**Aim**

This policy provides guidelines for the procurement of goods and services in a manner that promotes the general policies and procedures of the School. These guidelines are aimed at ensuring that ethical and professional practices are adhered to at all times.

**Applicability**

The policy is applicable to all management and staff members involved with or affected by the procurement process as well as members of the Board of Governors.

**Policy statement**

* Procedures and processes must reflect a procurement system that is fair, equitable, transparent, competitive and cost-effective, and provides a quality product
* The School will take appropriate action regarding corrupt, or unethical activities, and acts of financial misconduct
* All transactions should be properly documented
* Guidelines related to the receipt of gifts and promotional items (see Staff Code of Conduct) must be adhered to at all times

**Procedures to be followed (the process followed can be found in Appendix 1)**

* In principle, when the need for a specific item or service arises or has been requested, the procurement process may not commence before proper approval has been obtained
* All requisitions must be accompanied by the correct request forms and signatures
* It is essential to ensure that items ordered fall within the approved budget
* A three quote system will be adhered to for all purchases over €5,000.00
* For contracts involving amounts in excess of €200,000.00, a process of open tender must be employed and advertised, reflecting all important information relating to the tender. In particular circumstances this may be a tender by invitation
* All original records must be kept on file and be readily available

**Tendering**

* Evaluation criteria details should be stipulated in tender documents
* Unambiguous descriptions of the goods or services to be acquired are to be stipulated in the tender documentation
* During the period in which the tender is open, bidders may communicate with the person listed in the tender document only for the purposes of clarification of information relating to the tender
* Tenders will close at a specified date and time; the onus is on the tenderer to ensure that tender documents reach the specified address in good time
* Tenders which do not meet the tender conditions will be rejected except where acceptance will not prejudice other tenderers
* After completion of the tender evaluation process, the School reserves the right to enter into post-tender negotiations with the ‘preferred bidder’ or any number of short-listed bidders
* Prices and technical and trade information included in bids must be treated with confidentiality both internally and externally
* The only information to be disclosed to unsuccessful bidders is the name and location of all bidders responding to a particular tender invitation

**Contracting Principle**

If a purchase requires the signing of a contract it must be in writing.

* The following contracting principles should be adhered to:
  + *Parties* – Clearly identify the legal entity being contracted with; if VAT number has to be included
  + *Performance* – Detail precisely each party’s rights and obligations, in particular any special conditions. If possible build in a service level obligation to ensure that contractual performance is up to an agreed standard
  + *Price* – Show the make-up of the price in detail. Remember to state whether VAT (IVA) is included or excluded and deal with dates of payment. As a general rule, try and only pay for goods after they have been delivered and checked or after the service has been rendered. Keep up-front payments to a minimum
  + *Period & Termination* – In general, contracts not to be longer than three years; contracts to be subject to a right of cancellation if counter-party is in material breach or has not complied with his obligation when measured against the agreed service level

**Code of ethics and conflict of interests**

* BSM employees may not supply or tender for School business
* Suppliers or bidders should be asked to declare any direct or indirect family relationships as well as any personal relationships with BSM employees. Failure to disclose relevant information will entitle the School to cancel the relevant contract
* Where suppliers or bidders are parents, or related to parents, this interest must be declared. No preference is to be given to parents

**Gifts and entertainment**

* The occasional exchange of modest gifts and limited entertainment is acceptable as long as such courtesies are not specifically intended to influence any procurement decision, and are declared to the Chief Financial Officer in writing
* Gratuities or kickbacks of any kind must never be solicited, accepted or offered, whether directly or indirectly (see the Anti-bribery and Corruption Policy)

**Further development**

This policy may be developed, or changed, in line with the practicalities that arise once implementation is in place. These changes would be presented to the Board for approval

# APPENDIX 1

# PURCHASING PROCEDURES

**General**

It is the responsibility of the **CFO** to ensure that the School’s purchasing practices are efficient and effective. It is the responsibility of the **Bursar** to manage and implement the purchasing routines in accordance with the issued procedures.

The school has established fully documented purchasing routines. This applies to all purchases, including consumables, equipment, capital items and services.

The routines cover the following areas:

* *System and authority for a purchase request*
* *System and authority of ordering*
* *System and authority of receiving and controlling*
* *System and authority of payment*

1. **Purchasing Routines**

*System and authority for a purchase request*

1. The initiator (e.g. Teacher, head of department, etc.) must fill out the relevant form (PRF) and must clearly specify the reasons and strategy that support his request. The Purchase Requisition Form (PRF) must be forwarded to the Head of School / Head of Department for approval.
2. The Head of School/Deputy/Head of Department forwards the PRF to the Bursar; the Bursar is entitled to ask the Head/Deputy/Head of Department for further information who will be the sole reference for this purchase.
3. The Bursar will complete the compilation of the PRF with an estimate of costs and potential suppliers.
4. The Bursar submits the PRF to the CFO or the Principal for authorisation.
5. If the Purchase request is not included in the approved Budget, it may well be refused.
6. The Bursar executes the order and manages the procedure thereafter.

*System and authority of ordering*

1. All purchases over €5,000.00 are subject to competitive bidding.

1. If possible the Bursar must get at least three competitive offers.
2. The Bursar has to evaluate the product, service and cost. The supplier offering the best mix of the three parameters should, under normal circumstances, be selected.
3. The order cannot be issued without prior authorization from CFO/Principal.

*System and authority of receiving and controlling*

1. The Bursar and IT Team (regarding IT purchases) have the responsibility to ensure that all goods are received in accordance with the terms and conditions of the order. The receiving function is the fundamental control for meeting the payment obligation.
2. All incoming goods must be routed through one controlled entrance of the School. All goods received must be inspected for compliance with quality standards and to ensure that the quantities received match the quantities ordered.
3. The person initiating the order and completing the original PRF must authorize the invoice to certify that the service was provided properly and in accordance with the specifications of the purchase order.

*System and authority of payment*

1. No payment should take place without the prior approval and certification of the invoice by the CFO/Principal.
2. All checks, remittances, etc., require the signatures of the Principal and CFO in accordance with authorisation limits approved by the Board.
3. Cash payments should be minimized. However, if it should be necessary, they must be authorised in advance and a receipt must be obtained as a proof of the payment.
4. **Contracts**
5. If a purchase requires the signing of a contract, it must be drawn up by the Bursar and approved by the CFO.
6. All contracts must be signed by the CFO and/or Principal and/or designated member of the Board in accordance with the authorisation limits approved by the Board.
7. The Bursar is responsible for keeping all contracts and for managing the timing of maturity and/or renewal of the same.
8. **Investments**
9. Any Capital Investment that involves the commitment of an amount over €10,000.00 requires the preparation of a Feasibility Report by the CFO and Bursar; the Report has to be approved by the Principal.
10. Investments should be classified into the following categories and such classification must be reported on PRF:

*“Necessities“:* Investments required by Law or government regulations

*“Replacements“:* Ordinary replacements to keep facilities up to standard

*“Expansions“:* improvement of the original standard or additions

3. All Capital Investments must be included in the annual Budget and each investment must be properly justified. Even if the Budget is approved, any Capital Investment which involves an amount over €2,000.00 requires a further approval by the CFO/Principal.