



HEA Procurement Review



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1. Executive summary





1.1 Background

In June 2016 Deloitte were appointed by the Higher Education Authority (HEA) to undertake a review of procurement throughout the sector.

The HEA *“leads the strategic development of the Irish higher education and research system with the objective of creating a coherent system of diverse institutions with distinct missions, which is responsive to the social, cultural and economic development of Ireland and its people and supports the achievement of national objectives”*.

The HEA has a statutory responsibility, at a central government level, for the effective governance and regulation of higher education institutions and the higher education system. This review is the first in a programme of rolling reviews that the HEA are introducing as part of its process of reviewing and strengthening oversight and follow-up on governance and internal control statements.

From these rolling reviews, the HEA are looking to consider:

1. The operation of corporate governance in the individual institution and to assess whether there are any deficiencies to be addressed; and
2. To identify any wider learnings that might be applicable across the sector, and disseminate such learnings accordingly.

The area of procurement was selected as the first rolling review for a number of reasons:

- Growing concern within the HEA at the prevalence of instances of procurement non-compliance within HEIs, and in particular the divergence between statements of declared compliance within Annual Governance Statements and subsequent findings by the Comptroller and Auditor General (C&AG) in certification of institutional accounts.
- There have been a number of non-compliance issues (national public procurement guidelines both in respect of goods and services procured and minimum thresholds applied) identified by the Comptroller and Auditor General (C&AG) through its reporting on financial statements; and
- The issue of non-compliance with national procurement guidelines has also been a subject for discussion at the Oireachtas Committee of Public Accounts.

This report sets out the output from this engagement under the terms of the engagement letter dated 9 June 2016.



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


1.2 Terms of reference

The following terms of reference defined the scope of this review:

- 1 Review C&AG audited accounts for the last 3 available years, identifying and analysing any areas of procurement non-compliance identified across the higher education sector.
- 2 Review the Annual Governance Statements / Annual Statements of Governance and Internal Control submitted by the Higher Education Institutions (HEIs) over this three year period and identify any divergence between declared procurement practice and the findings of the C&AG with regard to published accounts.
- 3 Consider the procurement practices in a sample of 7 HEIs (agreed in advance with the HEA) including:
 - Institutional arrangements with regard to procurement (e.g. designated responsibilities, procurement office, staff) and adequacy of the resources available.
 - Identify any divergence between procurement thresholds applied by the institutions and the thresholds set out in national and EU public procurement rules.
 - Review of procurement manuals and any other relevant documentation.
 - Review of awareness of procurement requirements across management and relevant staff and any information sharing, training or development activities to ensure staff have capability and knowledge to apply good procurement practice.
 - Chain of approval with regard to procurement and process by which appropriate sign-off is assured, including use of any systems to underpin this (e.g. Agresso).
 - Review use of (and engagement with) central procurement arrangements through the Education Procurement service (EPS) and the OGP.
 - Identification and articulation of three case studies of specific procurements undertaken for each HEI which demonstrate the approach taken by that HEI.

- 4 Review adherence to national procurement regulations and procurement guidelines with regard to both goods and services procured and thresholds applying.
- 5 Produce overall analysis of the current approach to procurement across the higher education sector based on the information and institutions considered.
- 6 Recommend on best practice with regard to procurement practices in HEIs for wider dissemination in the sector.

Throughout the report we have identified the terms of reference element(s) being highlighted.

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1.3 Approach

In order to meet these terms of reference, we undertook a number of activities including the following:

- Desktop review of three years of audited accounts and Annual Governance Statements / Annual Statements of Governance and Internal Control as provided by the HEA for 26 HEIs.
- Discussion and sample selection of seven HEIs for onsite fieldwork with the HEA.
- Development and issuance of a questionnaire designed to obtain a high level understanding of the procurement practices implemented by each of the selected HEIs.
- Interviews, walkthroughs and sample testing at each of the selected seven HEIs.
- Collation of fieldwork results and development of case studies following fieldwork.

Please refer to appendix 2 for the detailed approach. All our work was performed in accordance with the internal Deloitte Policy Manual.

For clarity, the scope was limited to goods and services and therefore did not include capital works.

In order to have a central repository of information, including documentation provided by the HEA and by individual HEIs, we utilised the Deloitte SharePoint facility.

This is a browser-based collaboration and document management system which provides a centralised, password protected space for document sharing. Targeted access was permitted to the HEA and to individual HEIs to a specific folder.

1.4 Acknowledgements

The majority of this review was undertaken in July and August, a period of high annual leave for staff in the education sector. We acknowledge the difficulty of this period for completing a review of this nature. Deloitte are grateful for the manner in which participants facilitated the review, for the time made available and also for the level of assistance and co-operation afforded by most HEIs during this assignment.



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1.5 Conclusions

The public sector is engaged in an ongoing process of improvement aimed at reducing costs and achieving better value for money through reform of public procurement. Procurement is a complex activity, and the challenges faced by the education sector are mirrored throughout the public sector. The focus of procurement is undergoing a transition from a being seen as a compliance burden to being a mechanism that drives value and has direct links to the overall organisation strategy. Through our interactions with the HEIs within the scope of this review it became evident that they understood the importance of the procurement function.

However, this review highlighted a number of areas for improvement across all the HEIs in the sample. These areas should be considered in the wider context of overall spend. Procurement non-compliance still represents a relatively small proportion of total overall expenditure in an industry which spends in the region of €2 billion per annum according to the HEA. There were also positive findings from the review, which include:

- In the sample selected, instances of procurement non compliance were identified in prior year Annual Governance Statements. Through our fieldwork, we identified that in a number of instances action had been undertaken to remedy the issues.
- Our analysis of the audited financial statements and the annual statements of governance has highlighted improved consistency in the reporting of procurement non-compliance by the HEIs.
- In 5 of the sampled HEIs a dedicated Procurement Office was in place. This function has responsibility for providing Public Procurement Guidelines to staff in their HEI.
- From the questionnaire, we identified that procurement training was provided to a number of staff in all HEIs reviewed and records of the training attended were made available during our site visit in 6 of the 7 HEIs.
- We received good engagement from the majority of the HEIs and management showed great interest in the results and in understanding their level of compliance.



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The observations outlined in this report ranged from operational level issues such as documentation management, absence of approvals, and a failure to comply with the Public Procurement thresholds in some instances, to more strategic areas such as training, Corporate Procurement Plans, and the process around the development of annual governance statements. This would indicate that there is work to be done at all levels within the HEIs, and reinforcement of the Public Procurement Guidelines through mechanisms such as training might be a key element towards improving overall compliance.

From a governance perspective, more focus needs to be placed on the annual governance statements. We are informed by the HEA, that within its role of governance and oversight of the higher education sector, it follows-up and question any declared instances of procurement non-compliance within the Annual Governance Statements submitted by the HEIs. However there should be further review and challenge by the HEA to HEI management on the assertions made in the annual governance statements and the rationale and evidence base for declarations of compliance. The commissioning of this review demonstrates the proactive approach being adopted by the HEA in order to fulfil its statutory responsibility for the effective governance and regulation of HEIs and the higher education system.

Another stakeholder in the procurement process is the Office of Government Procurement (OGP). The OGP commenced operations in 2014 as part of the Government's Public Reform Agenda. Their role is to represent the public sector as "one voice" with regard to expenditure in order to eliminate duplication and take advantage of the scale of public procurement. The OGP undertake a number of frameworks for the higher education sector, some of which were evidenced during this review. However, feedback from the HEIs included a general understanding that the OGP would be undertaking more tenders on behalf of the sector and thus reduce the administrative burden. The HEIs are finding that this expectation is not being met. We are aware that a number of frameworks are due to expire and new frameworks for these services will need to be put in place to facilitate HEIs ongoing compliance with procurement guidelines.

In the subsequent sections, we outline:

- General themes that emerged through our interactions with the HEIs; and
- Specific findings related to the detailed testing that was undertaken at each HEI.

In these sections we document our observations and put forward suggestions and recommendations to be considered as a means for further strengthening the compliance framework. While this review has highlighted areas for improvement that may be reflective of the sector as a whole, it is encouraging to note that HEIs are implementing processes and procedures to work towards achieving overall compliance with Public Procurement Guidelines. This is an ongoing process of continuous education of those involved in procurement across the sector.



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2. General themes



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2.1: Procurement policies and procedures

Procurement policies & procedures are the foundation for embedding appropriate procurement practices across each HEI.

Key findings

- Procurement policies and procedures are in place in 100% of the HEIs reviewed, but in all cases these are insufficiently comprehensive to fully serve as practical guidance for relevant staff
- All of the HEIs provided a number of mechanisms for distributing policies and procedures to staff to ensure availability, including via email, intranet and shared folders.
- Roles and responsibilities of those staff involved in procurement are not adequately defined.

Background

The policies and procedures used by management form part of the system of internal control within an organisation. They inform and guide the actions of staff in undergoing daily operations.

As part of the desktop review of documentation, we undertook a comparison of the policies and procedures against national and EU procurement guidelines. We have documented our detailed results in appendix 5, however in the following table we provide a summary.

Number of sections from the Public Procurement Guidelines evidenced in policies and procedures. Please refer to appendix 5 for detail:

Section	Compliance level identified						
	HEI 1	HEI 2	HEI 3	HEI 4	HEI 5	HEI 6	HEI 7
1 7 areas	1/7	1/7	3/7	1/7	1/7	3/7	1/7
2 3 areas	1/3	2/3	1/3	0/3	2/3	1/3	2/3
3 9 areas	6/9	2/9	1/9	1/9	5/9	7/9	1/9
4 24 areas	13/24	3/24	1/24	1/24	2/24	10/24	1/24
5 6 areas	3/6	0/6	0/6	2/6	3/6	2/6	0/6
6 3 areas	1/3	0/3	0/3	0/3	1/3	1/3	0/3

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2.1: Procurement policies and procedures - continued



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Observation

Following a desktop review of the procurement policies and procedures from each of the in-scope HEIs, we have identified the following observations

- There is a lack of comprehensive procurement policy and / or procedure documents throughout the sample of HEIs which reflect the requirements set out in national and EU procurement guidelines. Additionally there are a number of Department of Finance and Department of Public Expenditure and Reform Circulars which should be incorporated into these documents. Please refer to appendix 5 for additional detail.
- Formal documentation of roles and responsibilities in relation to procurement was not available in each of the HEIs. Where procurement is devolved, clarity over responsibility of actions is particularly important.
- Version control and approval matrix was not recorded on the procurement policies and procedures reviewed. While not a requirement, documenting version control and approval of these indicates the frequency of review and update of these documents.

Learnings for the sector / recommendations

- HEIs should demonstrate awareness of the guidelines through comprehensive documented procurement policies and procedures. These documents are instrumental in providing guidance to staff facilitating compliance with National and EU Public Procurement Guidelines. While the guidelines incorporate a number of documents and as such are quite onerous, the fundamental principles should be reflected within policies and procedures and staff could then be referred to the Procurement website for further information.
- Roles and responsibilities should be formally set-out and available as part of the procurement guidance documentation. Where the procurement process is devolved, formal recognition of where responsibility for actions reside would provide assistance to ensure the accountability and transparency of the process.
- Version control and approval matrices should be included on all policies and procedures as a matter of good document management.

