

Financial Administration and Audit

Cap. 5.

**FINANCIAL ADMINISTRATION AND AUDIT
(DRUG SERVICE) RULES, 1980**

1980/68.
1981/133.

Authority: These Rules were made on 3rd April, 1980 by the Cabinet under section 39 of the *Financial Administration and Audit Act*.

Commencement: 8th May, 1980.

1. These Rules may be cited as the *Financial Administration and Audit (Drug Service) Rules, 1980*.

2. For the purposes of these Rules

"Committee" means the Drug Tenders Committee referred to in rule 25 and "Chairman of the Committee" has a corresponding meaning;

"Director of the Drug Service" means the person for the time being performing the functions of the Director of that Service;

"drug" has the meaning assigned to it in regulation 2 of the *Health Service (Control of Drugs) Regulations, 1970*; 1970/212.

"Drug Service Office" means the office at which the administrative work connected with the Drug Service is carded on;

"Drug Service Purchase Order" or "Order" means the Drug Service Purchase Order referred to in rule 6 and "Drug Service Purchase Order Book" has a corresponding meaning;

"medical practitioner" has the meaning assigned to it by section 2 of the *Medical Registration Act*; Cap. 371.

"pharmacy" means any pharmacy, dispensary, drugstore, drug department, institution or other private or government premises where the dispensing of prescribed drugs to consumers is carried out;

"Register of Contracts" means the Register of Contracts referred to in rule 24;

"related item" includes any chemical, material, apparatus, container or other item for use in connection with the presenting, dispensing, conveyance or administration of a drug and unless the context otherwise requires extends to "drug".

Preliminary

3. These Rules apply to the procurement, control and disposal of drugs by the Drug Service that operates in Barbados under the supervision of the accounting officer of the Ministry responsible for Health.

4. (1) The Accounting Officer is the principal agent of the Government in connection with matters relating to the procurement or purchasing of drugs.

(2) The Director of the Drug Service shall manage and direct the affairs of the Drug Service, oversee the storing and distribution of drugs and ensure that, as far as is practicable, adequate stock is available at a reasonable cost when required by the Drug Service.

5. No drugs shall be ordered, purchased or otherwise procured on behalf of the Government except in accordance with these Rules.

Drug Service Purchase Orders

6. All orders for the purchase of drugs and related items must be made in writing on a form, to be known as a Drug Service Purchase Order, approved by the Accounting Officer.

7. Drug Service Purchase Orders must be bound in books containing 100 or 50 forms and the following requirements apply in respect of Drug Service Purchase Orders

- (a) a Drug Service Purchase Order must be printed in quadruplicate; the pages of the Order bearing respectively the words, "original", "duplicate", "triplicate" and "quadruplicate";

- (b) in making an order for drugs or related items,
 - (i) the original and the duplicate must be detached and forwarded to the supplier;
 - (ii) the triplicate must be detached and forwarded to the Director of the Drug Service, and
 - (iii) the quadruplicate must be left in the book;
- (c) in supplying the drugs or related items, the supplier must return the original together with the bill claiming the amount of money due to him.

8. All claims against public funds for supply of drugs and related items must be dealt with in accordance with Part VII of the *Financial Administration and Audit (Financial) Rules, 1971* and subject to rule 9, the Drug Service Purchase Order must be attached to the payment voucher which must be supported by the bill received from the supplier. 1971/46.

9. Where the original Drug Service Purchase Order has not been returned by the supplier or cannot be traced

- (a) a new Drug Service Purchase Order must be made out in the same manner as the first;
- (b) a note indicating the number of the new Order must be endorsed on the quadruplicate copy of the first Order;
- (c) the original, duplicate, triplicate and quadruplicate copies of the new Order must be endorsed to indicate that the new Order is issued in place of the first Order; and
- (d) if the drugs and related items have already been supplied, the note referred to in paragraph (b) must contain a statement to that effect.

10. (1) The use of Drug Service Purchase Orders is not restricted to purchases being made in Barbados but may, with the approval of the Accounting Officer, be used in connection with purchases being made from foreign suppliers.

- (ii) deliver the books required and return the duplicate; and
- (c) on receipt of the books from the Government Printer, the officer receiving them must check the amount received against serial numbers on the duplicate and forward the duplicate to the Auditor General.

14. Where, after a check has been made, it is observed that there is an error, either in the numbering of the forms in the books or in the quantity of books supplied, the error must be reported to the Government Printer without delay with a view to having it corrected.

15. The following requirements apply in respect of the keeping of the main stock of Drug Service Purchase Order Books

- (a) the main stock of Drug Service Purchase Order Books must be kept by the Accounting Officer or by a person authorised by him to keep those Books;
- (b) a register must be kept for the purpose of recording details of receipt of Drug Service Purchase Order Books from the Government Printer and the issue of those books for use in the ordering of drugs and related items; and
- (c) if a register of receipt books is being maintained, that register may also be used as a register of the receipt and issue of Drug Service Purchase Order Books, if it is convenient to do so.

16. The following requirements apply in respect of the issue of Drug Service Purchase Order Books out of the main stock

- (a) Drug Service Purchase Order Books must be issued in consecutive order;
- (b) officers to whom the Drug Service Purchase Order Books are issued must examine them to ascertain whether the original, duplicate, triplicate and quadruplicate copies of the order forms are in numerical sequence; and

(2) All quotations by tenderers must be made in writing addressed to the Chairman of the Committee and where a tender is accepted by the Accounting Officer, the Accounting Officer shall, before awarding the contract to the successful tenderer, have a written agreement drawn up between the Government and that tenderer and approved by the Solicitor General or a Legal Officer of the Crown nominated by the Solicitor General.

(3) An Agreement under this rule must contain sufficient safeguards for its satisfactory completion and the Accounting Officer must satisfy himself that the method being adopted is the most satisfactory method of obtaining the drugs and related items.

23. Drugs and related items, the cost of which is not likely to exceed \$5 000, may be purchased without tenders being invited and without the formality of a written agreement; but the Accounting Officer must satisfy himself that the price being paid is the most reasonable price having regard to the circumstances.

24. (1) The Accounting Officer must keep a Register of Contracts in which all contracts referred to in rule 21 are registered.

(2) Every contract must, upon being recorded in the Register of Contracts, be given an identifying number or mark; and that identifying number or mark must be quoted on every payment document connected with the contract and there must be attached to each payment document a certificate given by the Accounting Officer to the effect that the payment is being made in accordance with the terms of the contract.

25. For the purpose of considering tenders under rule 22, there must be a committee known as the Drug Tenders Committee comprising

- (a) the Director of the Drug Service;
- (b) the Assistant Director of the Drug Service charged with responsibility for Supply and Inventory;

- (i) the time and date of the availability, and
- (ii) the date by which tenders must be submitted; and
- (b) must be published not less than 7 days in advance of the date fixed for the issue of the document of tender.
- (3) A notice shall not be published under this rule except on the authority of the Chairman of the Committee.

30. (1) Every document or letter of invitation to tender

- (a) must contain a statement that the tender is to be submitted in a sealed envelope or package identifying it by words such as: "Tender for drugs (or related items) under the Drug Service";
- (b) must contain a statement that the envelope or package containing the tender must be addressed to the Chairman of the Committee to reach him by the time and date specified in the tender document or letter, as the case may be;
- (c) must contain
 - (i) a clear description of the drugs or related items required;
 - (ii) information as to the time, if any, within which they are required; and
 - (iii) a statement as to how additional information relating to them can be obtained;
- (d) must contain information as to the form or manner in which a tender is to be made;
- (e) must contain a statement that the *Labour Clauses (Public Contracts) Act*, in so far as it is applicable to a contract made in respect of a tender, applies; Cap. 349.
- (f) must indicate the place where the tender is to be submitted; and
- (g) must contain a statement that a tender may not be considered unless it is in compliance with the conditions set out in the document or letter of invitation.

- (e) during the period covered by the contract he lowered the price from that on which the contract was granted unequally to pharmacies;
- (f) subsequent to his offer being accepted
 - (i) he failed to supply the drugs or related items, or
 - (ii) he failed to perform or, as the case may be, to abide by the terms, conditions or intent of the contract.

33. The Chairman of the Committee shall set apart a secure place at the Drug Service Office where all tenders are to be stored for the examination by the Committee.

34. The Chairman of the Committee shall appoint a day on which the tenders are to be opened and on that day the Director of the Drug Service, or in his absence the Assistant Director, Supply and Inventory together with one other member of the Committee shall

- (a) open the applications;
- (b) initial and record them in a manner agreed by the Committee for review by the Committee; and
- (c) make a written note of
 - (i) the number of tenders received, and
 - (ii) any additional information as the Committee requires.

35. The Chairman of the Committee shall, after the opening of the tenders, fix a date for their consideration by the Committee, which may, in considering any tender, invite the tenderer to attend for interview.

36. Nothing in these Rules prevents the Committee from seeking any information or advice that it thinks necessary on any aspect of a tender.

42. The Director of the Drug Service shall submit to the Minister of Health through the Accounting Officer within 3 months after the end of each financial year a report on the performance of the Drug Service in respect of that year and the report must include any information that the Director of Finance and Planning requires.

43. (1) Where these Rules are silent in relation to any matter affecting the operation of the Drug Service the *Financial Administration and Audit (Financial) Rules, 1971* ^{1971/46.} or the *Financial Administration and Audit (Supplies) Rules, 1971* ^{1971/47.}, as the case may be, apply *mutatis mutandis* for the purpose of giving the necessary effect thereto.

(2) The provisions of Part XI of the *Financial Administration and Audit (Financial) Rules, 1971* ^{1971/46.} relating to inventories and stores apply in respect of the administration of these Rules.