**Procedure Title: Procedures for Seeking Quotations and Tenders in the Context of Purchasing Supplies and Services**

**Procedure Number: FIN** 004/053/5 Revision No: 5

**Quality Assurance Area Code:**

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| **Date Approved:** | *Feb-2017* | **Date Procedure to take effect:** | *Mar-2017* | **Date of next review (standard 3 years):** | *Mar-2020* |
| **Written by:** | | **Name Helen McMorrow**  Position Finance Office Manager | | | |
| **Approved by:** | | **Name Elizabeth McCabe**  Position  **SFC** | | | |
| **Approving Authority:** | | **Executive** | | | |
| **Head of Function responsible:** | | **Elizabeth McCabe**  **Secretary Financial Controller** | | | |
| **Reference**  **Documents:** | | **ITSLIGO Procurement Plan, Policy and Internal Control Framework section 5.3.1 (Nov 16)**  **Code of Governance Institutes of Technology 2012**  **National Procurement Policy Framework 2005**  **Dep of Public expenditure & Reform – Procurement and Shared Services Function – Procurement Internal policy and procedures – version 1 – May 2014** | | | |

**Revision History**

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| **Revision No** | **Description of Change** | **Issue Date** | **Status** |
|  | New Procedure | Xx/xx/20xx | Approved by xx Committee |
| 001 | Authorising Limits | 15/01/2002 | Approved by Exec Committee |
| 002 | To include Tendering for Construction | Xx/09/2005 | Approved by Exec Committee |
| 003 | Review of Limits | 15/09/2008 | Approved by Exec Committee |
| 004 | Review of Limits | Xx/08/2011 | Approved by Exec Committee |
| 005 | Review Procurement Plan | 06/02/2017 | Approved by Exec/Internal Audit Committee |

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1. **Purpose**

To ensure that all purchases made by the Institution are done so in a proper controlled and systematic manner and that value for money criteria is applied

The purpose of the procedure is to ensure that all purchases made by the Institution are done so in a proper controlled and systematic manner and that value for money criteria is applied. This procedure is designed to follow the National Policies and Procedures as set out I the National Procurement Policy Framework and the Office of government procurement.

**Scope**

To cover purchases of materials and services. This procedure does not cover building contracts. To date procurement has been undertaken by individuals in each functional area. The relevant Senior Manager has the responsibility to ensure that procurement guidelines are followed. The Finance Manager will exercise oversight on procurement.

1. **Procedure Description**

Where the purchase from any single supplier is less than €5,000 (exclusive of carriage, VAT, etc.) no written quotations are required but the criteria of common sense and good value for money must prevail. (Oral quotations may of course be necessary to enable one to exercise the above criteria and to provide details of costs on the Purchase Order).

Where the purchase from any single supplier is between €5,000 and €25,000 three (3) written quotations are required. In sole supplier and certain other situations where it may not be possible to procure the requisite number of written quotes, the approval of the Secretary/Financial Controller is required, in advance, to sanction the purchase. Where sole supplier is given as the reason for not procuring the necessary number of quotes it may be necessary to go to public tender to confirm this fact.

Where the purchase from any single supplier is €25,000 or more per annum, then tendering on the e-tender website is required. The Head of function must give written prior approval before a tender is uploaded to the e-tender website together with estimate of cost of the tender. The practice at present is that tenders must be appropriately marked and addressed to the President in a sealed envelope and opened by him/her. He/she may at their discretion delegate the function in this matter to an appropriate Officer of the Institute.

In the case of Public Supply Contracts, EC regulations require that where the amount exceeds €214,000 advertising in the Official EC Journal is required. Tendering for construction work is performed in accordance with government procurement regulations and also in accordance with the procurement regulations of the EU including Capital Works Management Framework (CWMF) (for limits see the booklet Public Procurement Guidelines – Competitive Process, Appendix I).

### NOTES

1. Where a User Department purchases specific types of supplies or services on a regular or repeat basis throughout the year, then the total anticipated yearly purchase from a single supplier will be deemed to be equivalent to one purchase, the amount of which will determine which of the procedures above must be followed.
2. Normally the lowest quotation must be accepted, unless good grounds exist for the acceptance of a higher quotation. Such grounds must be explained in the detailed note tab of the Purchase Order on Agresso.
3. The required (number of) quotations must be sent to the Finance Dept.
4. Evidence must accompany the Order that quotations were sought where such invitation did not result in quotations being received.
5. Quotations must be ‘live’, i.e. the suppliers must still be prepared to act upon them.
6. It will be noted that purchased are measures for value purposes on a “per supplier” basis and not on a ‘per item’ basis of which several might appear on a single supplier’s invoice.
7. Where different Departments/Schools have common purchases, particularly

consumables, every effort must be made to purchase them centrally through the Office

of Government Procurement, OPG, so as to avail of better purchase terms.

Where the OGP has a framework in place for particular goods or services, the requistioner is obliged to purchase under that framework, except where it can be clearly shown that we can procure those goods\services cheaper ourselves.

1. Common sense and ‘value for money’ criteria must apply in every purchase transaction.
2. **Records Generated by this Procedure and their location**

Personnel approving purchase orders must ensure back-up documentation complies with the above procedure. Quotes for purchases under the €25,000 threshold per annum are held in the finance department while Tender documentation tend to be held within the individual departments. Soft copies of tender documentation and scoring sheets are held within the finance department.

1. **Measurement of the Effectiveness of this procedure**

Record number of orders printed within a specific period versus the number of orders that need to be sent to the Secretary Financial Controller for sanction.

|  |  |  |  |
| --- | --- | --- | --- |
| *KPI* | *Data to be gathered* | *Frequency* | *Responsibility of* |
| No of Orders Printed Vs orders needing sanction | Agresso Report  List of orders send to SFC for sanction | Monthly | C Burke |
|  |  |  |  |

1. **Feedback on the operation of this procedure**

Finance Manger to review the effectiveness of this procedure. This reporting will also indicate any proposed enhancements to make this procedure move effective.

**Appendix 3: Procedure Feedback Form**

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| --- | --- |
| **Procedure Number including Revision:** |  |
| **Procedure Title:** |  |
| **Feedback*.*** *Please give your feedback on the operation of this procedure. Include as many details as necessary and any potential changes you would recommend.* |  |

This is available electronically **here**.