

Procurement in the Public Service :-

Responsibilities of an Accounting Officer

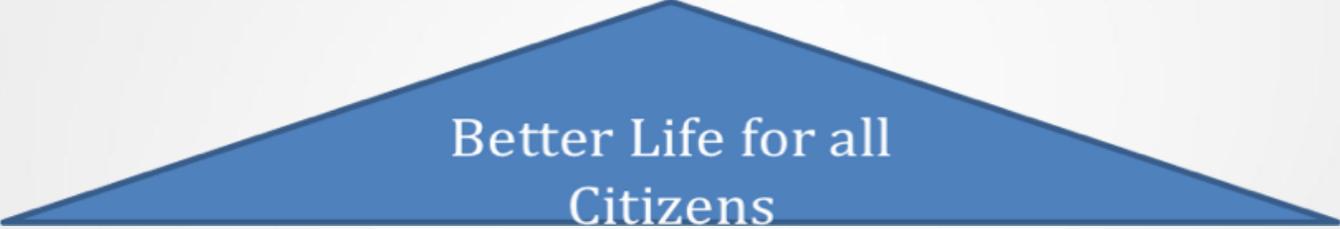
Objectives

The objective of this presentation is to enhance participants knowledge on;

- Reasons for procurement
- Basic terms and meaning of “procurement”;
- Process of procurement in the Public Service;
- Stages involved in the procurement process
- Responsibilities of accounting officers
- Offences and Penalties

Better Life for all
Citizens

Strategic Framework

Vision	 <p>Better Life for all Citizens</p>			
Pillars	<u><i>Social Development</i></u> Education Health Water & Sanitation	<u><i>Economic Growth</i></u> Agriculture Commerce & Industry Solid Minerals	<u><i>Infrastructure Development</i></u> Roads Electricity Housing	<u><i>Economic Empowerment</i></u> Women and Youth Development Poverty Eradication
Foundation	Strong institutions, peace & security, fiscal discipline, accountability on results and effective monitoring and evaluation systems			

Vision

“A just and prosperous state committed to improvement in the well-being of its people”



“To mobilize and channel the state’s human and material resources guided by the principles of democratic governance to improve the social and economic well-being of its citizens”.

Mission

Objectives
Targets
Strategies





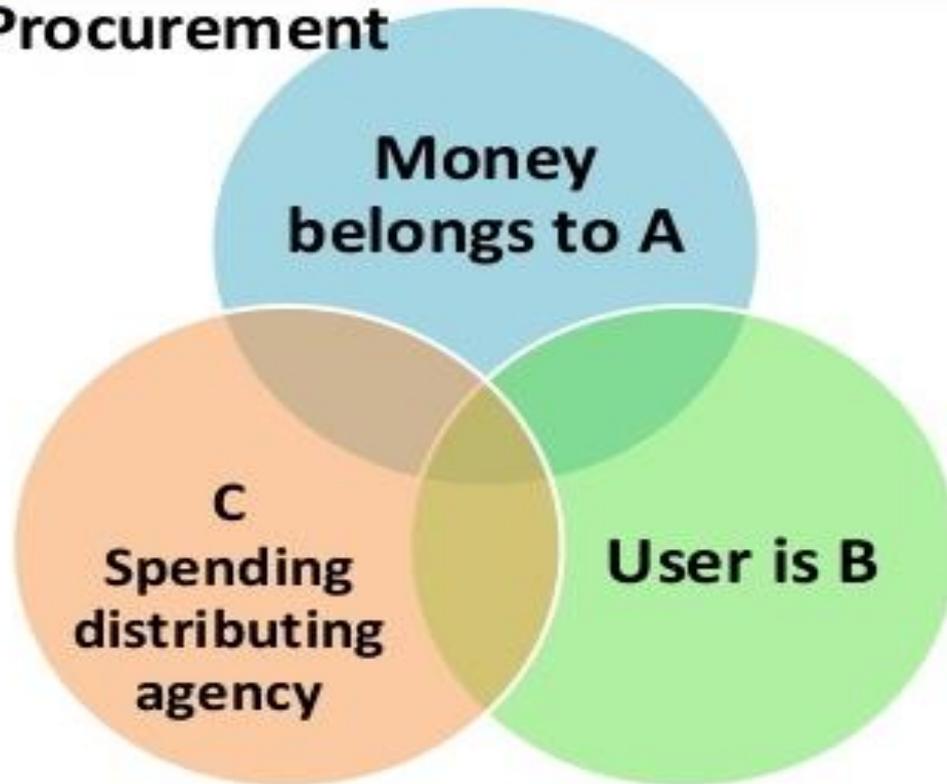
What is Public Procurement?



It is defined as the process of acquisition or engaging third party providers by public entities in the course of budget implementation when government procures works, goods and services for its citizens.

Procurement is defined as the acquisition of goods, works and/or services at the BEST POSSIBLE TOTAL COST in the Right QUANTITY and QUALITY at the RIGHT TIME, in the RIGHT PLACE for the direct BENEFIT or use of Government, Corporation or individuals, generally via a contract.

Public Procurement



Therefore, this must be managed/controlled by some common (public) rules. This way of doing procurement is public procurement.

"Public procurement is the buying of goods and services on behalf of a public authority, such as a government agency. Governments spend public monies to secure inputs and resources to achieve their objectives and by doing so, create significant impact on key stakeholders and wider society."

Procurement categories

- a. Goods: are physical products purchased or manufactured on request e.g office supplies and equipment, furniture, vehicles, books, medical supplies etc
- b. Works: are related to civil works which includes constructions of structures of all kinds, renovations, extensions and repairs. It also include water and sanitation, transportation and electrical plant infrastructure

- c. Services: are classified into consulting and non consulting.
 - i. Consulting services are usually intellectual in nature and are therefore considered as technical services eg feasibility studies, project management, engineering services, finance and accounting services, training and development services etc.
 - ii. Non consulting services usually involves the use of equipment to achieve their objective eg equipment maintenance and repairs, operation and maintenance services, utility management, installations, surveys and field investigations etc

Essentials of a Public Procurement system

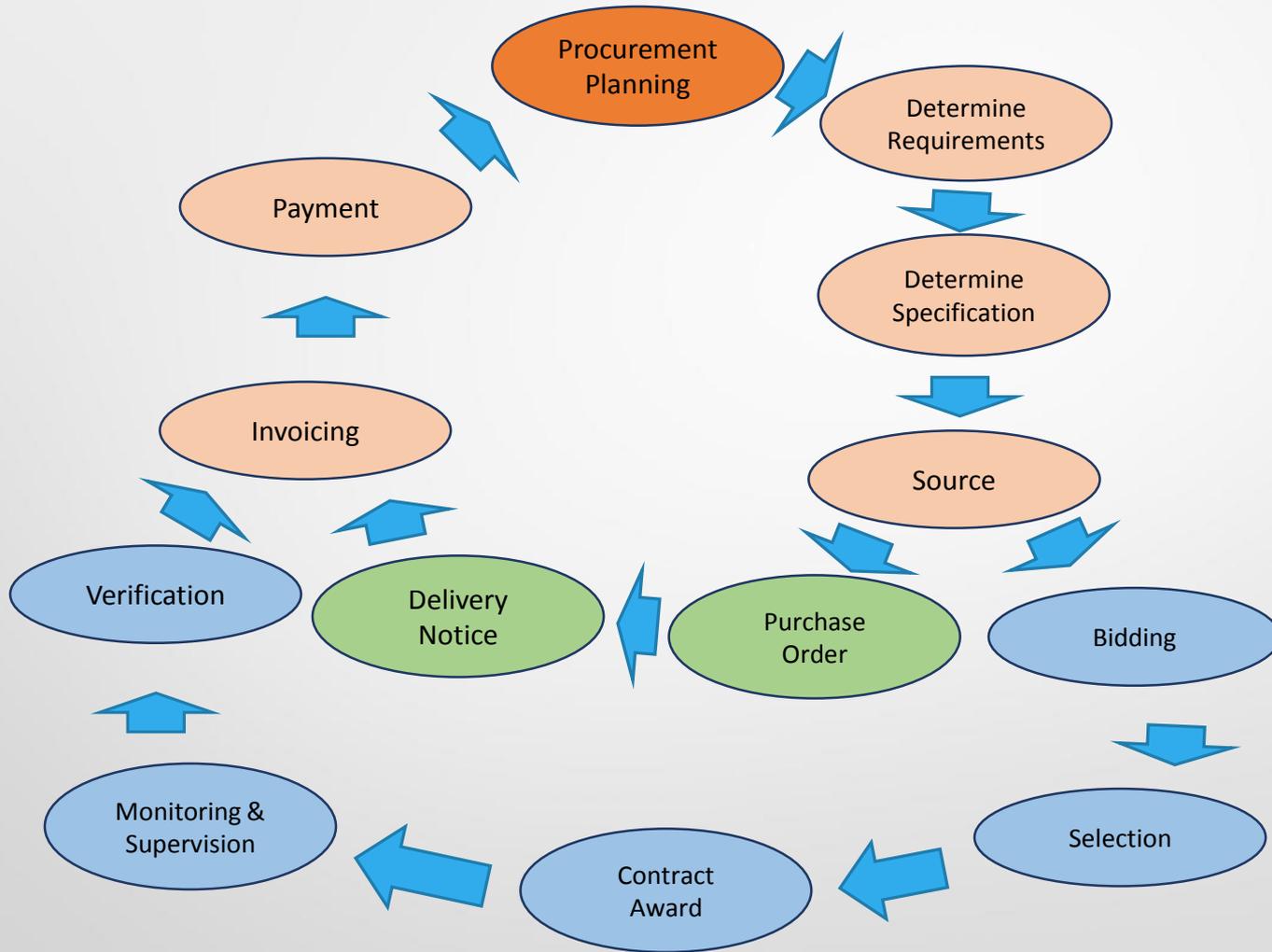
- A good public procurement system must be robust, efficient, and effective. It should inspire confidence of all stakeholders so as to be responsive to citizenry.
- The system should therefore have the following attributes:
 - ✓ value for money
 - ✓ fairness
 - ✓ transparency
 - ✓ accountability and ethical standards



Procurement process

- Identification of requirement
- Authorization of purchase request
- Approval of purchase request

Procurement/Purchase Cycle



Procurement Planning

- Establish Procurement Planning Committee

Each MDA must have a PPC to undertake procurement responsibilities.

