
 All discussions/negotiations shall be properly documented. Where the item specifications change as a result of decisions by the PC or for any other reason(s), fresh quotations shall be sought. The PC will contribute to ensuring that all procurement is done in accordance with USG, donors/funders and CIHP regulations, and ensure value for money.
- D. The Procurement Officer, who also carries no voting rights at the meeting shall prepare the minutes of the PC's meeting within **24 hours** of completing the meeting for signature of the committee members.
 The Procurement Officer and the thematic area focal person will only sign as observers. Where a member of the PC has a dissenting opinion on the final decision, this opinion shall be noted in the comments section of the report. A decision shall then be made by the majority. The CEO may however override the committee's recommendation.
- E. Each PC member in attendance shall sign and date the Procurement Bids Review Summary Report. The signed summary report should be an attachment to other relevant procurement documents and submitted to the CEO for consideration and approval. Copies of the document shall be kept in the Procurement unit file for future reference. In the case of goods and services including facility repairs for use by sub-recipients, a set of the relevant documents must be given to the Sub-Contract Unit for their file.

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- F. All PC members must participate fully in the review meeting. There shall be no PROXY, although there could be replacement for any member who may not be able to attend the PC meeting. No PC member shall sign the report for a bid review s/he was not a party to.
- G. The Procurement Officer will conduct a search on all the vendors (and its principal representatives) in the **USG's Excluded Parties Listing System, before preparing the LPO**. This list can be accessed through the Website <https://www.sam.gov/portal/public/SAM/>. A copy of the check result confirming that the website has been checked and that the name of the vending firm or individual(s) is not found will be attached to the PC's recommendations. The person who checked the website will put his signature thereon with date.

18.11 Procurements under USG Funding

18.11.1 Introduction

Non-Federal entities are prohibited from contracting with or making procurement and contract awards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred.

At a minimum, the EPLS contains:

- The name and address of each excluded and disqualified party, with cross references if more than one name is involved in a single action;
 - The type of action;
 - The cause for the action;
 - The scope of the action;
 - Any termination date for the action;
 - The Federal agency and name and telephone number of the agency point of contact for the action; and
 - The Dun and Bradstreet Number (DUNS), or other similar code approved by the GSA, of the excluded or disqualified party, if available
- A. For items to be procured using USG funding, the Procurement Officer will ensure that such items comply with USG source and origin requirements.
- B. Where appropriate, an analysis will be made of lease and purchase alternatives to determine which would be the most economical and practical procurement for CIHP
- C. Solicitations for goods and services shall provide for all of the following:

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- A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features which unduly restrict competition.
 - Requirements which the bidder/offer or must fulfill and all other factors to be used in evaluating bids or proposals.
 - A description, wherever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
 - The specific features of “brand name or equal” descriptions that bidders are required to meet when such items are included in the solicitation.
 - The acceptance, to the extent practicable and economically feasible, of products and services that conserve natural resources and protect the environment and are energy efficient.
- D. The following documents will be attached when the LPO is submitted for verification and processing by the Director of Finance and Sub-contracts or designate:
- the approved Purchase Requisition form together with the specifications and /or justification for exigency requisition,
 - applicable CIHP /Donor/funder’s approval and/or waivers on special conditions/ restrictions, a copy of bin card for last usage (where applicable),
 - all reviewed original quotations/bids,
 - minutes of PC meeting, with signed and dated review report and recommendations of the PC members,
 - a copy of search result confirming the selected vendor is not on the USG EPLS. This document must be duly signed by the individual who conducted the search,
 - an approved LPO with clear terms, conditions and penalty for default, including delivery and monitoring plan for goods or services being procured from vendors.
- Where applicable, an award/contract letter may be necessary in addition to the LPO.
- E. The Procurement Officer and members of the PC will adhere to these guidelines. No procurement will be processed if the Procurement Officer and/or the PC or individual members of this committee have not adhered to these guidelines, except at the instance of an extremely unavoidable exigency, and this must be justified and approved by the CEO.

18.12 Contract Execution & Closure

- A. The vendor must present an invoice and a signed delivery note to confirm execution. For specialized items (e.g. drugs, clinical, IT and lab items), the Requisitioner will confirm to the Finance unit in writing (e.g. by email) that the goods and services have met the terms in the LPO to facilitate final payment. The Procurement unit will forward the acknowledged delivery note and the vendor’s invoice to the Finance unit for final payment.

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- B. For facility repairs and renovations, there must be before and after pictures of the facility, with pictures of the plaques showing branding, and a certificate (with checklist of work done in line with BOQ and specifications) of satisfactory job completion, jointly signed by the Head of Facility or designate, CIHP State Program Manager and CIHP Senior Facility Maintenance Associate, before final payment for the job by the Finance unit.
- C. Finance Unit should ensure that the documentations are complete in line with the procurement checklist and these guidelines to avoid omissions that may lead to audit queries or non-compliance with the applicable provisions, rules and regulations governing the program.



SIGNED:

Chief Executive Officer

26th May, 2014

DATE: