# **SOCIETY OF GYNAECOLOGY AND OBSTETRICS OF NIGERIA (SOGON)**



**Procurement Policy**

**Preface**

In keeping with its commitment to maintaining the highest standards of conduct and ethics, the Society of Gynaecology and Obstetrics of Nigeria (SOGON) has adopted this Procurement Policy (“Policy”) to ensure that goods and services purchased by SOGON are obtained cost-effectively and in compliance with applicable federal and state laws. The acquisition processes described in this Policy apply to all purchases made by (1) SOGON’s Purchasing Department, and (2) SOGON programs independent of the Purchasing Department by employees, directors, executive officers, or agents (together, “SOGON Purchasers”). Purchases may also be subject to prior funding source approval and additional requirements imposed by grants or contracts. The Secretary (Project Coordinator) is responsible for reviewing any such additional requirements, bringing them to the attention of the Purchasing Department, and ensuring that contractors and vendors perform per the terms, conditions, and specifications of their contracts or purchase orders.

## **Code of Conduct**

## SOGON Purchasers shall not participate in the selection, award, or administration of a contract if they have a real or apparent conflict of interest. Such a conflict arises when:

## The SOGON Purchaser; any immediate family member (spouse, child, parent, parent-in-law, sibling, or sibling-in-law); partner; or an organization that employs, or is about to employ, any of the above has a direct or indirect financial or other interest in or will receive a tangible personal benefit from a firm or individual considered for the contract award.

## An “organizational conflict of interest” is created because of a relationship SOGON has with a parent, affiliate, or subsidiary organization that is involved in the transaction such that SOGON is or appears to be unable to be impartial in conducting a procurement action involving the related organization.

## SOGON Purchasers shall not solicit or accept gifts, money, gratuities, favours, or anything of monetary value, except unsolicited items or services of nominal value from vendors, prospective vendors, parties to subcontracts, or any other person or entity that receives or may receive, compensation for providing goods or performing services for SOGON.

## All SOGON Purchasers shall review and comply with SOGON’s procedures for disclosing, reviewing and addressing actual and potential conflicts of interest.

## **Procurement Requirements and Considerations**

1. **Competition**. All procurements shall be conducted in a manner that provides, to the maximum extent practical, full and open competition. Procurements shall:
2. Avoid noncompetitive practices that may restrict or eliminate competition, including but not limited to:
   1. Unreasonable qualification requirements.
   2. Unnecessary experience and excessive bonding requirements.
   3. Noncompetitive pricing practices between firms or affiliated companies.
   4. Noncompetitive contracts to consultants on retainer contracts.
   5. Organizational conflicts of interest.
   6. Specifying “brand name” only instead of allowing “an equal to” product.
   7. Arbitrary actions.
3. Not intentionally split a single purchase into two or more separate purchases to avoid currency thresholds that require more formal procurement methods.
4. Exclude contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for a proposal from competing for such procurement.
5. Include in any prequalified list an adequate number of current, qualified vendors, firms, or products.
6. Not preclude potential bidders from qualifying during the solicitation period.
7. Not use any geographic preferences (state, local or tribal) in the evaluation of bids or proposals, except where expressly mandated or encouraged by applicable State or Federal statutes.
8. **Profit**. For sole source procurements or when cost analysis is used, profit must be negotiated as a separate element of the procurement price.
9. To establish a fair and reasonable profit, consider the complexity of work performed, risk borne by the contractor, contractor’s investment, amount of subcontracting, quality of contractor’s record and past performance, and industry profit rates in the surrounding geographical area for similar work.
10. SOGON may not use either the cost plus a percentage of cost, or the percentage of construction cost methods of contracting.
11. **Minority Owned, Women Owned, and Small Business Vendors**. SOGON is committed to taking all necessary affirmative steps to ensure that minority businesses, women’s business enterprises and labour surplus areas (an area with a civilian average annual unemployment rate during the previous two calendar years of 20 per cent or more above the national average over the same period) firms (“MWSB Vendors”) are used whenever possible. Such steps include:
    1. Placing qualified MWSB Vendors on solicitation lists.
    2. Soliciting MWSB Vendors whenever they are potential sources.
    3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by MWSB Vendors.
    4. Establishing delivery schedules, where requirement permits, which encourage participation by MWSB Vendors, and
    5. Requiring the prime contractor, if subcontracts are used, to take affirmative steps listed in paragraphs (i) through (iv) of this section.
12. **Solicitations**. All solicitations shall incorporate a clear and accurate description of the technical requirements for products or services to be procured. Descriptions:
    1. Must not contain features which unduly restrict competition.
    2. May include a statement of the qualitative nature of the material, product, or service to be procured.
    3. When necessary, must set forth minimum essential characteristics and standards necessary to satisfy its intended use.
    4. Must avoid detailed product specifications if at all possible.
    5. May use a “brand name or equivalent” description to define performance or other salient requirements when impractical or uneconomical to make a clear and accurate description of technical requirements. Specific named brand features required to be met must be clearly stated.
    6. Must identify all requirements that offerors must fulfill and all other factors to be used in evaluating bids and proposals.
13. **Considerations**. SOGON Purchasers should consider taking the following actions when procuring goods and services:
    1. Conduct a lease vs. purchase analysis, when appropriate, including for property and large equipment.
    2. Consolidate or break out procurements to obtain a more economical purchase, if possible.
    3. Use state and local intergovernmental or inter-entity agreements, or common or shared goods and services, where appropriate.
    4. Use value engineering clauses to offer reasonable opportunities for cost reductions in construction contracts for projects of sufficient size.
    5. Use time and materials contracts only if no other contract is suitable and the contract includes a ceiling price that the contractor exceeds at their own risk. If such a contract is negotiated and awarded, SOGON must assert a high degree of oversight to obtain reasonable assurance that contractor using efficient methods and effective cost controls.

## **Procurement Methods**

1. **All procurements**. All procurements made under this policy shall:
   1. Be necessary, at a reasonable cost, documented, not prohibited by law or the applicable funding source, and made under this Policy.
   2. Avoid acquiring unnecessary or duplicative items.
   3. Engage responsible vendors who possess the ability to perform successfully under the terms and conditions of a proposed procurement. SOGON Purchasers shall consider vendor integrity, public policy compliance, past performance records and financial and technical resources.
2. **Standard Methods**. For transactions meeting the specifications set forth in Appendices 1 and 2, SOGON Purchasers shall follow the applicable procurement method set forth therein.
3. **Exceptions to Standard Methods**. Procurement by solicitation of a proposal from a single source may only be used if one of the following applies and is documented:
   1. Item is only available from a single source.
   2. Public exigency or emergency will not permit any delay.
   3. Funder expressly authorizes in response to a SOGON request, or
   4. After soliciting several sources, competition is determined inadequate.

## **Documentation**

1. **Debarment**. SOGON shall either:
   1. Confirm and document that the vendor is not banned from doing business before entering into a contract; or
   2. Obtain a signed Debarment Certificate substantially in the form of Appendix 3
2. **Records**. SOGON shall maintain records sufficient to detail the history of each procurement transaction. These records must include, but are not limited to:
   1. A description and supporting documentation showing the rationale for the procurement method (e.g., cost estimates).
   2. Selection of contract type.
   3. Written price or rate quotations (such as catalogue price, online price, email, or written quote), if applicable.
   4. Copies of advertisements, requests for proposals, bid sheets or bid proposal packets.
   5. Reasons for vendor selection or rejection, including Finance Committee and Board minutes, rejection letters and award letters, and
   6. The basis for the contract price.

**Compliance with this Policy**

The Secretary (Project Coordinator) and, where applicable, the Purchasing Department of SOGON, shall maintain oversight to ensure that contractors and vendors perform in accordance with the terms, conditions, and specifications of contracts or purchase orders. Violations of this policy may result in disciplinary action, up to and including termination of employment.

### **Review and Approval**

* SOGON can modify, amend, replace, revise and/or add any of the provisions of this Policy in such manner and to such extent, as may be deemed fit subject to the approval of the Executive Council and Board of Trustees.
* The Policy is approved by the Board of Trustees of SOGON on Wednesday 19th July 2023

Signature:



**Dr Kehinde Okunade**

**Secretary, SOGON Lagos Sector**

**Appendix 1**

**Standard Methods of Procurement**

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| --- | --- | --- |
| **Type** | **Threshold** | **Method** |
| Micro-purchase | <₦5,000,000 | * Price must be reasonable * Periodically distribute purchases equitably among qualified vendors |
| Small Purchase | ₦5,000,000 to ₦50,000,000 | * Obtain written price or rate quotations from at least two qualified vendors * Example documentation: catalogue price, online price, email or written quote |
| Sealed Bids | >₦50,000,000 | **Pre-Solicitation**   * Conduct cost or price analysis   **Solicitation**   * Publicly advertise invitations for bids * Include specifications or information sufficient for bidders to respond * Provide adequate time to respond * Solicit a sufficient number of bids   **Bid Review/Selection**   * Open bids at the time and place outlined in the invite * Award to the lowest responsive and responsible bidder * May reject bids for sound, documented reason * Award written, fixed price contract |
| Competitive  Proposals | >₦50,000,000 | **Pre-Solicitation**   * Conduct cost or price analysis   **Solicitation**   * Publicly advertise requests for proposals * Identifies all evaluation factors and their relative importance * Solicit bids from at least two vendors   **Proposal Review/Selection**   * Consider all proposals to the maximum extent practical * Use written method to conduct technical evaluations of the proposals * Award contract to bidder with most advantageous proposal, considering price and other factors * Award fixed price or cost-reimbursement contract |

**Appendix 2**

**SOGON Procurement Procedures**

1. **Frequency of Procurement**
   1. A Procurement Period is the period after the initial procurement procedure, i.e., a quote or request for proposals, and before SOGON must conduct a new procurement process.
   2. Unless otherwise stated, Procurement Periods can vary in length.
      1. Factors to consider when setting a Procurement Period: length of funding source contract, complexity of funding source requirements, type of service to be provided, and customization needed.
   3. Generally, SOGON should conduct a procurement for most goods and services every three to five years. However, the frequency at which SOGON conducts procurement processes should be reasonable and should take into account funding source requirements as well as the nature of the goods and services procured. Unless otherwise specified, the default is for SOGON to conduct a procurement every five years.
2. **New Contract/Purchase Order**
   1. SOGON Purchaser determines the applicable and appropriate procurement method.
      1. If micro-purchase or small purchase methods are appropriate, conduct procurement as outlined in this Policy and retain appropriate documentation of quotes and vendor selection, etc. If prior approval is required for the purchase, refer to step 2.
      2. If sealed or competitive bid methods are required, complete steps 2 through 5.
   2. If funding source approval is required, work with the Project Coordinator to obtain such. Depending on the procurement method used, the SOGON Purchaser completes the Bid Form and submits it to the Project Coordinator as part of the approval process.
   3. Designated Staff, e.g., SOGON Purchaser or Programme Officer, in consultation with the Purchasing Department, formalizes the bid packet and submits it to the local newspapers, SOGON websites, etc.
   4. Depending on thresholds set for the Executive Council approval, the Project Coordinator either makes the procurement decision or presents all bid responses to the Executive Council.
   5. If the Executive Council is involved, the bid award is reviewed and voted on by the Council and noted in the Executive Council minutes.
3. **Extension/Renewal of Existing Contract/Purchase Order**
   1. For procurements >₦50,000,000, if the Procurement Period has not expired, SOGON Purchaser may amend or renew an existing contract/purchase order to extend its term for the remainder of the Procurement Period if any price adjustment is deemed reasonable pursuant to a cost analysis, and all other terms remain the same. For example, if the competitive procurement covered 5 years and the initial contract/purchase order was for two years, SOGON Purchaser may extend the term of the initial contract/purchase order for up to three years so long as the price is deemed reasonable pursuant to a cost analysis and all other terms remain the same.
   2. For procurements ≤₦50,000,000, if the Procurement Period has not expired, SOGON Purchaser may amend or renew an existing contract/purchase order to extend its term for the remainder of the Procurement Period if any price adjustment is deemed reasonable and all other terms remainder the same.

**Appendix 3**

**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion**

**Lower Tier Covered Transactions**

1. By signing and submitting this contract or proposal, the prospective lower-tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of the fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower-tier participant knowingly rendered an erroneous certification, in addition to other remedies available to it, SOGON may pursue available remedies, including suspension and/or debarment.
3. The prospective lower-tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower-tier participant learns that its certification was erroneous when submitted or had become erroneous because of changed circumstances.
4. The prospective lower-tier participant agrees by signing and submitting this contract or proposal that should the proposed covered transaction be entered into, it shall not knowingly enter into any lower-tier covered transaction with a person who is proposed for debarment, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
5. The prospective lower-tier participant further agrees by submitting this proposal that it will include this clause titled ``Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transaction,'' without modification, in all lower tier covered transactions and all solicitations for lower-tier covered transactions.
6. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower-tier covered transaction that it is not proposed for debarment, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous.
7. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant are not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
8. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower-tier covered transaction with a person who is proposed for debarment, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, SOGON may pursue available remedies, including suspension and/or debarment.

**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion**

**Lower Tier Covered Transactions**

1. The prospective lower-tier participant certifies, by signing and/or submission of this proposal or contract, that neither it nor any of its principal officers is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any State or Federal government agency.
2. Where the prospective lower-tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

**Name of Vendor, Contractor, or Subgrantee: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Name of Authorized Signatory: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**