Procurement Planning Committee (PPC)

- Membership

- Accounting Officer or his representative to chair the Committee
- Procurement Unit – to serve as Secretary
- Unit directly in requirement of procurement
- Financial Unit of the MDA
- PRS Department of MDA
- Technical personnel of MDA with expertise in the subject matter for each particular procurement.
- Legal Unit of the procuring entity



Responsibilities Of Accounting Officers

Who is an accounting officer ?

- Permanent Secretaries for the Ministries;
- Directors-General/ Chief Executive Officer for Corporations/Commissions/ Parastatals
- Chairmen of Local Government Council

Responsibilities of Accounting Officers

- Constituting the Procurement Committee;
- Ensuring that adequate appropriation is provided specifically for the procurement in the Budget.
- Integrating his entity's procurement expenditure into its yearly budget
- Ensuring that no reduction of value or splitting of procurements is carried out such as to evade the use of the appropriate procurement method.
- Constituting the Evaluation Committee
- Liaising with the Bureau (BPP) to ensure implementation of its regulation

Responsibilities of Accounting Officers (Cont'd)

- Ensuring that the department is adequately staffed with people with technical and Procurement expertise in relation to the mandate of the entity.
- Ensuring that Procurement department is allowed free hand to operate without undue directives that might affect the integrity of the procurement process.
- Shall not influence in which ever manner the outcome of the evaluation process
- Initiate disciplinary action against any person who violates the provisions of the Act.
- Encourage all staff to disregard any directive that is not in consonance with the Regulations of the Act.

Responsibilities of Accounting Officers (Cont'd)

- Charged with line supervision of the conduct of all procurement process.
- Have overall responsibility for planning of procurement, organization of tenders, evaluation of tenders and execution of all procurements and *in particular* shall be responsible for:

Responsibilities Of Accounting Officers

- Responsible and accountable for any action taken or omitted to be taken either in compliance with or in contravention of the Public Procurement Act.
- Ensuring that the provisions of the Act and the approved Procurement regulations are complied with, and concurrent approval by any Tenders Board shall not absolve him from any thing done in contravention of the Act or Regulations.

Responsibilities of Accounting Officers (Cont'd)

- Ensuring compliance with the provision of the Acts by his entity and liable in person for the breach or contravention of the Act or any regulation whether or not the act of omission was carried out by him personally or any of his subordinates and it shall not be material that he had delegated any function, duty or power to any group of persons.

Procurement Audit

The purpose and objectives of the audit are:-

- Verification of procurement and contracting processes followed;
- Verification of technical and physical compliance and price competitiveness of contracts; and
- Review of contract administration and management.

Payment to Contractors

- No funds shall be disbursed from the Treasury or Federation Account or any bank of any Procuring Entity for any procurement unless the cheques, payments or other form of request for payment is accompanied by a certificate of “No Objection” to an award of contract duly issued by the Bureau.

Offences

- Bid Rigging
- Collusion
- Splitting of contracts
- Using fake documents

Penalty for Violators

Sanctions

- Debar any Supplier or Contractor for a term – as may be specified in the regulations.

May recommend to Council:

- ✓ Suspension of officers concerned.
- ✓ Replacement of Head of Procurement.
- ✓ Discipline the Accounting Officer
- ✓ Temporary transfer of procuring function of the entity to a Third Party .
- ✓ Nullification of the whole or any part of the procurement process.

Penalty for Violators (Cont'd)

➤ **Contractors, Suppliers, Vendors**

- Jail term of 2 - 5 Calendar years but not more than 10 years with option of fine.

➤ **For officers of the Bureau, MDAs**

- Not less than 2 Calendar years but not more than 10 years with option of fine.
- Summary Dismissal from Government Service

Penalty for Violators (Cont'd)

➤ For Corporate Bodies

Debarment from all public procurement for a period of not less than 2 Calendar years; plus fine equivalent to 25% of the value of the procurement.

➤ Directors of the company as listed in CAC shall be liable to a jail term of not less than 1 Calendar years but not exceeding 2 years with option of fine.

Conclusion;

- ❖ Buying better is vital without a doubt, but if you want to double (or more) your procurement gains, You are going to want to spend better.
- ❖ From the above presentation, it can be stressed that indeed procurement is a veritable tool that can be used for the attainment of fiscal discipline: transparency, accountability and prudence in the management of public resources.

Thank you and please be
FISCAL RESPONSIBLE