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2.2: Corporate Procurement Plan (CPP)

The CPP provides useful direction for procurement activity

Key findings

- 86% of the sample had developed elements of documentation towards a Corporate Procurement Plan.
- There is a need for a more consistent and comprehensive approach to Corporate Procurement Plans and processes in place to ensure they are regularly updated.
- From all interviews conducted, there was good awareness of the Corporate Procurement Plan and why this document is required.

Background

The National Public Procurement Policy Framework require all non-commercial state bodies to complete a Corporate Procurement Plan. Arising from the annual Corporate Procurement Plan to develop a plan for significant purchases.

This requirement is reflected in the Code of Practice for the Code of Governance of State Bodies (2016). Both the university sector and the institutes of technology have their own Codes of Practice, which draw on this Code. The institutes include this requirement for a Corporate Procurement Plan, however, it is not explicitly stated in the university code of practice.

While a detailed review of these Corporate Procurement Plans was not within the scope of this review, we requested that the HEIs provide us with their plans in order to observe at a high level their compliance with this requirement.

Extract: The Code of Practice for the Governance of State Bodies, 2016:

8.20 Corporate Procurement Plan: The Office of Government Procurement Policy framework requires that all non-commercial State bodies complete a Corporate Procurement Plan. This plan is underpinned by analysis of expenditure on procurement and the procurement and purchasing structures in the organisation. The plan should set practical and strategic aims, objectives for improved procurement outcomes and appropriate measures to achieve these aims should be implemented.

The Chairperson should affirm adherence to the relevant procurement policy and procedures and the development and implementation of the Corporate Procurement Plan in the comprehensive report to the Minister.

Extract: The Code of Governance of the Irish Institutes of Technology (2012), section 2.7.1:

The National Public Procurement Policy Framework requires that all non commercial State bodies complete a Corporate Procurement Plan. This plan is underpinned by analysis of expenditure on procurement and the procurement and purchasing structures in the organisation. The plan should set practical and strategic aims and objectives for improved procurement outcomes and appropriate measures to achieve these aims should be implemented.(Code 05/09 15.5)

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2.2: Corporate Procurement Plan (CPP) - continued



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Observation

While a detailed review of the Corporate Procurement Plan in place at each HEI was not within the scope of our review, we provide the following observations:

- 1 of the 7 in-scope HEIs does not currently have a Corporate Procurement Plan in place. They indicated that the lack of a procurement officer inhibited the development of the plan.
- Of the 6 HEIs who indicated that they have a Corporate Procurement Plan in place, 3 were updated within 2016 and one was updated in 2015. For the other 2 HEIs, 1 was last updated in 2013 and the other was last updated in 2006.
- 1 of the HEIs utilised a third party to develop their Corporate Procurement Plan. A high level observation of this document found several inconsistencies with EU and National procurement guidelines.
- With the exception of one HEI, we observed that elements of the requirements for a Corporate Procurement Plan had been developed. However, there is additional detail which could be included to further align the current documents with the requirements.

Learnings for the sector / recommendations

- Each HEI should have an appropriate annual Corporate Procurement Plan in place ensuring compliance with the National Public Procurement Policy Framework. The Annual Governance Statements should indicate if the annual Corporate Procurement Plan is in place or the action being taken by the HEI to rectify the position.
- Consideration should be taken to providing guidance to the HEIs on the structure and variety of information that should be provided as part of the Corporate Procurement Plan.
- As referenced in further detail in section 2.4, a form of regular communication amongst the sector such as a forum in relation to procurement matters could facilitate HEIs to better collate these plans in an effort to implement the public sector *procurement management reform* agenda.



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2.3: Annual Statement of Governance / Annual Statement of Governance and Internal Control

Key findings

- Our analysis of the audited Financial Statements and the Annual Statements of Governance has highlighted improved consistency in the reporting of procurement non-compliance by the HEIs.
- There is a lack of a formal documented procedure for the development of Statements of Governance.
- There is lack of clarity on the method by which a Governing Body gains assurance that assertions in the statement are accurate.

Background

Is it clear from the extracts from the Codes of Governance set out below that the governing authority/governing body and management are responsible for ensuring that appropriate systems, policies and procedures are implemented to ensure compliance with EU and national procurement guidelines.

Under the Code of Practice for the Governance of State Bodies (2009), the Chairperson of each State body must furnish to the relevant Minister in conjunction with the annual report and accounts, a comprehensive report covering the Group, affirming that all appropriate procedures for procurement are being carried out. This requirement is reflected in the Code of Governance for Irish Institutes of Technology and in the Code of Governance for Irish Universities.

The mechanism by which the education sector comply with this requirement is through the Annual Statement of Governance for the IOT sector or through the Annual Statement of Governance and Internal Control for the University sector. This statement is generally developed in conjunction with the annual report, and is signed and approved by the President and the Chairperson for the IOT sector and by the President for the University Sector after approval by the relevant governing authorities.

Extract: *The Code of Governance of the Irish Institutes of Technology (2012), section 2.7.3:*

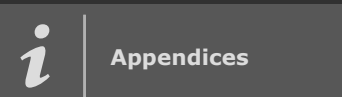
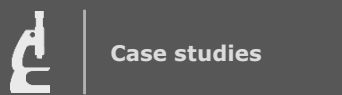
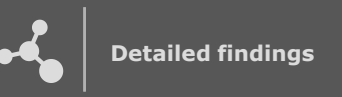
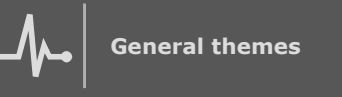
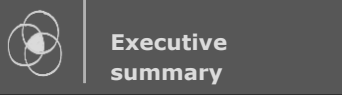
It is the responsibility of the Governing Body and management to ensure that appropriate systems and procedures are implemented to ensure that the requirements for public procurement are adhered to and that the current value thresholds for the application of EU and national procurement rules are respected. The Chairperson and the Chief Officer should, in their report to the HEA (see **paragraph 2.11.4** below), affirm that such systems and procedures are in place and that to the best of their knowledge and belief the Institute has been compliant with the procurement procedures outlined above including the development and implementation of a corporate procurement plan.(Code 05/09 15.5)

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Extract: *The Code of Governance of the Irish Universities (2012), section 2.7.1:*

Competitive tendering should be the standard procedure in the procurement process of universities subject to **paragraph 2.7.2** below. In addition to the national guidelines, set out by the Department of Finance, the relevant EU Directives, which have the force of law in this and all Member States, apply. It is the responsibility of the governing authority and management to ensure that appropriate systems and procedures are implemented to ensure that the requirements for public procurement are adhered to and that the current value thresholds for the application of EU and national procurement rules are respected. The Chairperson and the Chief Officer should, in their report to the HEA (see **paragraph 2.11** below), affirm that such systems and procedures are in place and that to the best of their knowledge and belief the university has been compliant with the procurement procedures outlined above.



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2.3: Statement of Governance / Annual Statement of Governance and Internal Control - continued

As outlined in the terms of reference in section 1.2, part of the initial planning for this review included a review of C&AG audited accounts for the last 3 available years and a review of the Annual Statement of Governance or Annual Statement of Governance and Internal Control for the same period. We outline a high level summary of the results of this analysis in the following table.

Document	HEI						
	1	2	3	4	5	6	7
Audited FS 2011-12	X	●□	●□	●□	●□	X	✓□
Annual Statement of Governance 2011-12	✓□	✓□	X	✓□	✓□	X	✓□
Audited FS 2012-13	X	●□	●□	●□	X	X	X
Annual Statement of Governance 2012-13	X	✓□	X	✓□	✓□	X	✓□
Audited FS 2013-14	X	X	●□	X	X	X	N/A
Annual Statement of Governance 2013-14	X	✓□	✓□	X	X	X	X

Key notes:

There are a number of instances in this analysis where procurement non-compliance is noted within the audited Financial Statements (FS) but not the Annual Statement of Governance and vice versa.

No consistent format in the content of the Annual Statement of Governance and vice versa with respect to procurement non-compliance. Where one HEI might document the value and nature of the non-compliance, another HEI might just state that instances of procurement non-compliance arose during the year.

In some instances there was no update to the wording used each year, including the carry forward of procurement non-compliance.

The review identified observations in each of the sampled HEIs that potentially should be noted in the annual statements currently being developed, please refer to section 3 for detail.

Symbol	Key
✓□	HEI Indicated compliant
X	HEI Indicated Non-compliant
●□	Procurement not mentioned
N/A	Accounts not available

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2.3: Statement of Governance / Annual Statement of Governance and Internal Control - continued

Observation

While a detailed review of the Annual Statement of Governance and the process by which these statements are developed was not within the scope of this review, we provide the following observations:

- Lack of a formal documented procedure for the development of the statement and the method by which the HEI gains assurance that the assertions put forward in the statement is accurate. Through discussion with staff during the fieldwork, this process of gaining assurance includes reliance on: Policies and procedures in place; High level review of spend; External audit by the C&AG; and Internal audit review of procurement.

However for one HEI who placed reliance on the Internal Audit function to provide assurance, internal audit had not reviewed the area of procurement since 2010.






We note that in one HEI, the finance manager has developed an annual process, to review the expenditure and to compare it year by year. This includes a review of all expenditure by supplier and by type of expenditure; identification of the procurement process applied and an evaluation if the process applied was correct. This also helps to inform procurement requirements for the subsequent year. This provides the HEI with a greater sense of assurance.

Learnings for the sector / recommendations

- Primary responsibility for monitoring compliance with procurement guidelines rest with management, therefore, management should have an ongoing mechanism in place to ensure compliance.
- The risk register should identify key controls in the procurement process.
- Internal audit can assist by providing limited independent assurance through their internal audit methodology.
- It is not the responsibility of external audit to provide assurance on compliance with procurement, therefore reliance should not be placed on external audit.
- There should be consistency between the audited financial statements and the Annual Statement of Governance.
- Reports of procurement non-compliance should contain detail such as value and frequency, and be accompanied with planned actions to remediate, including timeframes.
- Where procurement non-compliance issues are carried forward to subsequent years, the HEI should explain why the issues have not been resolved since the previous statement and what additional action plans are proposed.

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Procurement training is essential for staff to understand their procurement obligations.

2.4: Procurement training

Key findings

- Procurement training was provided to staff in all HEIs reviewed, however, it was not mandatory for all those involved in procurement activity in 6 of the 7 HEIs
- In situations where procurement was devolved, procurement training was not always provided to all relevant staff involved in procurement

Records of the training attended are held and were made available in 6 of the 7 HEIs

Background

Under the Public Procurement Guidelines, there is an obligation for the HEIs to ensure staff involved in purchasing and procurement are familiar with the EU and international rules regarding procurement. Indeed the provision of training to all staff involved in procurement is good practice. Training presents a prime opportunity to update and enhance the knowledge base of staff engaged in procurement activity. The benefits of providing training to staff on procurement are set-out below.

Public Procurement Guidelines - Competitive Process

3.1 Contracting authorities should ensure that staff involved in purchasing or placing contracts are familiar with the EU and international rules that may apply and are aware of the legal and policy framework within which procurement must be conducted. To safeguard against improper or unethical practices contracting authorities must also take measures to separate functions within the procurement cycle, by ensuring that, for example, ordering and receiving goods and services are distinct from payment for goods and services.

