

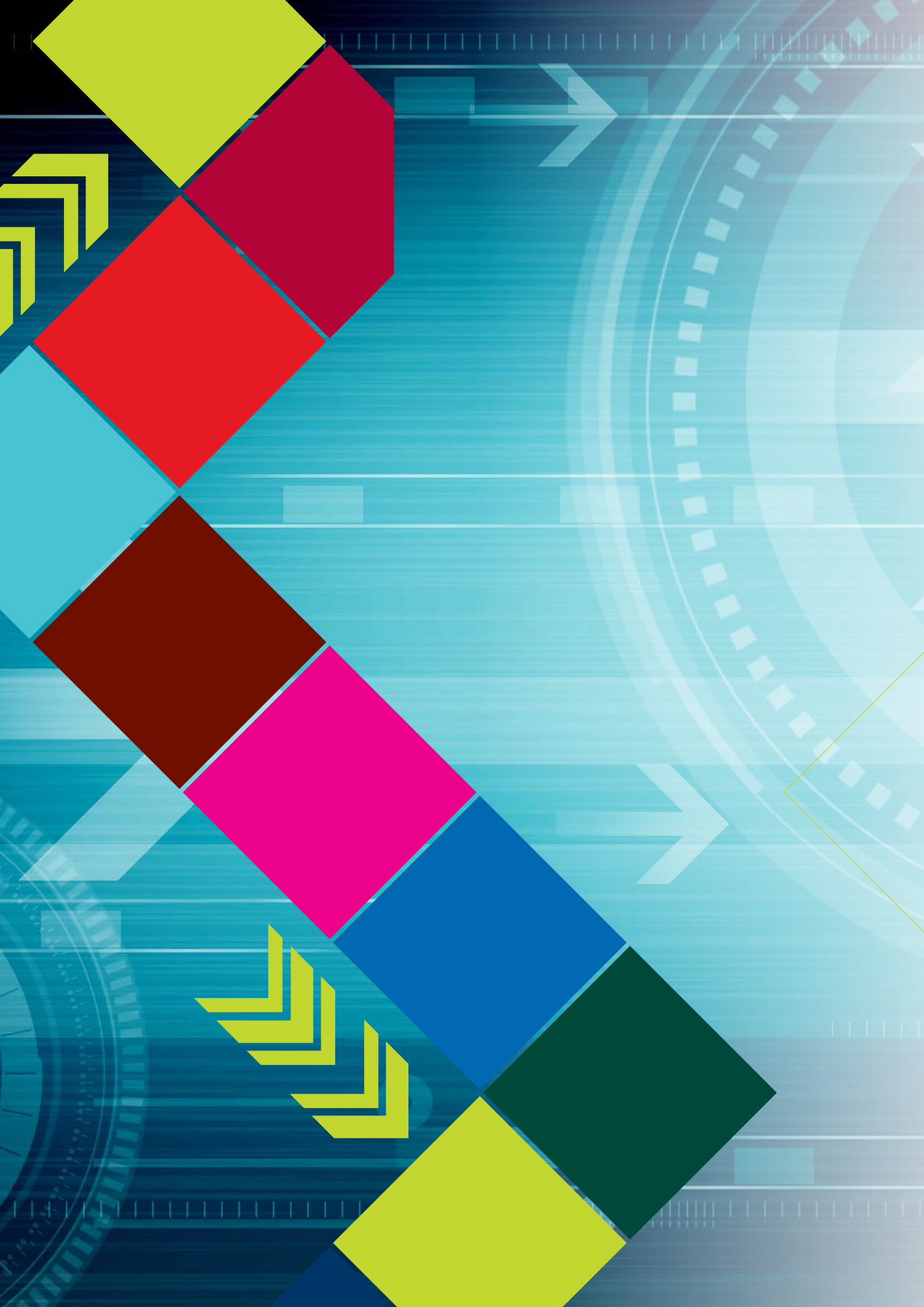
Guidance for Schools on Good Procurement Practices

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Foreword

This document has been prepared as a practical guide on public procurement for school personnel and Boards of Management in primary and post-primary schools. It is intended for use as a reference document of best practice, which may be consulted by school management/personnel for guidance on all aspects of procurement which impacts upon the operation of their school.

The guide is applicable to all areas of a school's procurement activity. It will help schools to benchmark their current policies and practices against a best practice model, set within the context of current obligations under the law. This does not place any additional responsibility upon a school to adhere to National Guidelines and public procurement law, above that which already exists and perhaps of which individual schools may not be fully aware.

The guide takes a step by step approach to putting in place procurement processes for schools. It contains diagrams and templates to support the school in putting these systems in place in a practical way.

Guidance of this nature cannot ever be totally definitive. It is intended to keep it under regular review, to take account of any amendments and changes which occur in the guidelines and legislation which governs how public procurement is conducted in Ireland. In this regard, the Schools Procurement Unit welcomes comments and suggestions from any source which might lead to improvements in this guidance, or publicises evidence of further good practices in schools. Please submit your feedback through procurementssupport@jmb.ie

I wish to express my gratitude to all who participated in the preparation of this document, most especially to the members of the SPU team who did a considerable amount of the 'heavy lifting' in producing this guide. I also wish to thank the representatives of the School Management Bodies, the Education Sector Procurement Network, the Office of Government Procurement, and others whose work greatly contributed to the success of the collaborative process involved in developing this guide. Not least, I would also like to thank those school Principals and other school personnel who offered invaluable insights in the process of their development.

Ronan Farrell,
Manager, Schools Procurement Unit.
January 2017.

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Schedule of Appendices

The Appendices contain specific templates designed to support a school in the management of its day-to-day procurement processes.

- A. DES Circular 0060/2013: Changes in public procurement practices which would affect schools
- B. DPER Circular 0016/2013: Revision of arrangements concerning the use of central contracts put on place by the national procurement service
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Abbreviations

OGP:	OFFICE OF GOVERNMENT PROCUREMENT
NPS:	NATIONAL PROCUREMENT SERVICE (REPLACED BY OGP)
DES:	DEPARTMENT OF EDUCATION AND SKILLS
SPU:	SCHOOLS PROCUREMENT UNIT
BOM:	BOARD OF MANAGEMENT
RCT:	RELEVANT CONTRACTS TAX
VAT:	VALUE ADDED TAX
VfM:	VALUE FOR MONEY
PO:	PURCHASE ORDER
SLA:	SERVICE LEVEL AGREEMENT
RfT:	REQUEST FOR TENDER
RfQ:	REQUEST FOR QUOTATION
ItT:	INVITATION TO TENDER
MEAT:	MOST ECONOMICALLY ADVANTAGEOUS TENDER
ICT:	INFORMATION COMMUNICATIONS TECHNOLOGY
EU:	EUROPEAN UNION
OJEU:	OFFICIAL JOURNAL OF THE EUROPEAN UNION
SBR:	SUPPLIER BUSINESS REVIEW
PAC:	PUBLIC ACCOUNTS COMMITTEE

Introduction

The guide is intended as both a reference document and a toolkit to assist schools in managing their procurement effort. It is intended as a practical guide to help schools plan, organise and manage their processes in a legally compliant manner.

Many schools are small units led by a teaching Principal or by a Principal with limited resources. Elaborate planning structures and processes may not be appropriate in a small school. It is up to each school to adapt the advice in these Guidelines to best suit its own circumstances. Support and advice from the Schools Procurement Unit is always available.

These Guidelines do not place any additional responsibilities upon schools that are not already in legislation or form part of the school's common law duty of care. The processes and procedures described herein are not prescriptive; they offer guidance for school personnel, and other duty holders within the school, on ways of satisfying their obligations to the National Procurement Guidelines and the law which governs public procurement in Ireland when sourcing goods and services. Each school must adapt the advice to best suit its own particular circumstances, keeping in mind the overriding principle that a school, in expending public monies, should seek to maximise value of money when procuring goods or services.

These Guidelines should be read and used in a way that is consistent with other relevant legislation and publications from the Office of Government Procurement (OGP), the Department of Education and Skills, and other Government Departments and Agencies, such as circulars, codes of practice and guidance documents. Planning and procedures for procurement processes in a school must at all-time conform to National and European procurement guidelines and law. References and links to current relevant publications are provided throughout the document.

Who should read this Guide?

This guide should be read by Principals, Deputy Principals, School Secretaries and Admin Staff, Boards of Management, and indeed anyone else working in the school that has a role of responsibility in any stage of the procurement process.

It is important to mention from the outset, that a school is best advised to only embark on a procurement activity in the absence of a suitable alternative arrangement provided by the Office of Government Procurement, and particularly so for areas of high expenditure. Using central arrangements, while not mandatory (refer to Appendix C), brings comfort in several areas – reduces exposure to risk of litigation and exploitation, reduces administrative effort and cost, and delivers best value outcomes through large-scale bundling arrangements.

What does the word 'procurement' actually mean?

In broad terms, "**Procurement**" is the overarching function that describes the activities and processes to acquire goods and services from an external source. Importantly, and distinct from

“purchasing”, procurement involves all the activities involved in establishing fundamental requirements, sourcing activities such as market research, approach, supplier and/or tender evaluation and negotiation of contracts/awarding of contracts, through to contract management. It also includes the purchasing activities (requisition to pay process) required to order and receive goods. Public Procurement in Ireland operates within a framework of legally binding European Directives and national regulations, policies and guidelines.

A fundamental principle of procurement is that goods and services should be appropriate and secured at the best possible cost to meet the needs of the acquirer in terms of quality and quantity, time, and location.

Why look at procurement processes within schools?

The environmental framework in which public procurement is transacted in Ireland is changing fundamentally. Schools need to be aware of the implications of these changes for them, and be cognisant of and understand fully their responsibilities within this new paradigm. Moreover, there is a need to ensure that those with responsibilities have the knowledge, skills and systems to cope with the changing world of procurement within the school environment.

One of the key priorities set out in the Government’s Public Service Reform Plan is to reduce costs and achieve better value for money through reform of public procurement. The Government has set the Office of Government Procurement (OGP) ambitious targets to be delivered through transforming the existing fragmented procurement model to new centred structures, underpinned by common policies, processes and systems and through driving a programme of collaborative efficiency and savings projects across the State sector. Traditionally, public procurement activity has been transacted by several thousand contracting authorities across the state, including individual schools.

The Office of Government Procurement, together with the procurement functions in four key sectors - Health, Defence, Education and Local Government - have full responsibility sourcing all goods and services on behalf of the public service, including schools. Through the efforts of the Office of Government Procurement, and these sector procurement functions, it is intended that the Irish public sector will speak with one voice to the market for each category of expenditure, eliminating duplication and taking advantage of public procurement to best effect.

Centralised procurement will mean that the procurement expertise and experience that exist in the Irish public sector is harnessed and applied consistently to all public procurement activity. At school level, centralising procurement also means that individual schools will no longer need to tender separately for goods and services which are common right across the school sector. This approach will help to partially relieve some of the administrative burden currently being experienced within schools, as well as reducing exposure to the risk of potential litigation from unsuccessful suppliers.

The diagram at Figure 1 illustrates the different steps involved in the procurement process. The OGP have taken responsibility of the ‘sourcing and category management’ step of the procurement process for goods and services common to the public sector, including schools. In a scenario where no central contract seems to be available, the school will need to check with

the OGP Helpdesk before considering whether to tender themselves (refer to the process set-out at Appendix G). This will avoid the duplication of effort referenced above. Otherwise, the other three steps outlined on Figure 1 need to be prepared, completed and undertaken by schools.

The Role of the Schools Procurement Unit

The Schools Procurement Unit (SPU), established and funded by the Department of Education and Skills, is the central support resource for providing guidance to all primary and post-primary schools (excluding ETB schools) on any procurement related issue. Within the school sector, the SPU provides up-to-date advice and practical assistance to schools in improving their procurement practices, drafting documents and properly managing their tender processes. The SPU communicates clearly with school personnel, assisting them to access contracts for goods and services which have been negotiated centrally on schools' behalf.

The SPU will also produce practical guides on procurement best practice to enable schools to meet their obligations under public procurement law, within a complex and changing public procurement environment. The SPU delivers presentations to national and regional conferences for schools, training events and information/in-service days for school personnel.

Additional activities which are carried out by the Unit include the management of collecting business data required for certain procurement competitions e.g. electricity and gas; attending meetings with Department of Education and Skills (DES) and Office of Government Procurement (OGP) representatives to discuss schools procurement requirements and agree approaches to various issues; representing the primary and second-level schools at fora established by the Office of Government Procurement (OGP) within the wider education and training sector; trialling and assisting in the implementation of new purchasing methods to improve procurement practice across the schools sector; monitoring the use of contracts established on behalf of schools; providing advice, if requested, on how to appropriately address vendor performance issues on behalf of schools; maintaining an up-to-date contact list for all schools under the SPU remit; 'health-check' visits to advise on schools' procurement practices; and generally feeding-back the experiences of schools to the central practitioners within the OGP.

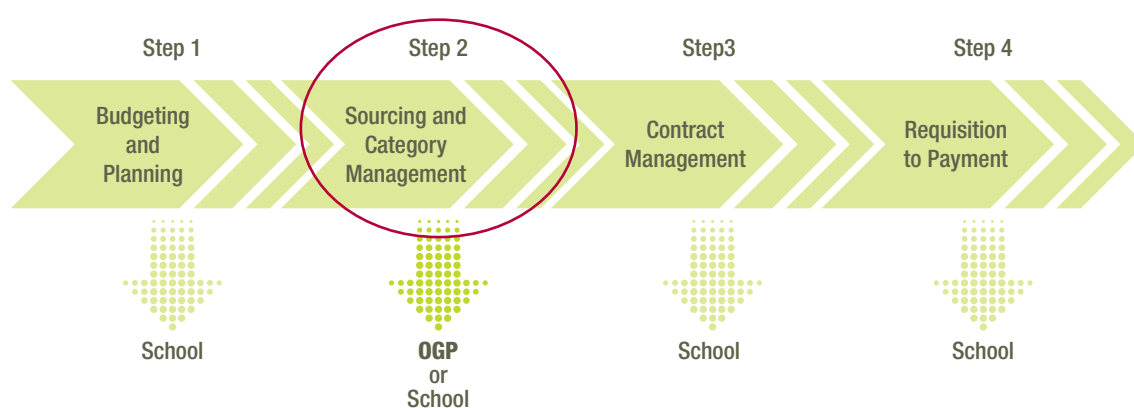
Where can I give feedback on procurement and the procurement process?

The School Procurement Unit is always keen to receive feedback and welcome both general and project specific comments. Please contact procurementssupport@jmb.ie

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Joint Managerial Body (JMB),
Emmet House, Dundrum Road, Milltown, Dublin D14 V3K8
Tel: 01 203 5899 Fax: 01 269 5461 Web: www.jmb.ie/school-procurement
Email: procurementssupport@jmb.ie

The procurement process defined

Fig 1. Procurement Process



STEP 1: Budgeting and Planning

Budgeting is one of the most important tasks to undertake as part of a school's planning processes. The school budget usually represents a detailed strategy tool for how a school expects to spend money into future time periods. On an annual basis, schools should create budgets outlining the expected needs of each department and of the school as a whole.

A major benefit to using a budget is the ability to limit how much money is spent on certain operations. Within the school, controlling the amount of funds spent by the school may require the Principal/Board of Management to seek new suppliers of goods and services, in order to save money and meet budget targets.

A 'fit for purpose' **accounting system** which includes functions to identify, assemble, classify, calculate, analyse, record, summarise and report transactions can add value to work undertaken by the school on a day-to-day basis. The recording of data from invoices of current and past suppliers, order and invoice frequency, allows the school to analyse where the money is specifically spent and to link this procurement activity to the overall short and medium term plan for the school, thereby planning, prioritising and budgeting for it. This information is important firstly to aid the school to gain an insight and take control of what is being spent, where, and by whom in a given year. Secondly, it assists the procurement practitioners (the OGP) and the DES to help identify the needs of the sector as a whole, and consequently to oversee the planning process for sourcing common goods and service.

1.1 What is meant by the term 'category'?

A category is a high-level grouping of products or services that fit together, through commonality, to make a manageable group for procurement and accounting purposes (see Appendix D)

Examples of categories of school expenditure (with some associated sub-categories) include:

1. Education – Expenses (other than Salaries) including for example, education materials, art supplies, classroom supplies, book rental scheme etc.
2. Building Maintenance & Repairs - Current expenditure related to the upkeep and maintenance of the school buildings, grounds etc.
3. Utilities: includes electricity, gas, fossil fuels, and water bills.
4. I.C.T. and Office Equipment: I.T. - Equipment, Tablets, Computers, Printers, I.T. repair, Photocopier rental and maintenance, Post Room Equipment, Mobile and landline phones.
5. Print and Stationery: supply of photocopying and multi-office paper, supply of stationery and office supplies.
6. Cleaning – premises cleaning, deep clean, sanitary-bins, drain cleaning, door mats etc.
7. Waste Management – Refuse disposal
8. Security
9. Transport
10. Insurance

If the functionality allows, it is recommended that your accounting system keeps a monthly record of each item within each sub-category, building to an aggregated yearly total by category. This enables a year-on-year comparison to be conducted, which provides the evidence by which a school can track patterns of spend and make informed decisions when planning its purchasing needs. It can also highlight an opportunity to increase value for money.

Once the schools 'spend' has been analysed, and a decision has been made that a review of a product and or service with a view to increased value for money needs to be undertaken, the next step involves the question of how to source, either via an already available centralised contract, or via resources within the school where no centralised contract exists.

1.2 Breakdown of the school budget by spend category

To some extent or other, this process most likely already takes place in schools. It is understood that examining how the school's money is spent involves the processes of collecting, cleansing, classifying and analysing expenditure data. The net focus of this is generally to reduce procurement costs, improving efficiency and monitoring compliance. However, it can also have influence in other areas such as management of stock, budgeting and planning.

There are three core areas of spend assessment. These are;

- (i) having full visibility of what is actually being spent at category level (macro view);
- (ii) a break-down of how the school funds are being spent by sub-category (micro view); and
- (iii) Looking critically at the processes by which the school spends their funds to source goods and services.

By leveraging all three, schools can generate answers to the crucial questions affecting their spending, including:

- What am I currently spending (baseline)?
- With whom am I spending it?
- Am I getting what I need and at the best value – what are my benchmarks to measure value?

It is recommended that this breakdown of the school spend by category is undertaken by schools, starting with the top categories of spend, one category at a time, working down the list of categories and listing the sub-category items which make up the aggregate total of the spend within that category.



STEP 2: Sourcing and Category Management

Applying some strategic thinking to the approach for sourcing goods and services formalises the planning process for purchasing. Through gathering and interpreting past consumption information, and plotting future needs, your school positions itself to exploit its potential purchasing power, through seeking to bundle together (aggregating) identified future needs in order to find the best possible value for money in the marketplace. This approach should also keep unplanned or 'once off' ad hoc purchasing to a minimum, though it is recognised that it is next to impossible to eradicate this activity completely. Reducing unplanned purchasing also means reducing the time and effort expended on such activity, thereby freeing up time for other school business. In the Public Sector, the OGP plays the lead role in aggregating needs and strategically targeting spend right across the public sector with the objective of achieving value for money through the deployment of appropriate sourcing strategies.

First point of contact: The OGP.

The OGP have in place an ever increasing number of contracts and frameworks which are available to schools to use. Details of these arrangements can be found on the dedicated Schools' page on the OGP website www.procurement.ie. In order to view the details of these arrangements, a member of the school's personnel - typically the school Principal or school secretary - must register their school as a 'buyer' on the procurement.ie website. Schools will be asked some questions by return in order to validate generic or personal emails; this is to ensure that only the school can register under its name, and therefore be provided access to

restricted commercial information. In the first instance, a school should check the website for **LIVE** arrangements to service their needs. The next step – checking the schedule of planned arrangements, which gives a 9-month forward view, is a very useful tool for schools letting them see arrangements planned for coming on-stream imminently and this may remove the requirement for them to seek further information. Where details of a contract for required goods or services is not visible to you on this website, contact the OGP (or SPU) for clarification, before making the decision to embark on any sourcing journey yourself (see Figure 2 below).

Fig 2. Framework or no framework

Where an OGP Framework Exists	Where No OGP/Central Framework Exists
<ul style="list-style-type: none"> • Look at the ‘What Goods/Services are Covered’ section of the dedicated Schools’ page on the OGP website. • Is the product/service/specification a ‘fit’ for your school? If so, proceed with set up. • The “How to Use this Contract/Framework” section attaching to each individual contract or framework listed on the schools’ page on the procurement.ie website may provide the advice you need. 	<ul style="list-style-type: none"> • Check with the OGP to see whether a project is underway or planned which will meet your needs. You can also review the OGP Schedule of Frameworks and Contracts which offer a high level 9 month rolling view of planned projects. • If there is no arrangement in place, and the school has checked live and planned arrangements and then contacts the helpdesk, they may be asked to complete a Procurement Service Request (PSR) form. Potentially a project can be run on behalf of the school by the OGP themselves. • Follow the procedures outlined in the diagram at Appendix G if a ‘bridging’ arrangement is required until OGP can service requirement.
<p>The OGP helpdesk (support@ogp.gov.ie) will advise you as to your next step, or alternatively, you should contact the SPU at (procurementssupport@jmb.ie).</p>	

In circumstances where a school’s requirements have been specified and categorised - and there is no existing central contract or framework available to draw-down from and the OGP cannot undertake the project on behalf of the school, then a school must conduct its procurement process in compliance with their obligations under the law (see 2.1 below). The following list highlights the processes which need to be undertaken to properly manage the specified need.

Specifying Requirements (i.e. what do I need, how much and of what quality, and using the cost of the current good or service as the baseline for going forward).

- Reviewing the old and selecting the new, where the need arises
- Presenting cost savings/increased value for money ideas to the Boards of Management
- Spending within the budget constraints
- Negotiating prices based on accurate yearly forecasts

Category Management

- Identify risks and benefits in relation to the product/service

Market Analysis

- Know your market - Search for all potential suppliers
- Involving users of the product/service to help choose the right product/service

Quality Management

- Cut costs and improve quality
- Stock control
- Maximise the 'total cost' of ownership

Continuous Improvement

- Exploiting supplier expertise in order to make better informed decisions for the future

Supplier Performance/Management

- Ensuring agreements are kept i.e. delivered on time, correct pricing
- Maintain relationships with existing suppliers while seeking new ones
- Giving and receiving feedback in a structured format.

2.1 Compliance Obligations

To be compliant, is to adhere to procurement rules and procedures set out in EU and national guidelines, i.e. act in adherence to the law as governs public procurement.

Why be compliant?

- As the majority of schools receive greater than 50% of their funding from the State, they are required, by law to demonstrate where public monies are spent, with proof that their procurement processes have been conducted in a fair and transparent manner at all times.
- A competitive process should be used at all times, save for in exceptional and unforeseen circumstances (*very rare*).
- Obligations to EU and national legislation must be respected.
- There is an increased focus on accountability and governance.
- Examination by the Public Accounts Committee (PAC) is very public, where transparency, value-for-money and accountability are at the forefront of examination.

2.2 The following diagram represents the process that need to be taken, depending on the level of spend per contract and for example contract with term values over €25k need to be advertised online via eTenders (<http://www.etenders.gov.ie/>).

Fig 3. Current National and EU Procurement Thresholds (2016-2018)

The value of each purchase represents the projected cost of the overall term of the contract.

Goods & Services ≤ €4,999.99	Goods & Services €5,000 – €24,999.99	Goods & Services €25,000 – €208,999.99	Goods & Services ≥€209,000	Works & Works-Related Services ≤ €50,000	Works & Works-Related Services €50,000 – €5,225,000
		Must be advertised on: www.etenders.gov.ie	Must be advertised on: www.etenders.gov.ie AND The official Journal of the EU (OJEU) simultaneously		
Minimum of 3 written quotes required (e.g. email for example) Select lowest price / most suitable	Minimum of 3 written quotes required Issue documented specification, outlining timeframe, assessment and award criteria Use a scoring sheet to evaluate offers Notify & provide feedback to unsuccessful suppliers	Draw up tender documentation Set criteria for award giving a weighting to each Use the weighted scoring sheet to evaluate offers Select highest scoring offer Notify & provide feedback to the winning tenderer and to those who were unsuccessful Award contract	Draw up tender documentation Set criteria for award giving a weighting to each Use the weighted scoring sheet to evaluate offers Select highest scoring offer Notify & provide feedback to the winning tenderer and to those who were unsuccessful Award contract	Quick Quote Invite not openly published on www.etenders.gov.ie See www.constructionprocurement.gov.ie See D/PER/CWMF GN 2.3 Section 3.2	See D/PER/CWMF GN 2.3 Section 3.2 Open/restricted, with public advertisement www.etenders.gov.ie Sourcing & expenditure approval for all Capital Project (non- routine spend ≥ €5,225,000) are conducted by the Planning & Building Unit, Department of Education & Science: www.education.ie/en/ Schooldesign/

2.3 Calculating the Contract Value over the stated term of the contract

- The estimate should be valid at the time of the procedure commencing
- Value should be calculated **excluding** VAT
- Use judgement for contracts estimated just under National or EU levels (allow for a 10% contingency figure in calculating your estimated value)
- It is not permissible to sub-divide projects in order to keep under EU threshold levels
- For contracts of more than one lot, the contract value should be the total of all lots relating to one project
- Value of contract should also include the potential value if the contract term makes provision for a defined extension period.

2.4 Procedures for Low Value Purchasing

For goods/services contracts **up to €5,000 in value:**

- Send a brief specification of the requirements electronically (by email or other available system) to a minimum of three (preferably more*) suppliers seeking a price quotation;
- Select the lowest price and or the most suitable

For goods/services contracts between **€5,000 and €24,999 in value:**

- Send a brief specification of the requirements electronically (by email or other available

system) to a minimum of three (preferably more*) suppliers, seeking proposals. You **must** inform the suppliers of the criteria which will determine to whom the contract will be awarded (cost/quality considerations) - refer to Section 2.10 below

- Thereafter, use a scoring sheet (see sample score sheet at **Appendix E** of this document) to evaluate offers objectively against the stated award criteria, selecting the most suitable and notifying the unsuccessful suppliers, providing feedback to them.

* Seeking more than the required minimum of 3 quotes results in a better test of the market and is therefore likely to achieve a better value outcome for your efforts.

2.5 High Value Tendering Procedures – complex, so confer with the SPU as a first step

For goods/services contracts **between €25,000 and €208,999 in value**, formal tender documentation must be drawn up and advertised on <http://www.etenders.gov.ie/>. The tasks are to:

- Set appropriate criteria for the award of contract (this is an imperative and can lead to a legal challenge if not done correctly);
- Use a weighted scoring sheet (see sample score sheet at **Appendix E** of the document) to evaluate the tenders objectively against the stated award criteria (putting higher weightings on more important criteria) to arrive at the most economically advantageous tender assessed on the basis of the best price-quality ratio using a cost-effectiveness approach e.g. assessing life-cycle costing where appropriate;
- Marks allocated for cost/price tendered are calculated as follows: - Lowest cost/price tendered over cost/price per proposal, multiplied by maximum marks available in this criterion;
- Keep a formal record the evaluation process, detailing the marks awarded under each criterion within each proposal received. It is important to record the specific characteristics and relative advantages of the tender selected over those rejected;
- Select the overall highest scoring proposal and notifying the successful and the unsuccessful suppliers, providing detailed written feedback to them including a statement why works, supplies or services proposed do not meet performance or functional requirements.

For contracts **over €209,000 in value**, formal tender documentation must be drawn up (as outlined above) and advertised on <http://www.etenders.gov.ie/> and <http://www.ojeu.com/>, the Official Journal of the EU (OJEU). The same rules apply as the threshold above, however the process takes place within strict minimum timelines.

- In addition, seek to conclude the contract with your preferred option supplier once the standstill period has passed without challenge (see 2.6 below).

2.6 Standstill period

In procurement law, you must provide for a minimum standstill period to allow for effective pre-contract remedy to disappointed tenderers. The contracting authority may not conclude

a contract with an identified preferred bidder during this time. This provision is expressly for contracts above the EU thresholds and is operated thus:

- If the results of the tender competition are communicated via fax/email, the standstill period lasts 14 days from the day after the competition result are issued.
- If the results of the tender competition are communicated via post/surface mail: the standstill period lasts 16 days from the day after the competition the result are issued.

While there is no provision in law for a standstill period in procurements below the EU threshold figure, it has become common practice to enforce a standstill of 10 working days for contracts in the value-range €25,000 - €208,999 which have been publically advertised on the e-tender's website (see Section 2.5 above).

