

## **DITSU CLG Procurement and Contract Policy and Procedure**

### **Purpose:**

The purpose of this policy and procedure is to provide for a system of appropriate control of procurement of goods and services for DIT Students' Union CLG. The items covered include commitments and contracts, supply of services and capital items related to all aspects of DITSU's functions and activities. A commitment is taken as the total overall related value of any contract.

As a democratically student led organisation, it is important that the distribution of student funds is open and transparent in all its dealings which includes procurement and expenditure authorisation levels.

DITSU CLG's Procurement Policy commits DITSU and all those involved to ensure that the following principles are adhered to in the operation of this policy:

1. Transparency – keeping all documents and recording decisions in such a way to ensure that the process can be seen to be fair and transparent.
2. Equal treatment – all potential suppliers have the same opportunity to quote for the supply of goods and services.
3. Proportionality – contracts or specifications should not require information that is not pertinent to the delivery of the goods /service being purchased
4. Non-discrimination – awards of contracts should not be based on geography, previous contractual arrangements etc.
5. Legal – to uphold the laws of the land and the Companies Act 2014.
6. Accountable and Auditable – to maintain systems that will record, identify and justify the relevant transactions.
7. Risk Management – to identify and minimise potential risks to DITSU.

**Ethical concerns:**

Any concerns about the legal and/or ethical conduct of suppliers should be logged. Poor ethical practices often manifest themselves as minor but should always be noted so as to avoid wrongdoing in the future.

Only gifts of small value – pens, desk diaries and the like – may be accepted from actual or potential suppliers. Gifts of real worth should be reported, and returned to the supplier with a polite explanation of why the offer is unacceptable. Suppliers who persist in making such offers, should be made aware that DITSU will cease to deal with them.

Sometimes it is necessary to give and receive hospitality. However, any hospitality offered or accepted must be modest and proportional to the occasion.

**Conflict of interest:**

When dealing with suppliers, potential conflicts of interest can sometimes arise. For example, relatives may be employed by a supplier company, such potential conflict should be reported to the Chief Executive Officer as soon as they are identified. This will not necessarily prevent trading with that company.

Former employees could be potential suppliers with an inside knowledge of how DITSU operates. It is essential that the DITSU ensures fair competition among all suppliers.

Employees should avoid as far as possible dealing with DITSU suppliers in their private affairs, particularly if this is likely to put them under some obligation to that supplier.

**‘Whistleblowers’**

It is the policy of DITSU CLG to support, protect and where possible, preserve the anonymity of employees who report questionable activity, even if their fears prove to be unfounded. Early reporting is essential, so that legal advice can be sought to protect both the individual and DITSU.

### **Authorisation Level 1:**

- **Contracts valued at €10,000** or more in any one year must be agreed in advance at a meeting of the Board of Directors of the DIT Students' Union CLG.

For such contracts 3 written quotes will be sought from reputable suppliers based on a clear specification. The decision will be based on value for money to include an unbiased consideration of the following factors:

- Price
- Ability to deliver the required service or product and associated timescales
- Warranty and guarantees
- Experience / reputation / recommendations

All relevant information to be summarised for presentation to the Board of DITSU CLG Board who will make the final decision on such contracts.

### **Authorisation Level 2:**

- **Contracts valued between €2,000 and €10,000** in any one year must be agreed and authorised in advance in writing at the discretion of the President of the Students' Union and the CEO who will ensure that DITSU is getting value for money.
- For such contracts 3 quotes must be obtained from reputable suppliers. In the event of a dispute regarding approval, the matter shall be referred to the Chairperson of DITSU CLG for a final decision.

### **Authorisation Level 3:**

- **Contracts valued below €2,000** must be submitted in writing in advance by the relevant Sabbatical Officer and the Manager involved in that area of work for approval by the Deputy CEO of DITSU CLG who will ensure that DITSU is getting value for money.

### **Exceptional Purchases:**

- DITSU CLG may select a preferred supplier directly where the service required:
  - Is highly specialist and cannot identify potential alternative suppliers
  - Is highly commercially confidential and do not wish to release information about the need for such service
  - Extends or relies on knowledge from a relevant previous experience with one particular supplier.
  - In such cases, DITSU CLG will take reasonable steps to establish that the supplier's costs are acceptable e.g. by comparing cost from other similar businesses where this is practicable and record and retain that information in the form of a file note.

## **Additional Notes:**

- DITSU CLG reserves the right to extend once, a previously commissioned service for a period of up to 6 months, with a supplier, to carry out a related but distinct piece of work without the need to re-procure.
- Authorisation of any contract will only be provided where official procurement procedures have been followed and where there is satisfactory written evidence of such contract and its detail.
- It is the responsibility of the CEO and the Deputy CEO to ensure the availability of finance within existing budgets, to meet the proposed contractual expenditure.
- This policy will be reviewed within 12 months of its approval.

## **Procedure:**

1. Request from Manager and Sabbatical officer requesting supply of service(s) or purchase of goods outlining the cost involved.
2. Check DITSU CLG authorisation levels regarding approval mechanism
3. Purchase Orders (P.O.) will be issued centrally and numbered in sequence as prescribed.
4. Once the purchase is approved the Finance Manager will issue a Purchase Order for the goods/service copying the relevant Manager/Sabbatical in the email.
5. When the goods are delivered, the delivery docket is checked and signed by the employee receiving the goods to make sure it matches the Purchase Order. Any discrepancy in the delivery must be noted on the delivery docket and the supplier contacted immediately.
6. The signed delivery docket is forwarded to the Finance Manager as part of the back-up documentation for this transaction.
7. When the invoice is received, the details are checked against both the Purchase Order and the signed delivery docket. Once all is in order the supplier is then paid.
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## **Purchase Order Exemptions:**

1. Any items under the value of €2,000 are Purchase Order Exempt in which case an email confirming the order and price agreed will suffice from the relevant Manager.
2. From time to time, DITSU CLG may exempt other items from the PO process as appropriate.