As part of the initial questionnaire sent to the 7 HEIs, we requested information in relation to the procurement structure, number of staff involved in procurement and the procurement training provided to staff.

We set out in the table over the page an extract of the results from the questionnaire as they relate to these areas.

Benefits of training:

- Employees are better informed to perform procurement tasks.
- Stronger understanding of expectations and responsibilities.
- Greater ability for staff to identify opportunities for efficiency and further development of the process.
- Increased opportunity for compliance where employees are knowledgeable.
- Consistent approach to procurement throughout the organisation.
- Structured continuous training program also creates a supportive workplace.

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2.4: Procurement training - continued



Question	HEI 1	HEI 2	HEI 3	HEI 4	HEI 5	HEI 6	HEI 7
Within your Higher Education Institution (HEI) is procurement - Centralised - Devolved - Hybrid	Devolved	Hybrid	Devolved	Devolved	Devolved	Devolved	Hybrid
Where there is a procurement office, how many staff work in the procurement office?	1	2	2	n/a	n/a	1	3
Where it is devolved, approximately how many staff across your institution are involved in procurement?	90	6	100	25	30	40	84 (81 Buyers and 3 Procurement Staff)
Who receives procurement training?	Main people dealing with procurement (Procurement Coordinator, Secretary/Financial Controller, Finance Manager, Finance staff member and Estates Manager)	Central Procurement	Staff who require it.	Staff involved in procurement have attended OGP seminars during the year. Other training has also been provided.	12 Employees (2 Library, 4 IT, 2 Premises, 4 Finance)	Procurement Training usually provided to new Finance staff as part of overall training.	Procurement Buyers
Were training records made available when onsite?	Yes	Yes	Yes	Yes	Yes	No	Yes

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2.4: Procurement training - continued

Observation

- From the questionnaire, procurement training was not deemed as mandatory for those involved in procurement activity in 6 of the 7 HEIs.
- Where procurement is devolved or where a hybrid procurement structure is in place and departmental staff are involved in procurement, it is important that they are aware of the requirements and understand their responsibilities. We received evidence that finance staff were provided with procurement training in six of the HEIs. However, as can be seen in the previous table, procurement activity involves persons from across the HEIs. Evidence that procurement training was provided to the wider procurement community was only available in two HEIs.
- Formal records of training were not available in every HEI. For the purposes of this review, we accepted informal records such as emails and calendar invites.
- As the findings from this have identified observations in all 7 HEIs, this would indicate that there is a need to improve communication and knowledge in relation to procurement requirements throughout the sector.

Learnings for the sector / recommendations

- Procurement training should be mandatory for all staff involved in procurement. Consideration should be given to providing access to raise a purchase requisition / approve requisitions only when staff have attended a procurement training programme.
- Where regular procurement issues are identified, the HEI should consider revoking the budget holders privileges until the person attends mandatory procurement training.
- Procurement training should be completed on a regular basis, to keep up to date with changes in Public Procurement Guidelines.
- Records should be maintained of all procurement training attended by staff.
- Given the importance of procurement and the level of interest demonstrated by management during this review, a procurement forum maybe of benefit to allow procurement staff in HEIs discuss procurement issues and to share good practices.
- Consideration should be given to sector based training to ensure consistency across all HEIs. This could be undertaken through the forum mentioned above, or as a separate exercise.

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HEA Procurement Review



Back-up documentation should be retained to support the procurement decision made.

2.5: Documentation

Key findings

- Staff in all 7 HEIs understood the value of documentation to provide support for the procurement decision made.
- Instances were identified where required information was not available

Background

To support procurement decisions, backup documentation has to be retained as appropriate. As part of this review, we requested the backup documentation for our sample of procurement transactions selected.

In all HEIs reviewed, procurement is a combined effort between finance / procurement staff and staff in the wider HEI community who procure goods and services for their department/support unit. As such, documentation is dispersed throughout the HEI.

A combination of manual and system based document retention is in use by HEIs. While most finance systems have electronic storage functionality which would allow for a central point of retrieval, this is not utilised in all instances.

In addition, where third party assistance (OGP, external procurement provider, other HEI) is utilised for procurement, retention of documentation may be split between the HEI and the third party. There may also be a lack of understanding of what documents should be held and where.

These challenges can lead to difficulty retrieving backup documentation.



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2.5: Documentation - continued

Observation

- In each HEI visited, we reviewed a minimum of 30 procurement transactions. In the table below, we set out examples of where required information was not available. Reasons provided included: staff on leave, staff no longer with the HEI and documentation held by third parties.






Type of documentation	Number of instances
Evaluation sheets / tender scoring documents	4
Notification to successful / unsuccessful suppliers	7
Opening tender sheet	5
Quote	1
Tender documentation	2

Learnings for the sector / recommendations

- All required documentation should be retained in order to provide support for procurement decisions.
- Documentation should be retained in a manner which allows for the ease of retrieval and not be dependent on any one individual.
- Where third party assistance is utilised, responsibility for document retention should be formally set-out to support the procurement process.
- Procurement training provided should cover document retention including the manner and duration of storage. Please refer to section 2.4.

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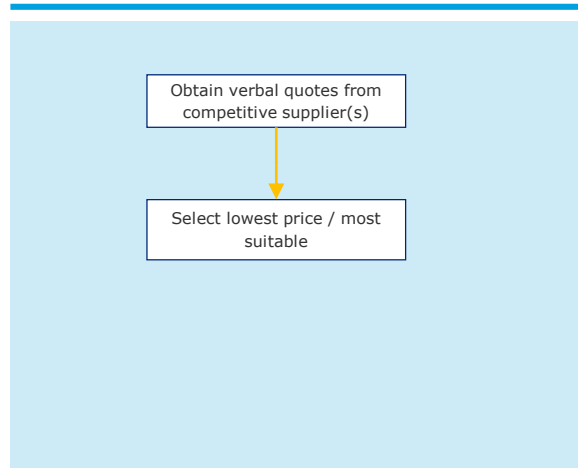
3. Detailed findings





3.1: Approaches to procurement activity

Public Procurement Guidelines - Under €5k



Observations from this review

- Five of the HEIs seek verbal quotes for procurement under €5k.
- Two of the HEIs seek one written quote under €5k. Whilst in some instances this may be appropriate for complex items, this may be an unnecessary administrative burden which slows the process.
- Four of the HEIs use different thresholds:
 - One HEI seeks three verbal quotes for procurement less than €3k and three written quotes for procurement between €3k and €25k
 - One HEI requires the purchasing department to seek value for money for procurement less than €1k, two quotes for procurement between €1k and €3k, and three quotes for procurement less than €25k.
 - One HEI seeks three verbal quotes for procurement less than €2.5k, three written quotes for procurement behind €2.5k and €10k, and six written quotes for procurement between €10k and €25k.
- In most instances the size of the HEI does not support the additional administrative burden that these additional thresholds place.
- From the detailed testing of 212 procurement transactions across the HEIs, in six instances where a supplier was deemed to be a 'sole supplier' there was no sole supplier justification form which documented the basis for the categorisation.
- In a further six instances, suppliers were incorrectly categorised as 'sole suppliers'. Instances included taxi services, a bus hire company and a recruitment agency.

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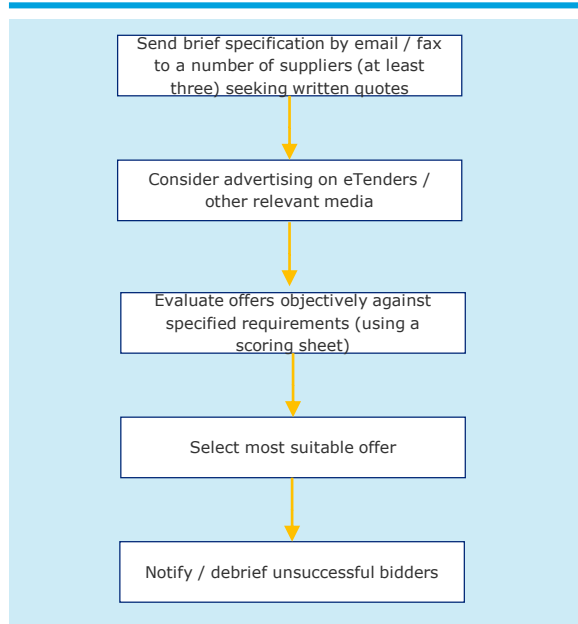
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3.1: Approaches to procurement activity

Public Procurement Guidelines - €5k - €25k



Observations from this review

- Six of the HEIs seek three written quotes for this threshold while one of the HEIs seeks six written quotes.
- As noted in the previous section for procurement under €5k, a number of HEIs implement different and / or additional thresholds to those specified by the guidelines. This may contribute to the number of observations identified where the HEI is implementing stricter parameters than required.
- In two instances from the detailed testing of 212 procurement transactions across the sample HEIs only one quote was obtained when the value of the expenditure required three written quotes under Public Procurement Guidelines.
- In two instances there was no evidence that quotes were sought.

Key notes:

- 5 of the HEIs operate a devolved procurement structure while 2 HEIs operate a hybrid structure.
- The number of staff involved in the procurement process range from 6 to 100 staff members within sample HEIs.
- A procurement office exists in 5 of the HEIs.
- A combination of manual and electronically held records are used across the sample of HEIs. These are held both by finance and by the procuring department.
- Approval is documented formally, via system sign offs, manually on physical documents and informally via emails.
- Each HEI utilises policies and procedures to convey the procurement process to staff. Dissemination is via email, intranet and shared network folders.
- Each of the 7 HEI's have utilised third party assistance to complete procurement on their behalf.

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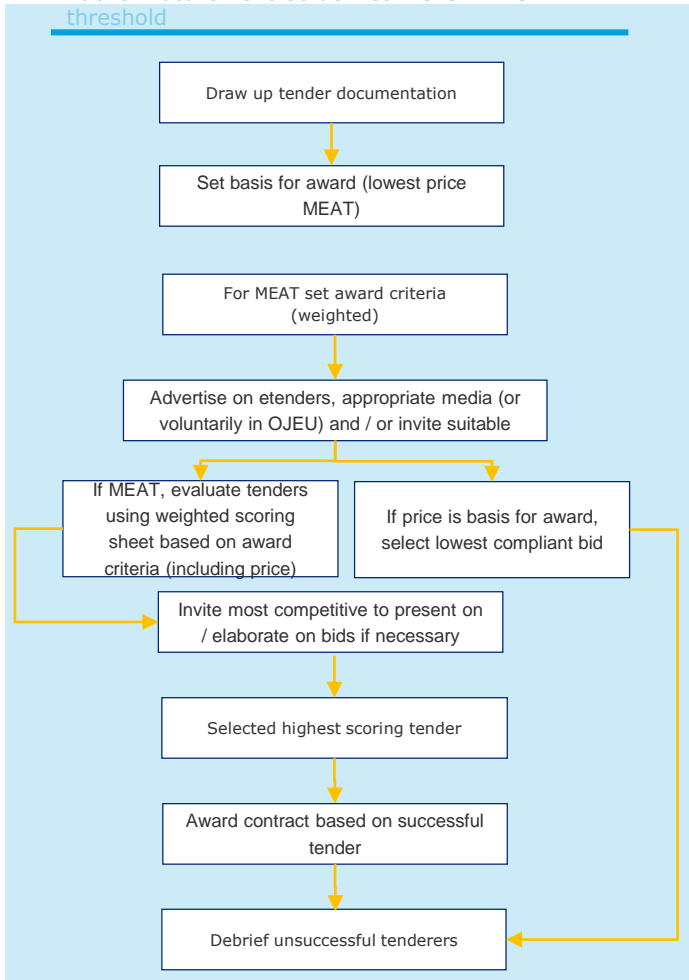
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3.1: Approaches to procurement activity

Public Procurement Guidelines - €25k – EU threshold



Observations from this review

- In two instances from the sample testing of 212 procurement transactions, tender documentation was not published on eTenders or other relevant media.
- There were 12 instances where quotes were received and the annual cumulative expenditure was in excess of the threshold for publishing a tender on eTenders or other relevant media.
- The procedure in one HEI to go to national tender was €60,000 until January 2016 when it was brought down to €25,000 in line with Public Procurement Guidelines. An additional sample of four transactions was selected for the HEI to verify compliance with this threshold. In two instances the supplier was a sole supplier. In two instances quotes were obtained rather than tendering.
- In one instance the award criteria for a tender was not specified in the tender document.

