Dublin City University
HEA Procurement Summit
A DCU Perspective
A DCU Perspective

- DCU Procurement Background
- Environmental Context
- Pathways to Market
- Challenges from a DCU Perspective
- Governance & Procurement
- Procurement Compliance
- OGP

Comptroller & Auditor General
DCU Procurement Background

- €50m Non Pay Spend
- Significant Growth
  - >17,000 students
  - Doubled in size in the last 5 years
- DCU Incorporation Project
- Research Intensive
- Diversified Funding Streams
- International Operations
- DCU Commercial Group of ten companies
- Distributed Procurement Model
Environmental Context

• Public Finances
• Funding environment
• Ensure optimum use of public funding
• Greater focus on procurement
  – Value for money
  – Compliance
• Greater publicity of non compliance
  – Media
  – Statement of Governance and Internal Control
  – Public Accounts Committee
DCU Pathways to Market

- OGP/EPS
- HEAnet
- Direct Tendering
- Mini Tender off existing DCU Framework
- Single source supply
- Quotations (<€25k)
• Potential for Conflicting Priorities
Potential for Conflicting Priorities

- Customer service
- Compliance
- Achieving value
- Delivering what is required
- Within the required timeline
- Important that staff see that they can get what they need by following procedure
- Objective is to get staff to see procurement as a service partner not an inhibitor
Challenges from a DCU Perspective

- Potential for Conflicting Priorities
- Planning
- DCU Incorporation
DCU Incorporation
- Three Institutions became part of DCU
- DCU Systems and Procedures
- 250 staff from three Institutions
- People Change Management Challenge
- Legacy contractual relationships
Challenges from a DCU Perspective

- Potential for Conflicting Priorities
- Planning
- DCU Incorporation
- Communication
- Distributed Procurement (147 buyers)
- Health and Safety Issues Timeline
- Amalgamation of Suppliers
- DCU Commercial Group
Challenges from a DCU Perspective

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- Research
Challenges from a DCU Perspective

• Research
  – Specific requirements can narrow the supplier base
  – Distributions to research consortium members can be viewed by auditors as payments for services
  – Forecasting of expenditure values may not be clear in a research programme
    • Level of lab testing may be dependent on the outcome of results and continuity of supply important
  – Research Programme commences on funding award – can reduce lead times for purchasing decisions
• Procurement Compliance taken very seriously
  – Several layers of Governance and Oversight
• Governing Authority
  – DCU Reputational Risk is a Key Focus
  – Statement of Governance and Internal Control
  – Approval of significant contracts
• Audit Committee
• Risk Committee
• Capital Projects Framework
DCU & Procurement Compliance

- Procurement Policies
- Training
- Communication
- Financial System (‘Agresso’) Checks
  - PO >€25k work flowed to procurement for release
  - Accumulated Spend Alerts
- Signing Authority Policy
DCU and the OGP

- University Collaborative Procurement
- OGP Starting from Zero
- Concerns
  - Capability of OGP
  - Timescale of ramp-up
  - Clarity on division of roles between DCU & OGP
  - Would only focus be price?
  - Loss of control over assessment
  - Would service be delivered on time?
  - Autonomy of University
Where are we now?

- OGP still building capacity
- Procurement Cycle
  - Strategy Development (OGP)
  - Sourcing (OGP/DCU)
  - Specification of Requirements (DCU)
  - Administration of Process (OGP/DCU)
  - Supplier Relationship Management (DCU)
- OGP Frameworks easy to use & self explanatory
- Additional financial savings achieved
- Having a framework in place is a significant time saving
- OGP/EPS experienced & easy to deal with
• Ongoing Challenges
  – Resources and timelines
    • Important to both DCU and OGP
  – Consistency between OGP and EPS
  – Alignment between OGP & C&AG requirements
  – Ensuring ongoing communication between OGP and DCU to ensure that frameworks put in place can meet DCU’s requirement
DCU and the C&AG

- C&AG Statutory Auditor
- Procurement Compliance is key focus
- C&AG sample sizes present a challenge in a distributed procurement environment
- New contract not in place on ending of previous contract means DCU would be non compliant
- Aggregation of spend
- Research compliance in funding agency audits may be deemed non compliant in C&AG audit
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Questions?