

Policy Title: INSTITUTE OF TECHNOLOGY, SLIGO, PROCUREMENT POLICY

Policy Number: FIN 006/02 Revision No: 2

Quality Assurance Area Code:

Date Approved: 24 Feb 2017	Date Policy to take effect: 01- Mar- 2017	Date Policy to be reviewed: Nov 2019
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Approved by:	Elizabeth McCabe Secretary Financial controller	
Approving Authority:	Governing body 24 February 2017	
Head of Function responsible:	Elizabeth McCabe Vice President Finance& Corporate Services	
Reference Documents:	ITSLIGO Corporate Procurement Plan IT Sligo Procurement Procedures	

Revision History

Revision No	Description of Change	Issue Date	Status
0	New Policy	23/09/2013	Approved by Exec Committee
1	Periodic Review following Procurement Plan review plus ETax	24/02/2017	Approved by Governing Body
2	Annual Review by VPFCS/Fin Manager		Agreed no change

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1. PURPOSE

The Institute purchases in the region of €10 to €15M worth of goods and services each year (both capital and running cost), representing about 25-35% of total Institute expenditure. The expenditure extends across a diverse range of goods and services that include highly complex scientific and engineering equipment, information technology, building works and travel as well as low value items such as stationery and cleaning materials.

‘Procurement’ is the term used to describe the function which supports purchasers in each school or functional office and which examines overall expenditure on services and supplies, to ensure that value for money is being obtained throughout the Institute. Purchasing remains the direct responsibility of each school and functional office. Coordinated purchasing will occur where there is a cost saving or advantage to the Institute.

The Institute’s Procurement Policy is that optimum value for money must be achieved when resources administered by the Institute are used to procure required goods and services. The procedure followed in reaching this goal must be in accordance with best professional procurement practices and ethical codes of conduct.

2. SCOPE

This policy covers all non-pay expenditure under the management of the Institute.

It acknowledges the organisational structure of the Institute whereby management responsibility is devolved to members of the Executive and Management Group and budget holders.

It is essential that all employees who are responsible for spending Institute, Central Government and/or EU funds are familiar with the Procurement policy and procedures in operation within the Institute for the acquisition of services and supplies.

3. POLICY DESCRIPTION

In order to achieve value for money for every Euro spent it is essential that policies and procedures are established which will satisfy legal and ethical requirements without imposing too heavy an administrative burden on those making the purchases.

All purchases of supplies and services are governed by the following basic principles:

- They must be carried out with the aim of achieving efficiency, effectiveness and best value for money in terms of overall life cycle costs.
- They must be customer focused.
- The Institute will have a preference for dealing with suppliers of quality goods and services.
- The Institute will operate in a fair, open, transparent and non-discriminatory manner in the market place.
- The Institute will comply with all relevant European and National legislation.
- The highest ethical standards will inform the behaviour of the Institute and its staff in all dealings.

The Institute procures goods and services in an environment which is highly regulated by National and EU procurement regulations. The Institute and its staff will comply with these regulations:

- Government Procurement guidelines on competitive tendering should always be used.
- In the case of all public sector contracts of a value of €10,000 (inclusive of VAT) or more within any 12-month period, the contractor (and agent as appropriate) will be required to produce evidence of tax compliance.
- The National Procurement Policy Framework apply, not only to formal written contracts, but also to all procurements and disposals.
- If a contract exceeds the current financial threshold in the EU Directives, the contract shall be open for competition across all EU Countries and shall be advertised in the supplement to the Official Journal of the EU (OJEU).

Further information is available on the National Procurement Service and Department of Finance websites:

<http://www.procurement.ie/>

<http://www.finance.gov.ie/>

<http://www.simap.europa.eu>

Ethical guidelines

1. It is the policy of the Institute to maintain its high reputation for ethical behaviour and fair dealing in the conduct of its business. In many cases decisions as to what is ethical or fair are clear and will be obvious to any reasonable person. In some situations, however, there may be circumstances where an element of doubt or ambiguity arises. To help in these circumstances and to protect and guide individual employees of the Institute, it is necessary to have a code of ethics. It is not possible to provide for every situation in the code of ethics. If there is doubt about the probity of any particular situation, the Finance Manager should be consulted about that situation by the individual concerned.

2. The guiding principles of the Code of Ethics can be summarised under six headings:
 - Declaration of interest
 - Confidentiality
 - Legality
 - Competition
 - Inducements
 - Hospitality

Declaration of Interest

Where an employee or a close relative of, or someone with close personal relationship with an employee acts as a supplier or holds significant interest in a business which trades or has potential to trade with the Institute, then the employee is required to declare all interest to the Institute. Declarations must be made in writing and copied to the Finance Manager.

Normally an employee will be precluded from any process of selecting a provider of service or supplies where a relative or someone with whom they have a close personal relationship is seeking to provide such a service or supplies to the Institute.

Approval from the Executive Committee is required before parties of the type identified begin to trade with the Institute.

Confidentiality

Prices and other terms of business with our suppliers are strictly confidential. Staff are given access to these on the clear understanding that confidentiality of information is fully respected.

Legality

In order to ensure that the Institute complies in its business dealings within the laws of Ireland, employees are required to:

- (a) Fulfil all regulatory and supervisory obligations imposed on the Institute.
- (b) Co-operate with relevant regulatory and supervisory bodies.

- (c) Avoid false, inaccurate or misleading entries to records.
- (d) Ensure that all relevant legislation is upheld.
- (e) Encourage effective and fair competition at all times.
- (f) Comply with all purchasing and tendering procedures and with levels of authority for sanctioning any relevant expenditure.
- (g) Avoid engaging in any illegal or criminal activities.

Inducements

No employee shall accept, directly or otherwise, any inducement in whatever form from current or potential suppliers or their agents. If as a consequence of actions taken, a member of staff gains a personal advantage (e.g. vouchers, free travel, gifts), whether it be through a supplier's promotional offer or any other source, then this advantage and the circumstances surrounding it must be declared as appropriate to the Department Head. The Finance Department will advise in cases of doubt.

Hospitality

Modest hospitality is an accepted courtesy of a business relationship. However, the recipient must not allow a position to develop where they might be influenced, or might be deemed by others to be compromised, into taking a business decision. The frequency and scale of hospitality accepted should not be significantly greater than that likely to be provided by the Institute on a reciprocal basis.

4. PROCUREMENT SUPPORT

The Finance office will:

1. Plan and develop the Procurement role and infrastructure.
2. Establish and maintain purchasing policy and procedures.
3. Establish control and reporting measures.
4. Monitor the controls exercised over purchasing activity.
5. Co-ordinate and participate in the training of staff engaged in purchasing activities.
6. Assist departments with sourcing and tendering activities.
7. Provide purchasing advice to departments on request.
8. Ensuring compliance with Institute, National and EU Procurement Directives, including placing of notices in the official journal and compilation and submission of statutory reports.
9. Work to consolidate and further develop purchasing relationships between other higher education institutions.
10. Maintain appropriate records of tenders for audit purposes.

Review

This procurement policy will be reviewed annually to take account of ongoing developments.