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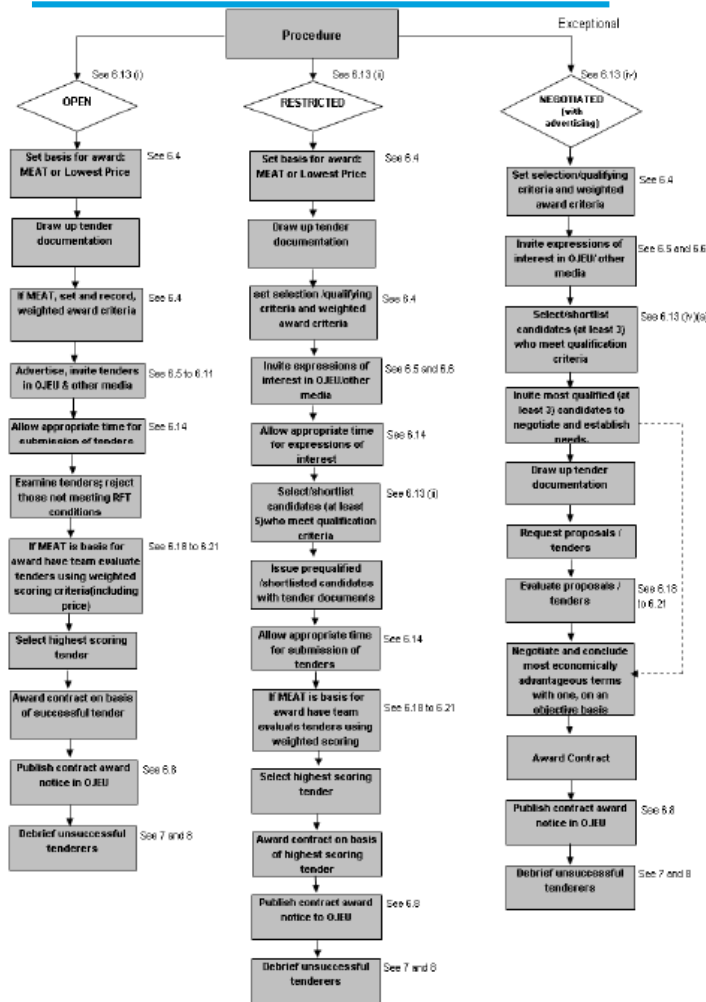
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3.1: Approaches to procurement activity

Public Procurement Guidelines – Above EU threshold



Observations from this review

- In 12 instances we were unable to evidence approval of stages of the process by the absence of sign off, or the inadequate number of persons signing off on the particular stage (for example tender evaluation sheets).
- In two instances a supplier was used that had an expired contract. Explanation provided in one instance was that the HEI was waiting for the OGP to implement a framework for the category of expenditure. However the OGP had already implemented a framework.
- In two instances there was no tax clearance certificate for the supplier.
- In 20 instances we were not provided with any evidence to identify the procurement process that was followed to procure the goods and services.

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3.2: Other points to note

Observation

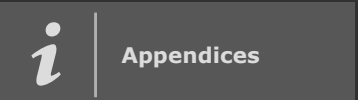
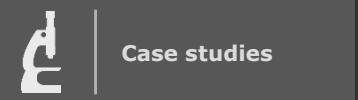
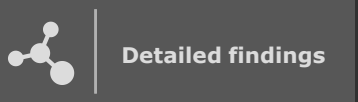
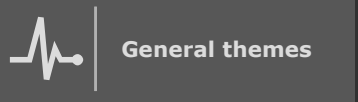
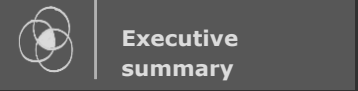
- We observed a number of instances where payments to consultants and foreign-based staff members were being made through accounts payable.
 - Where payments are being made to individuals for the provision of services over a length of time, there is a risk that the person may in substance be an employee of the HEI, and thus entitled to all the benefits that would befall an employee of a state body. This was noted to have occurred in one HEI which had to undergo a legal process to resolve.
 - Where payments are made to foreign-based staff members through accounts payable, there is a risk of non-compliance with Irish payroll tax rules.
- We observed a number of instances where contracts were not in place between the HEI and the supplier. The categories of expenditure included: legal services; insurance broker for a three year arrangement; and cleaning services.

Learnings for the sector / recommendations

- A review of such payments to consultants and foreign-based staff should be undertaken by the HEIs, both in terms of determining their status as employees as well as compliance with Irish payroll tax rules.
- A contract which formally defines the responsibility of both parties and set-out the terms of the arrangement should be signed by both parties at the commencement of the arrangement.

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3.3: HEI specific observations

- Over the following pages we detail the findings as they relate to each HEI.



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3.3: HEI specific observations

HEI 1

Ref	Area	Finding
1	Policy and Procedures	It would appear that the HEI's Procurement Policy and Procedures documents are not comprehensive as a number of requirements set out in National and EU guidelines have not been included. Additionally there are a number of circulars that should be incorporated into the documents. Furthermore roles and responsibilities in relation to procurement are not documented.
2	Procurement Training	Whilst tenders are managed centrally, other procurement is managed by the relevant department procuring the goods and services. We have sighted evidence of key HEI procurement staff (from the finance and estates offices) who have attended procurement training on an annual basis, with the most recent training undertaken in June 2016. However, we saw no evidence that other staff had received procurement training. It is appropriate that procurement training be provided to all relevant staff on an ongoing basis to ensure they are kept up to date on changes, including what relevant frameworks are in place.
3	Third party tender process	The HEI has a login to the EPS system to view procurement documents for tenders carried out by EPS on their behalf. However, certain documents were missing upon our review. These included evidence of OJEU advertisements, tender opening sheets and tender evaluations for two suppliers.



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3.3: HEI specific observations

HEI 1 - continued

Ref	Area	Finding
4	Procurement testing	<p>For a sample of 30 transactions, we identified the following issues:</p> <ul style="list-style-type: none"> Four instances where the evaluation sheets / tender scoring documents were not signed off. <ul style="list-style-type: none"> Print Services (€238,454) Food supplies (€31,762) Legal Services (€26,709) Food supplies (€11,805) One tender had been signed off by one individual rather than a minimum of two. <ul style="list-style-type: none"> Bus service (€46,520) Three instances where a contract was not in place for services provided by suppliers where the value was over €25,000. <ul style="list-style-type: none"> Insurance broker 3 year arrangement (€239,170) Food services (€31,762) Legal services (€26,709) Two instances where the relevant procurement process was not followed. Quotes were obtained for individual purchases, however, the cumulative spend value for the year by the supplier was in excess of €25,000 (€27,932, €28,935) therefore, a tender process should have been carried out. One instance where the service (cleaning supplies and equipment) was provided by a supplier whose contract had expired. The HEI was waiting for the OGP to put a framework in place, however, this framework was put in place in September 2015. Two instances where the supplier's annual value was greater than €5,000 but only one quote was received. <ul style="list-style-type: none"> Stationary (€19,716.74) Merchandising (€15,674.32) One instance where there was no opening of tenders checklist on file. <ul style="list-style-type: none"> Insurance broker (€239,170) One instance where a supplier was treated as a 'sole supplier' for the provision of taxi services. This service does not fall into the category of 'sole suppliers'.



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3.3: HEI specific observations

HEI 2

Ref	Area	Finding
1	Procurement Policy, Procedures and Corporate Procurement Plan	<p>Whilst this HEI undertook a review of procurement policies and procedures in February 2016, it would appear that the Procurement Policy and Procedures documents are not comprehensive as a number of requirements set out in the National and EU guidelines have not been included. Additionally, there are a number of Circulars that should be incorporated into the documents.</p> <p>The HEI has a documented strategy with regards to procurement. In addition, there is ongoing monitoring of spend in excess of €25,000. These are both elements of a Corporate Procurement Plan, however, there are further elements to the Corporate Procurement Plan defined under the Code of Practice for the Governance of State Bodies which these documents do not address.</p>
2	Procurement Training	<p>Procurement is devolved in this HEI. Departments undertake procurement with support from the procurement office. Staff in the procurement office receive regular training, with the most recent session held in June 2016. However we received no evidence that the staff within the Departments receive training.</p> <p>In addition, the Finance Officer reviews, approves and presents the procurement policy and procedures to the finance committee for approval. We received no evidence that the Finance Officer (FO) has received procurement training.</p>



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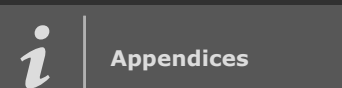
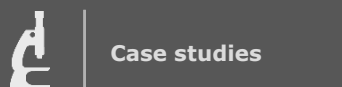
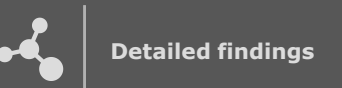
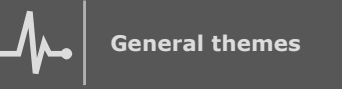
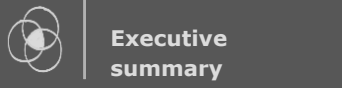
3.3: HEI specific observations

HEI 2 - continued

Ref	Area	Finding
3	Procurement testing	<p>From a sample of 30, we identified the following issues:</p> <ul style="list-style-type: none"> • One instance where the cumulative expenditure for the year was over the €25,000 threshold and no Request for Tender (RFT) was issued. The HEI obtained quotes for individual payments instead. This instance related to: <ul style="list-style-type: none"> • Printing of exam papers (cumulative value €35,806) • One instance where the letter of award to the successful tenderer was not available. <ul style="list-style-type: none"> • Supply of stationery and office supplies (cumulative value €23,948) • One instance of a 'sole supplier' for 'supply software and psychometric units' for €6,064 where no sole supplier justification form was on file.
4	Third party tender process	<p>The HEI obtain assistance from third parties such as EPS and the OGP to undertake some instances of procurement. In such cases documentation relating to the procurement process undertaken may be retained by the third party. In three instances from the sample reviewed where the HEI obtained third party assistance, there were a number of documents that were not made available. These included opening checklists, successful and unsuccessful letters of awards and contracts with awarded suppliers. These three instances are as follows:</p> <ul style="list-style-type: none"> • Intellectual property (cumulative value €49,510) • Supply of stationery and office supplies (cumulative value €112,697) • Provision of laboratory consumables (cumulative value €178,888)
5	Annual Governance Statement	<p>We were provided with no evidence that the HEI conduct a process to gain assurance around compliance with procurement procedures that would support their procurement statement in the Annual Governance Statement.</p>

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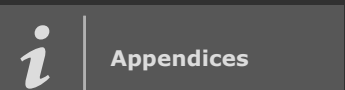
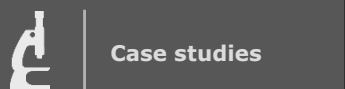
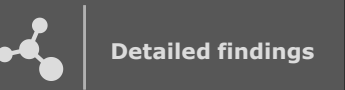
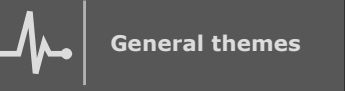
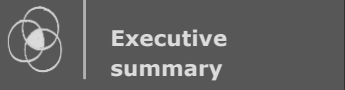
3.3: HEI specific observations

HEI 3

Ref	Area	Finding
1	Policy, Procedures and Procurement Plan	<p>This HEI's procurement policy, procedure and their Corporate Procurement Plan were last updated in August 2013 and were brought to the Audit Committee and approved in November 2013. No update has been made to these since then.</p> <p>The policy document has not been made available to staff to view on the intranet site.</p> <p>There is no version control on the procurement policy, procedures or Corporate Procurement Plan.</p> <p>It would appear that the Procurement Policy and Procedures documents are not comprehensive as a number of requirements set out in the National and EU guidelines have not been included. Additionally, there are a number of Circulars that should be incorporated into the documents.</p>
2	Procurement Training	<p>There is evidence of staff attending a procurement training session in 2013. More recently, there is evidence that the Finance Office Manager, the Purchasing and Payables Supervisor, in addition to members of the Engineering Department received training in April 2016 from Education Procurement Services (EPS). Procurement is devolved within the HEI, however, we saw no evidence that other staff had received procurement training.</p> <p>It is appropriate that procurement training be provided to all relevant staff on an ongoing basis to ensure they are kept up to date on changes.</p>
3	Annual Governance Statement	<p>We were provided with no evidence that this HEI conduct a process to gain assurance around compliance with procurement procedures that would support the relevant statement in the Annual Governance Statement.</p>

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3.3: HEI specific observations

HEI 3 - continued

Ref	Area	Finding
4	Procurement testing	<p>From a sample of 30, we identified the following issues:</p> <ul style="list-style-type: none"> • Three instances where the cumulative payment total by supplier in the year was over the €25,000. <ul style="list-style-type: none"> • We were informed that the HEI spend in excess of €25,000 annually to two of the three suppliers, therefore, a tender process should be carried out for the equipment supplied by these suppliers. • Annually, a review should be undertaken to review the spend by supplier and consideration should be given to putting a tender in place for spend over the €25,000 threshold. • Two instances where a contract was not in place for services provided by suppliers where the value was over €25,000. Additionally, we were informed that both suppliers were 'sole suppliers'. These services do not fall into the category of 'sole suppliers'. The suppliers included the following: <ul style="list-style-type: none"> • One Recruitment Agency; and • One Bus hire company;



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


3.3: HEI specific observations

HEI 4

Ref	Area	Finding
1	Policy and Procedures	It would appear that the Procurement Policy and Procedures documents are not comprehensive as a number of requirements set out in the National and EU guidelines have not been included. Additionally, there are a number of Circulars that should be incorporated into the documents.
2	Third party tender process	This HEI obtains assistance from third parties such as EPS and the OGP to undertake some instances of procurement. In such cases documentation relating to the procurement process undertaken may be retained by the third party. In one instance from the sample reviewed where the HEI obtained third party assistance, the opening tender sheet was not available.
3	Procurement testing	<p>From a sample of 30, we identified the following issues:</p> <ul style="list-style-type: none"> Four instances where documentation to support the procurement process was not available. Documentation included opening tender sheets, successful and unsuccessful letters of award. Instances as follows: <ul style="list-style-type: none"> IT equipment and software (€23,924) Onsite security (€197,592) Internet security (€63,763) Food supplies (€33,611) Mechanical services (€32,855) Two instances where there was no evidence that a competitive procurement process was entered into. Instances as follows: <ul style="list-style-type: none"> Waste management services (annual cumulative value €31,142) Security services (annual cumulative value €9,739) Three instances where the evaluation sheet did not include sign off. Two instances for the supply of laboratory chemicals and laboratory supplies where quotes were obtained. Based on the annual cumulative values of €41,585 and €26,782 a tender should have been issued. Explanation provided by the HEI was that quotes are received in every instance. Due to the decentralised purchasing environment the purchaser is not aware that further supplies are made with the same supplier. A chemicals tender was undertaken to common chemical purchases and a preferred supplier for each chemical identified. Consumables were not incorporated into this tender as consumables are covered under an OGP framework. However it has recently been accepted by the OGP that this framework is not suitable for the adhoc purchasing habits of the HEI and as such it is intended that the HEI will perform another tender in the summer of 2017 and incorporate both chemicals and consumables.

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3.3: HEI specific observations


HEI 5

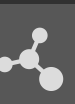
Ref	Area	Finding
1	Policy, Procedures and Procurement Plan	<p>It would appear that the Procurement Policy and Procedures documents are not comprehensive as a number of requirements set out in the National and EU guidelines have not been included. Additionally, there are a number of Circulars that should be incorporated into the documents.</p> <p>This HEI obtained third party assistance to develop their Corporate Procurement Plan. A high level observation of this document found several inconsistencies with EU and National procurement guidelines.</p>
2	Procurement Training	Although there was evidence of staff attending an EPS procurement session in September 2015, there was no evidence of regular procurement training to staff.
3	Annual Governance Statement	We were provided with no evidence that this HEI conduct a process to gain assurance around compliance with procurement procedures that would support the relevant statement in the Annual Governance Statement.
4	Third party tendering	Where procurement documents are held by a third party (e.g. EPS), the HEI are unable to determine compliance as documentation held elsewhere (on the EPS website / or in the EPS office).
5	Procurement function	There is no central or dedicated procurement resource.


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3.3: HEI specific observations

HEI 5 - continued

Ref	Area	Finding
6	Procurement testing	<p>From a sample of 30 procurement transactions, we identified the following:</p> <ul style="list-style-type: none"> • There was no tax clearance cert for the following: <ul style="list-style-type: none"> • Electricity Services • The request for tender document did not specify the award criteria for: Music Composer Services • No evidence of a procurement process for the following: <ul style="list-style-type: none"> • Set Up of Library System • Counsellor Services • Cleaning Equipment • Counsellor services • Cleaning Supplies • Alarm Systems and CCTV Systems • Elevator Supplies • We acknowledge the supply of "report accounting" was originally procured for in 2006 for a three year period. The services were extended for a further 3 years up to 2012. However, we were unable to obtain any evidence of anything after this to show why the HEI are still using the same supplier. We note that the HEI were waiting for the OGP to set up a framework for these services. The HEI informed us that they are planning to use the OGP's framework in the next month. • For the provision of mobile services, we were advised that the HEI obtained quotes under the mobile voice and data services framework in 2008. A supplier was awarded for a period of 18 months from 30th July 2009. We note that the HEI have been waiting on an EPS framework for these services and that it has now been transferred to the OGP. In the meantime, the HEI kept using their existing supplier. • 3 Quotes obtained for the purchase of two Macbooks with a total cost of €3,603.90 and the lowest priced quote was selected. However, Deloitte note that the overall value from the chosen supplier for the year is €30,932. Based on this annual value, a tendering process on etenders should have been used per Public Procurement Guidelines.



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3.3: HEI specific observations

HEI 5 - continued

Ref	Area	Finding
6	Procurement testing	<p>From a sample of 30 procurement transactions, we identified the following:</p> <ul style="list-style-type: none"> No opening of tenders sheet for on file for: <ul style="list-style-type: none"> Insurance Services (note: the tender process was carried out by EPS) Music Composer Services Evaluation sheets / Tender scoring documents (completed in excel format) were not signed off for the following suppliers in our sample so unable to identify who evaluated the tenders: <ul style="list-style-type: none"> Security Services (note: tender process carried out by EPS) Insurance Services (note: tender process carried out by EPS) Medical Services (note: tender process carried out by a third party) For music composer services, the HEI issued a call for tenders document which proposed the cost of the music residency to be €27,000 annually (i.e. above the €25,000 threshold for national tenders). Although, tenders were received for this, the RFT was not advertised on etenders.



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3.3: HEI specific observations

HEI 6

Ref	Area	Finding
1	Policy, Procedures and Procurement Plan	<p>Whilst the Manual of Procurement Policies and Procedures document was last reviewed and updated in September 2014, it would appear that the document is not comprehensive as a number of requirements set out in the National and EU guidelines have not been included. Additionally, there are a number of Circulars that should be incorporated into the document.</p> <p>There is no version control on the Manual of Procurement Policies and Procedures document.</p> <p>This HEI does not have a Corporate Procurement Plan in place.</p>
2	Procurement Training	<p>Procurement is devolved. The Manual of Procurement Policies and Procedures document indicates that the Procurement Officer is responsible for completing EU tenders and tenders above certain thresholds (per the Procurement Manual). However, we were informed that there was no Procurement Officer in place for the past two years until August 2016.</p> <p>We were unable to obtain evidence of staff receiving procurement training.</p>
3	Monitoring Supplier Spend	<p>We were unable to see any evidence of this HEI monitoring supplier spend for procurement threshold purposes. This exercise is usually undertaken as part of the development of the Corporate Procurement plan.</p>
4	Annual Governance Statement	<p>We were provided with no evidence that this HEI conduct a process to gain assurance around compliance with procurement procedures that would support their procurement statement in the Annual Governance Statement.</p>

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3.3: HEI specific observations

HEI 6 - continued

Ref	Area	Finding
5	Procurement testing	<p>From a sample of 30, we identified the following issues:</p> <ul style="list-style-type: none"> • Two instances where an opening of tenders checklist was not on file; <ul style="list-style-type: none"> ○ Online database of scientific journals (€484,170) ○ Cleaning services (cumulative value in excess of €1m – please also refer below) • Three instances where there was no evidence of unsuccessful and successful letters being sent to suppliers; <ul style="list-style-type: none"> ○ Online database of scientific journals (€484,170) ○ Fundraising consultancy (€12,577) ○ Branded goods (€7,638) • Four instances with no contract in place between the HEI and suppliers where the cumulative spend was in excess of €25,000 for the year; <ul style="list-style-type: none"> ○ One related to cleaning services with the cumulative expenditure in excess of €1m; ○ Legal services (annual cumulative value €227,775) ○ Fundraising consultancy (annual cumulative value €26,701) ○ Provision of psychiatric services (annual cumulative value €44,000) • One instances with no evidence of TCCs; <ul style="list-style-type: none"> ○ Accommodation (annual cumulative value €11,930) • Two instances of 'sole supplier' where no justification form was retained (both related to maintenance for IT systems) • One additional 'sole supplier' instance where two companies provided the required service (related to the Finance system upgrade), this would not be considered a 'sole supplier'.



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3.3: HEI specific observations

HEI 6 - continued

Ref	Area	Finding
5	Procurement testing	<p>From a sample of 30, we identified the following issues:</p> <ul style="list-style-type: none"> • 11 instances where there was no evidence provided to indicate how the suppliers were selected; <ul style="list-style-type: none"> ○ Library IT support services (€1,470) ○ Furniture (€116,295) ○ Computer equipment (€34,799) ○ Library professional services (€24,033) ○ Technology services (€7,626) ○ Scientific instruments (€7,514) ○ Consultancy services (€6,750) ○ Library system maintenance (€6,507) ○ Consultancy services (€5,975) Licenses (€3,420) ○ Blood unit (€1,679) ○ Proofreading (€1,375) <p>Three of the above were deemed to be a sole source following further discussions with the HEI. However no sole supplier justification was on file.</p> <ul style="list-style-type: none"> • One instance where it would appear that a Request for Tenders was not advertised on eTenders (security services €32,776); • Evaluation sheets / tender scoring documents not signed off for two suppliers (security services €32,776 and branded goods €7,639)



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3.3: HEI specific observations

HEI 7

Ref	Area	Finding
1	Policy, Procedures and Procurement Plan	<p>Whilst in 2006, a Strategic Review of Purchasing and Procurement was undertaken and a report produced, this does not meet the requirement of having a Corporate Procurement Plan.</p> <p>It would appear that the Procurement Policy and Procedures documents are not comprehensive as a number of requirements set out in the National and EU guidelines have not been included. Additionally, there are a number of Circulars that should also be incorporated into the documents.</p> <p>There is no version control on the policy or procedure showing when it was last updated, by who and who approved it.</p>
2	Procurement Training	There is evidence of staff attending procurement and purchasing training in 2015. Additionally there is a buyer information session carried out every 4 months, with the latest session having commenced in February 2016. However training sessions are not mandatory to attend for staff involved in the purchasing or procurement process.
3	Use of financial system	Evidence to support supplier selection is not uploaded to eFinancials in all instances.



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3.3: HEI specific observations

HEI 7 - continued

Ref	Area	Finding
4	Procurement testing	<p>We noted that the procedure to go to national tender was €60,000 until January 2016 when it was brought down to €25,000 in line with the Public Procurement Guidelines. We sampled an additional four procurement transactions to identify if this new threshold was implemented. In two instances the supplier was a sole supplier and in two instances quotes were obtained.</p> <p>From a sample of 30, we identified the following issues:</p> <ul style="list-style-type: none"> • Two instances where quotes were not sought: <ul style="list-style-type: none"> ○ Laboratory equipment value €2,976; ○ Pest control service value €5,085; • Two instances of supplier services where evidence of quotes / tenders were not available as relevant staff were on leave and the evidence was not attached to the eFinancials system; <ul style="list-style-type: none"> ○ Catering service value €8,836; ○ Strategic marketing and branding services value €7,925 (annual spend was €33,215). We were informed that this was tendered for in collaboration between an number of HEIs; • Three instances of supplier services with a value of €25,000 to €209,000 where the services were not tendered: <ul style="list-style-type: none"> ○ Cleaning services value €32,071 (annual spend was €171,346); ○ Purchase of office supplies value in June 2015 €10,642 (annual spend was €46,812); ○ Laundry and linen hire value €110,260.30 (four quotes were obtained but tender should have been put in place in a timely manner); • One instance of supplier services with a value of €25,000 to €209,000 (€54,021 per payments listing) where tender information were not available to us due to the relevant staff member being on leave. • Two instances where quotes were not obtained as the supplier was deemed to be a sole supplier due to their knowledge of previous work with the HEI, these related to: <ul style="list-style-type: none"> ○ Accounting services €3,747 (total for year €22,799); and ○ Access control systems €20,802. The Procurement and Contracts Officer informed us that quotes were not sought for their original work either.



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Examples of good and poor procurement practices



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Good Practices



Procurement €5k -€25k

Sole supplier

Frameworks



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Value of transaction: €9,840

Description: Purchase of a tractor unit

Expected procurement process: Three written quotes

Actual procurement process: Three written quotes were sought by the department requiring the purchase. These written quotes were retained on file and were available as evidence to verify that a competitive procurement process aligned with the national and EU guidelines was followed.

Learnings: None.

Value of transaction: €5,634

Description: System maintenance

Expected procurement process: Three written quotes

Actual procurement process: In this instance, only one supplier was contacted. It was discussed onsite that the supplier is the sole supplier of this particular system (relating to time and attendance). In addition, a letter was retained on file from the hardware provider confirming this supplier is the sole supplier for system maintenance.

Learnings: None

Value of transaction: €22,737

Description: Mobile phone services

Expected procurement process: Mini competition

Actual procurement process: A mini competition was undertaken with the suppliers on the OGP framework, including request for quotation, signed evaluation of responses and communication to both successful and unsuccessful suppliers. The tax clearance certificate for the awarded supplier was also observed.

Learnings: None

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Good Practices



Procurement > €209k

Value of transaction: €692,395

Description: Cleaning services

Expected procurement process:
OJEU Tender

Actual procurement process:
Evidence provided to support this procurement included evidence that the request for tender (RFT) was published on the OJEU, the RFT including award criteria, opening checklist, signed evaluation score sheet, notification to both successful and unsuccessful suppliers, signed contract with awarded supplier and the tax clearance certificate.

Learnings:
None

Frameworks

Value of transaction: €515

Description:
Purchase of IT equipment

Expected procurement process:
Mini competition

Actual procurement process:
The OGP has implemented a framework in place for the Supply of IT Equipment which has four listed suppliers. Evidence received in support of this procurement includes: RFT sent to the listed suppliers including award criteria, signed evaluation sheet, notification to successful and unsuccessful suppliers, and tax clearance certificate of awarded supplier.

Learnings:
None

Procurement training

Actual procurement process:
In this HEI, a reported 100 staff members are involved in procurement at varying levels devolved across departments within the HEI. A clear approach has been adopted including:

- Procurement training slides are emailed to all relevant staff and from 1 September 2016 policies, procedures and training guides are available through their procurement system.
- Staff attend regular OGP training sessions. A representative from each department is required to attend this training and attendance is recorded. The latest in house training took place in August 2016 and some 120 staff were trained in a 2 hour classroom training environment.
- One-to-one training is also provided by the finance department to staff across the HEI.

Learnings:
Procurement training is essential to ensure that staff understand procurement obligations. This is particularly relevant in environments where procurement is devolved to include staff who may not have a background in financial controls.

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Frameworks

Value of transaction: €15,134

Description: Sports apparel

Expected procurement process: National tender

Actual procurement process: Evidence provided in support of this procurement included request for tender including award criteria, evidence of publishing on eTenders, opening tenders sheet, signed evaluation form, successful and unsuccessful notification to suppliers, and tax clearance certificate from awarded supplier.

Learnings:
None

Developing new systems

Actual procurement process: This HEI launched a new procurement system in September 2016.

This is a bespoke system developed by this HEI to record and store all procurement documentation from across the HEI.

Procurement activities in excess of €3,000 are recorded as individual procurement activities and the relevant procurement documentation is attached to each sequentially numbered procurement activity. Each procurement activity is submitted for finance approval and once validated by finance the procurement identifier number is added to the PO.

Finance are a required approver on all PO's and failure to add a validated PP number will result in the PO being rejected.

For purchases less than €3,000 the procurer is required to enter in the names of the 3 quote sources and failure to do so will result in the PO being rejected. Reports are run to assess the overall levels being spent with any one provider to highlight instances where collective spends are driving suppliers into higher procurement thresholds requiring additional procurement activity.

The new system gives this HEI greater visibility over the procurement activities to better aid overall management of procurement in a decentralised environment.

Frameworks

Value of transaction: €7,363

Description: Mobile phone services

Expected procurement process: Mini competition

Actual procurement process: We observed quotes received from all three suppliers listed on the OGP framework as part of the mini competition including signed evaluation form, notification to successful and unsuccessful suppliers and tax clearance certificate from awarded supplier.

Learnings:
None

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Good Practices



Procurement < €5k

Value of transaction: €2,245

Description: Clothing embroidery

Expected procurement process:
Verbal quotes

Actual procurement process:
There is no requirement for written quotations to be retained for expenditure below €5k. However the HEI provided evidence that three written quotes were obtained for this expenditure. The evidence was retained on file.

Learnings:
None



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Procurement €25k - €209k

Value of transaction: €31,141

Description: Provision of waste management services

Expected procurement process: National Tender

Actual procurement process: We were advised that the HEI used this supplier for these services while waiting on the OGP to complete a framework. The OGP advised the HEI in March 2016 that they should continue using the supplier until the framework was put in place.

Although the HEI were advised by the OGP to continue using this supplier, the HEI did not seek any assurance that the price was competitive against other suppliers.

Learnings:

We note that the HEI acknowledge their non-compliance in their annual statement of governance. In instances where expected frameworks are waiting finalisation, it is still important in the meantime for the HEI to ensure that they are receiving value for money.



Procurement €25k - €209k

Value of transaction: €555/€94,031

Description: Purchase of laboratory supplies

Expected procurement process: National Tender

Actual procurement process: Three written quotes were received for the individual transaction of €555. However the cumulative expenditure for the period under review with this supplier was €94,031, which would require publishing a tender under the Public Procurement Guidelines.

In addition, the OGP have a framework for the provision of science equipment which was not utilised. The explanation provided was that these were very specific supplies not covered by the supplier on the framework.

Learnings:

Ongoing monitoring of expenditure including yearly comparison would assist identify procurement needs as part of the Corporate Procurement Plan and direct procurement activity through the appropriate process.

OGP frameworks should be utilised where appropriate, and guidance sought from the OGP when subcategories of expenditure are not covered by the framework.

Frameworks

Value of transaction: €22,043

Description: Print services

Expected procurement process: Framework

Actual procurement process: The date of the transaction was June 2015. From February 2012 to February 2016, there was a 'Managed Print Services Framework Agreement' in place by the OGP. This Framework listed seven suppliers. Evidence was retained on file that an invitation to take part in a mini-tender competition was sent to all seven suppliers, including the Supplementary Request for Tender and a copy of the services contract. There was no tender opening sheet on file. Each tender was evaluated using the criteria as specified in the RFT. However the evaluation sheet was not signed by those who prepared the scoring. Evidence of communication to both the successful and unsuccessful suppliers were retained on file. A signed contract and a copy of the tax clearance certificate was also retained on the file.

Learnings:

A tender opening sheet should be retained and the persons completing the evaluation should sign off on the evaluation.

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Procurement €25k - €209k

Value of transaction:
€20,838/€35,805

Description: Printing services

Expected procurement process:
National Tender

Actual procurement process:
On receipt of the supporting evidence it was observed that three written quotes were obtained.

While the individual transaction was under €25k, cumulative expenditure for the year with this supplier was €35,805. In line with Public Procurement Guidelines this should have gone to tender.

Learnings:
Ongoing monitoring of expenditure should be undertaken to identify instances where expenditure is likely to exceed any particular threshold. In addition, for expenditure that is repeated each year (such as this instance for the printing of exam papers) the expectation should be developed as part of the Corporate Procurement Plan.



Records management

Expected procurement process:
Formal document management system that allows for central retrieval

Actual procurement process:
There is no uniform method of maintaining procurement documentation within the HEI.

Many of the procurement cases are carried out by a third party or by the individual department within the HEI. Where there is no uniform approach to maintaining documents, evidence of the procurement process is not always available.

From our sample testing it was found that unavailable documentation included tender opening sheets, sign off from the evaluation process and other elements of the procurement process.

There is no guidance on documentation retention including:

- where responsibility for retaining the document lies when a third party is involved;
- what documentation is required to be retained; and
- how the documentation should be stored.

Learning:
Where the finance system has the functionality for documentation to be stored electronically, this would allow for collation of all evidence and central retrieval. Responsibility for documentation should be formally set-out.

Procurement €5k - €25k

Value of transaction: €1,474

Description: Elevator services

Expected procurement process:
Three written quotes

Actual procurement process:
There was no additional evidence provided in support of this procurement activity.

Learnings:
Expected process should be followed in line with the national and EU public procurement guidelines. Three written quotes should have been obtained and retained on file to support this procurement process.

Poor Practices



Procurement €25k - €209k

Value of transaction: €6,750

Description: Consultancy services

Expected procurement process:
National Tender

Actual procurement process:
We were unable to obtain any documentation providing evidence that the provision of these professional services went to National Tender.

Learnings:
Documentation should be retained in all instances to evidence the procurement process followed.

Corporate Procurement Plan

Expected procurement process:
Documented Corporate Procurement Plan developed in line with requirements of the Code of Practice for the Governance of State Bodies

Actual procurement process:
Currently there is no corporate procurement plan in place at this HEI. A corporate procurement plan is essential in any organisation to ensure that procurement goals are met and there is a clear direction for future procurement activity.

It is also one of the requirements per the National Public Procurement Policy Framework. The plan helps an organisation to stay on track with their goals and work towards improving certain areas of the procurement process.

In addition, the corporate procurement plan assists with procurement planning for the sector and enables the OGP to determine what frameworks will be required for the future.

Learnings:
A Corporate Procurement Plan focuses attention on expected procurement needs and should be developed in line with the requirements of the National Public Procurement Policy Framework.

Procurement €25k - €209k

Value of transaction: €116,295

Description: Purchase of furniture

Expected procurement process:
National Tender

Actual procurement process:
We were unable to obtain any documentation providing evidence that the purchase of this furniture went to National Tender.

Learnings:
Expected process should be followed in line with the national and EU public procurement guidelines.

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Guidance documentation

Actual procurement process:

This HEI has a procurement policy, procedure and Corporate Procurement Plan which were last updated in 2013. It would appear that these documents are not comprehensive as a number of requirements as set-out in the national and EU guidelines have not been included. In addition, there are a number of Circulars that should be incorporated into the documents.

Furthermore, the policy document is not available to staff through the internal intranet.

Learnings:

Procurement policies and procedures are the foundation for embedding appropriate procurement practices across a HEI, particularly where the process is devolved. This HEI reported approximately 100 staff involved in the procurement process. Access to these documents provides guidance to staff who may not be as frequently involved in the process, and so less familiar with procurement requirements and / or less likely to be aware of changes in requirements.

Procurement €25k-209k

Value of transaction: €32,071

Description: Cleaning services

Expected procurement process: National Tender

Actual procurement process:

We were advised that quotes were only received from the awarded supplier and that competitive quotes were not sought or it didn't go to tender.

Learnings:

Expected process should be followed in line with the national and EU public procurement guidelines.

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Appendix 1

Statement of Responsibility



WE HEREBY TAKE RESPONSIBILITY FOR THIS REPORT WHICH IS PREPARED ON THE BASIS OF THE LIMITATIONS SET OUT BELOW.



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Deloitte
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Deloitte & Touche House
Earlsfort Terrace
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Date: 4 May 2017

CONTACT PERSONS:

Eileen Healy	Partner
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Telephone:	061 435500
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The matters raised in this report are only those which came to our attention during our review and are not necessarily a comprehensive statement of all weaknesses that exist, or of all improvements that might be made. Our review was not a full compliance review as it was performed on a limited sample basis. Recommendations for improvement should be assessed by the Higher Education Authority for their full implications before they are implemented. This draft report has been prepared solely for the Higher Education Authority and should not be quoted or referred to in whole or part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared and is not intended, for any other purpose.



Appendix 2

Approach



Our approach to this review included the following:

- We held a meeting with the HEA Steering Group to introduce the Deloitte management team, refine expectations, agree communication protocols, in-scope period of testing, sample sizes, timelines and key milestones.
- We performed a desktop review of three years audited accounts and Annual Governance Statements to identify any areas of procurement non-compliance.
- We selected a sample of 7 HEIs following discussion of the above analysis with the HEA including other HEA contributing factors.
- We issued a questionnaire to each sample HEI to gain a high level overview and comparison of the institutional arrangements with regard to procurement.
- We reviewed the documentation received by the HEIs in advance of fieldwork including responses to questionnaires, policies and procedures, and payment transaction listings.
- We performed walkthroughs with key procurement staff to identify key controls, procurement thresholds applied, and the chain of approval, including the use of systems and / or manual records used in the process.
- We conducted interviews with HEI management and procurement staff. Such interviews were aimed at understanding the level of awareness of procurement requirements by staff.
- We performed sample testing of the procurement process in place to determine compliance with the National and EU procurement regulations and procurement guidelines. We reviewed documentation such as tender documentation and purchase order approvals in order to compare the process in place against the individual HEI policies and procedures.
- We reviewed documentation such as training records, job descriptions, staff qualifications and continuous learning strategies in the HEI to form a view of the capacity of the HEI to apply good procurement practices.
- We documented three case studies per HEI to cover both good and poor procurement practices.
- All points arising were discussed with HEI management while onsite to ensure factual accuracy. However this was prior to internal file review.
- Fortnightly progress reports were presented to the HEA Steering Group.
- Provided findings and case studies to HEIs for validation following internal file review.
- Discussed draft findings with the HEA Steering Group where we also discussed reporting.



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Appendix 3

Analysis of the HEIs



Diversity of higher educational institutions under the remit of the HEA and within the scope of this review

7 Universities

- Trinity College Dublin
- NUI Galway
- Maynooth University
- University College Dublin
- University of Limerick
- University College Cork
- Dublin City University

14 Institutes of Technology

- Athlone IT
- IT Blanchardstown
- Cork IT
- IT Carlow
- Dublin IT
- Dundalk IT
- Dun Laoghaoire Institute of Art Design & technology
- Galway-Mayo IT
- Letterkenny IT
- Limerick IT
- IT Sligo
- IT Tallaght
- IT Tralee
- Waterford IT

5 Specialist institutions

- National College of Art & Design
- Mary Immaculate College
- St Patrick's College Drumcondra
- Mater Dei Institute
- St Angela's College

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Appendix 3

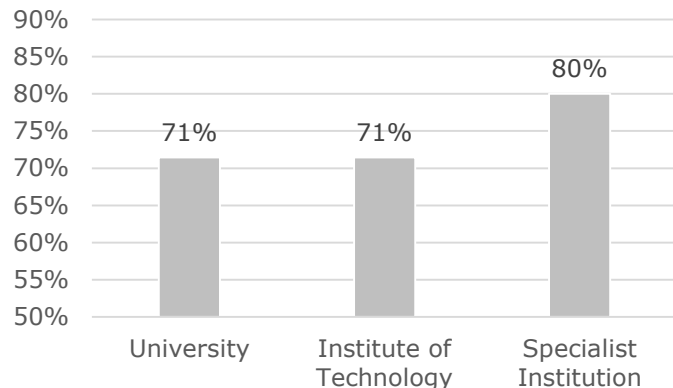
Analysis of the HEIs

Desktop review of C&AG audited accounts and annual governance statements for the last available three years

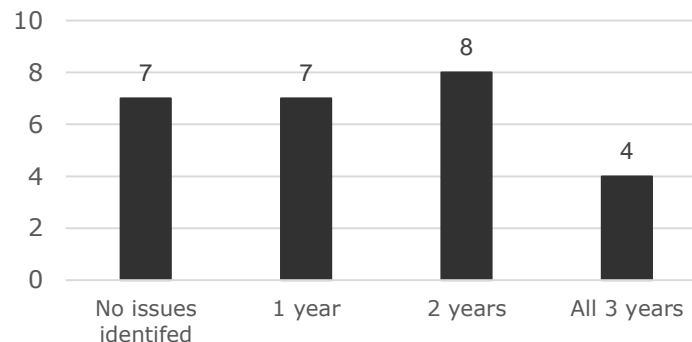


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Graph 1: % procurement issue identified



Graph 2: Issue identified in Procurement



From our review the audited accounts and annual governance statements for the years 2011/2012 to 2013/2014 we observed the following:

Of the 26 HEIS:

- All had annual governance statements for the three year period provided.
- Five HEIs did not have audited accounts for each of the three years. In four instances the HEI was missing one year and in one instance the HEI was missing two years of audited accounts.
- 19 instances where the HEIs documented procurement non-compliance in either the audited accounts, annual governance statements, or both. See graph 1.
- 4 HEIs identified procurement non-compliance in each of the three years. See graph 2.
- 3 HEIs made no reference to procurement in the three years of audit accounts provided.

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Appendix 4

Methodology for sample selection



Please see an overview of the sample selection methodology used for the sample of payments within each institution selected:

- No capital procurement was selected.
- Sample selections were across varying value amounts covering various procurement thresholds
- A minimum of two frameworks were to be selected.
- A minimum of 3 IT services were to be picked.
- The sample selections were spread across the year 1st June 2015 to 31st May 2016



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


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Appendix 5

Results of GAP Analysis



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Ref	Policy Checklist	HEI 1	HEI 2	HEI 3	HEI 4	HEI 5	HEI 6	HEI 7
1.1	Does the Policy provide that Procurement staff are familiar with EU and international rules? (training?)	✗	✓	✓	✓	✓	✗	✓
1.2	Is it clear that ordering and receiving services/goods is a separate function from payment for goods/services?	✗	✗	✗	✗	✗	✓	✗
1.3	Does the Policy indicate that a contracting arrangement should be put in place for recurring supplies and services?	✗	✗	✗	✗	✗	✗	✗
1.4	Does the Policy provide for situations where a sole supplier is used? Does the Policy indicate that the best value for money should be obtained? Does the Policy provide for situations where the contractor has exclusive rights to provide a particular supply or service in a designated territory?	✗	✗	✓	✗	✗	✓	✗
1.5	Does the Policy provide for situations where it might be possible for the organisation to obtain better value for a tender overseas?	✗	✗	✗	✗	✗	✗	✗
1.6	Does the policy provide for conflicts of interest and actions taken/procedure followed to avoid conflicts of interest?	✓	✗	✓	✗	-	✓	✗

Symbol	Key
✓	Compliant
✗	Non-compliant
-	Partially compliant

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Ref	Policy Checklist	HEI 1	HEI 2	HEI 3	HEI 4	HEI 5	HEI 6	HEI 7
1.7	<p>Does the policy have provisions to ensure that tenderers have regard for the following?:</p> <ul style="list-style-type: none"> ~statutory minimum pay ~industrial or sectoral issues ~health and safety issues <p>Does the policy reference that in tender documents a need for compliance of tenderers is included?</p>	✗	✗	✗	✗	✗	✗	✗
2.1	Does the policy specify that tender prices are exclusive of VAT?	✗	—	✗	✗	✓	✗	✗
2.2	Does the policy specify that PSWT must be deducted at the standard rate from payments for professional services?	✗	✓	✗	✗	✗	✗	✓
2.3	Does the Policy specify that tax clearance certs of contractors are required?	✓	✓	✓	✗	✓	✓	✓
3.1	Does the Policy outline that supplies or services less than €5,000 in value might be purchased on the basis of verbal quotes from one or more competitive suppliers?	✓	✓	✓	✓	✓	✓	✓
3.2	Does the policy indicate that supplies or services contracts between €5,000 and €25,000 in value might be awarded on the basis of responses to specifications sent by fax or email to at least three suppliers or service providers?	✓	✓	✓	✓	✓	✓	✓

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


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Results of GAP Analysis cont'd



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Ref	Policy Checklist	HEI 1	HEI 2	HEI 3	HEI 4	HEI 5	HEI 6	HEI 7
3.3	Does the Policy allow for records of where competitive process was not adhered to?	✗	✗	✗	✗	✓	✓	✗
3.4	Does the policy indicate that contracts above €25,000 (and below OJEU) amount be advertised on eTenders.ie?	✓	✓	✓	✓	✓	✓	✓
3.5	Does the Policy indicate what advertising in the OJEU is for current thresholds?	✓	✓	✗	✗	✗	✗	✗
3.6	Does the Policy provide for the procedures around direct invitation (restricted) to tender?	✓	✗	✗	✗	✗	✓	✗
3.7	Do these direct invitation to tender procedures comply with what is detailed in the Public Procurement guidelines in relation to direct invitation?	✓	✗	✗	✗	✗	✓	✗
3.8	Does the Policy have provisions for instances where larger contracts (€25,000 and above) are being awarded on the basis of most MEAT?							
	Is it policy that the tender is evaluated by a team?	—	✗	✗	✗	—	—	✗
	Is it policy that there is a scoring or marking sheet with weighting criteria (or another transparent method for evaluating)?							



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Ref	Policy Checklist	HEI 1	HEI 2	HEI 3	HEI 4	HEI 5	HEI 6	HEI 7
4.1	Does the Policy or Procedure refer to the award criteria of contracts (MEAT or lowest price)?	✓	✗	✗	✗	✗	✓	✗
4.2	Does the Procedure specify that for contracts being awarded on most economically advantageous basis that the tender document states all the criteria being applied giving the relative weightings (if weightings not possible then the criteria are listing in descending order of importance)?	✓	✗	✗	✗	✗	✓	✗
4.3	Does the Policy provide for OJEU advertisements also being on eTenders.ie?	✓	✓	✗	✗	✗	✓	✗
4.4	Does the Policy provide for the use of Prior Information Notices (PINs)?	✗	✗	✗	✗	✗	✗	✗
4.5	Does the policy provide for the that certain information on contracts awarded should be published within 48 days of the award in the OJEU?	✓	✗	✗	✗	✗	✗	✗
4.6	Does the Policy outline that the estimation of contract values for OJEU publication purposes must be realistic? Does the policy or procedure provide detail or guidance on estimations?	✓	✗	✗	✗	✗	—	✗
4.7	Does the Policy outline that purchases may not be sub-divided to prevent amounts coming within scope of Directives?	✗	✓	✗	✗	✗	✓	✗
4.8	Does the Policy provide for the four different types of tendering processes?	—	✗	✗	✗	✗	—	✗

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Ref	Policy Checklist	HEI 1	HEI 2	HEI 3	HEI 4	HEI 5	HEI 6	HEI 7
4.9	<p>Under the open tendering procedure, does the policy provide for the following?:</p> <ul style="list-style-type: none"> ~All interested parties may submit tenders ~Only tenders of those who meet minimum levels of technical and financial capacity and expertise are evaluated (if minimum levels are sought by organisation) ~If there are minimum requirements, these are made clear in RFT 	✓	✗	✗	✗	✗	✓	✗
4.10	<p>Under the restricted tendering procedure, does the policy provide for the following?:</p> <ul style="list-style-type: none"> ~Requirements of the organisation are set out through contract notice on OJEU & expressions of interest are invited from potential tenderers ~Issue of the complete specs and tender documents with an invitation to submit tender to all those who possess requisite level of skill ~A minimum of 5 and maximum of 20 are invited to tender 	✓	✗	✗	✗	✗	✓	✗
4.11	<p>Under the competitive dialogue tendering procedure, does the policy provide for the following?:</p> <ul style="list-style-type: none"> ~once satisfied with the best means of meeting its requirements, the organisation must invite at least 3 tenderers to submit tenders ~most economically advantageous is then selected 	✗	✗	✗	✗	✗	✗	✗

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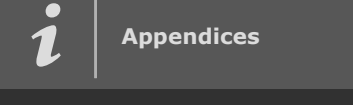
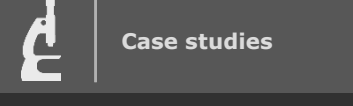
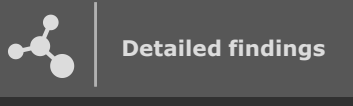
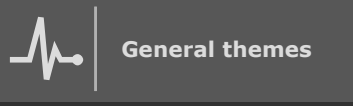
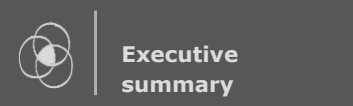




Ref	Policy Checklist	HEI 1	HEI 2	HEI 3	HEI 4	HEI 5	HEI 6	HEI 7
4.12	<p>Under the negotiation tendering procedure, does the policy provide for the following?: ~only used in exceptional circumstances</p> <p>Does the policy provide for the two types of negotiation procedure?: ~Contracting authorities advertise and negotiate the terms of the contract. ~Contracting authorities negotiate, without advertising, the terms of the contract directly with one or more parties.</p>							
		X	X	X	X	X	✓	X
4.13	<p>Does the Policy indicate that there are minimum time limits set out for the contract award procedure in accordance with the tendering procedure used?</p> <p>Does the Policy allow for reduced time limits where there is electronic/ online transmission of tender documents?</p> <p>Are the number of days in line with the Public Procurement Guidelines?</p>							
		X	X	X	X	X	X	X
4.14	<p>Does the Policy provide for situations where there is a request for information? Are the number of days (six days) in line with the Public Procurement Guidelines?</p>	—	X	X	X	X	X	X
4.15	<p>Does the Policy identify that in situations where additional information is supplied to one party then it is supplied to all interested parties?</p>	✓	X	X	X	X	X	X

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Ref	Policy Checklist	HEI 1	HEI 2	HEI 3	HEI 4	HEI 5	HEI 6	HEI 7
4.16	<p>Does the Policy provide for the following in relation to the receipt and opening of tenders?:</p> <ul style="list-style-type: none"> ~that all tenders should be opened together as soon as possible after the designated latest time and date set for receipt of tenders ~that Internal Procedures should indicate that the opening of tenders takes place in the presence of at least two officials of the contracting authority ~that (in case of dispute) there is a clear/independently vouched report of the tenders received ~that tenders received after closing date are not accepted 	✓	✗	✗	✗	✗	—	✗
4.17	Does the Policy indicate that substantive alterations to bids after the deadline are not permissible under open or restricted procedures? (In particular any adjustment to price is not permitted)	✓	✗	✗	✗	✗	✗	✗
4.18	Does the Policy provide that tenders are examined by a team with necessary competence?	✓	✗	✗	✗	✗	✗	✗
4.19	Does the policy outline that tenders which do not comply with requirements in the RFT rejected?	✗	✗	✗	✗	✗	✗	✗
4.20	<p>Does the Policy indicate that under the restricted procedures, care should be taken to ensure that the pre-qualification criteria are not use inappropriately?</p> <p>Does the Policy also indicate that these tenderers will be assessed solely on the basis of how they meet the award criteria related to the relevant project?</p>	✗	✗	✗	✗	✗	✗	✗

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Ref	Policy Checklist	HEI 1	HEI 2	HEI 3	HEI 4	HEI 5	HEI 6	HEI 7
4.21	Does the Policy outline that in the cases where tenderers are invited to make a presentation (in open or restricted tender process) that they cannot enter dialogue in relation to price or any items which would result in significant changes to criteria or tender specifications?	✗	✗	✗	✗	✗	✗	✗
4.22	Does the policy allow for tenderers with abnormally low tenders? Does the policy allow for the tenderer explaining the basis of tender?	✗	✗	✗	✗	✗	✓	✗
4.23	Does the Policy indicate that a TCC is required before awarding the tender?	✓	✓	✓	✗	✓	✓	✓
4.24	Does the Policy provide for the procedures around framework agreements?	✓	✗	✗	✓	✓	✓	✗
5.1	Does the Policy or Procedure indicate that unsuccessful candidates and tenderers are informed of results as soon as possible?	✓	✗	✗	✗	✓	✓	✗
5.2	Does the Policy provide situations where a tenderer for contracts covered by the EU directive that an interval is observed to allow an unsuccessful tenderer to seek a review? (& that any notification to a successful tenderer is provisional during this interval)	✓	✗	✗	✓	✓	✗	✗
5.3	Does the Policy specify that details of tender must be kept secret until the evaluation process is concluded?	✗	✗	✗	✓	✓	✗	✗

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5.4	Does the Policy indicate that for contracts above the EU thresholds eliminated candidates (who requests it) must be informed within 15 days of the reason for rejection and the relative advantages and name of the successful tender?	✗	✗	✗	✗	✗	✓	✗
5.5	Does the Policy or Procedure indicate that for contracts above the EU thresholds that certain information about the contract awarded must be submitted for publication in the EU journal not more than 48 calendar days after the award.	✓	✗	✗	✗	✗	✗	✗
5.6	Does the Policy indicate that a written report is required for contracts above EU thresholds?	✗	✗	✗	✗	✗	✗	✗
6.1	Does the Policy provide for the situation of informing unsuccessful candidates and tenderers (for small procurements) of their application or tender?	✓	✗	✗	✗	✓	✓	✗
6.2	Does the Policy provide for informing tenderers for larger Procurements of their unsuccessful tender? Also is there a debriefing meeting?	✗	✗	✗	✗	✗	✗	✗
6.3	Does the Policy indicate that for formal or personal debriefing that there should be two officers in attendance and a note kept of the proceedings?	✗	✗	✗	✗	✗	✗	✗

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Relevant Circulars:

- Circular 10/10: Facilitating SME participation in Public Procurement
- Circular 02/09: Arrangements for ICT Expenditure in the Civil and Public Services
- Circular 02/11: Additional arrangements for ICT Expenditure in the Civil and Public Service
- Circular 13/13: The Public Spending Code: Expenditure Planning, Appraisal and Evaluation in the Irish Public Service – Standard Rule and Procedures
- Circular 02/16: Arrangements for Digital and ICT-related Expenditure in the Civil and Public Service



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