2.7 Formal procedures for opening tenders received.

The opening of tenders must occur at the same sitting, *(the online post-box facility via eTenders creates its own audit trail)* in the presence of preferably three people responsible to the Board of Management (BoM), one of whom must be the Principal.

A guidance note for BOM, outlining the responsibilities of the Board in relation to RCT and VAT is available from www.revenue.ie.

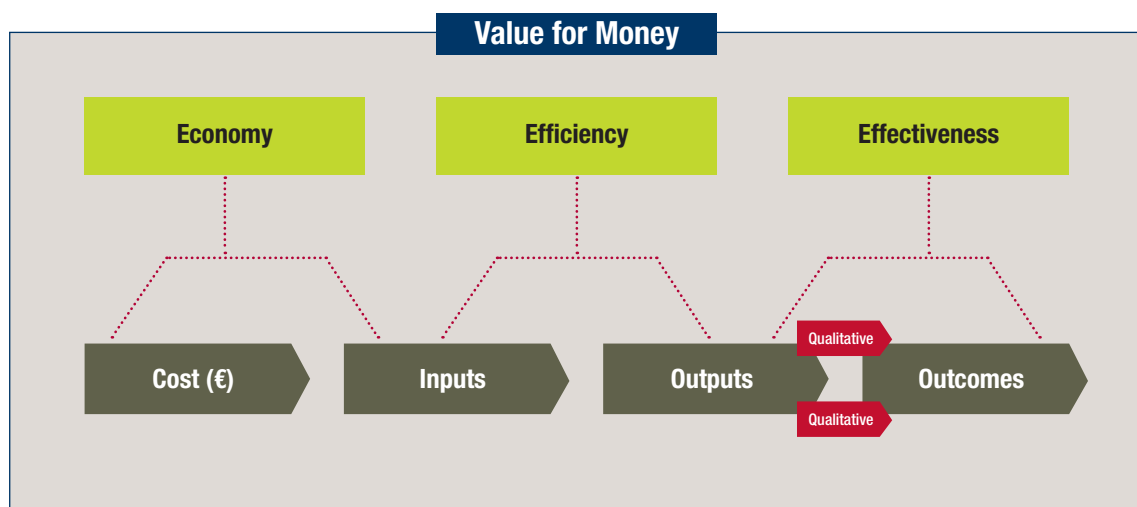
A file containing evidence of the tendering and quotation procedures actually undertaken **must** be retained for inspection if required.

For more specific information on tendering and choice of procedure, tender evaluation and issuing results, please contact the SPU at procurementsupport@jmb.ie

2.8 Value-for-Money (VfM)

Is it enough just being legally compliant or is VfM important too?

Fig 4. Value-for-Money (VfM) Model



VfM can be summarised as the three E's: *economy, efficiency and effectiveness*. Securing value for money means more than just securing good purchasing outcomes for the school. Achieving value for money also means:

- Minimising the costs of running the school, including buying goods and services of the right quality and the lowest possible price (*economy*);
- Getting the most out of every euro spent in the school;
- Using all resources – staff, buildings and equipment – to best effect and avoiding waste (*efficiency*); and
- Ensuring that all activities are focused on achieving the school's goals - (*effectiveness*).

A school can achieve the best outcomes by placing value-for-money principles at the centre of all the planning decisions.

The following are ways in which VfM planning can have a significant impact on the outcomes achieved:

- Ensuring the school has considered the financial implications of its planning decisions. For example, at the start of each school year, assigning a projected cost against every significant activity in the school's plan for that year.
- Reviewing school financial balances against projected costs periodically, to ensure funds are spent appropriately, and aligned with the planned activities during the financial year.
- Ensuring that the goods and services that the school buys offer true value.
- Encouraging greater collaboration with other schools. For example:
 - Sharing information and awareness about the market(s) for specific goods and services
 - Economies of scale in purchasing, (where an OGP contract/framework does not yet exist)
 - Exploring opportunities for the sharing of resources and effort.
 - Utilising spend information when making purchasing decision(s). By recording spend data in the financial systems, (Excel, TAS, Sage or other) on individual item/by category, variations to be identified, analysed and challenged. This information gives you clarity on what you are negotiating for, when the need arises.



Boards of Management are well placed to review and challenge the links between good outcomes from planned procurement versus the short-term or ad hoc purchasing choices made by the school.

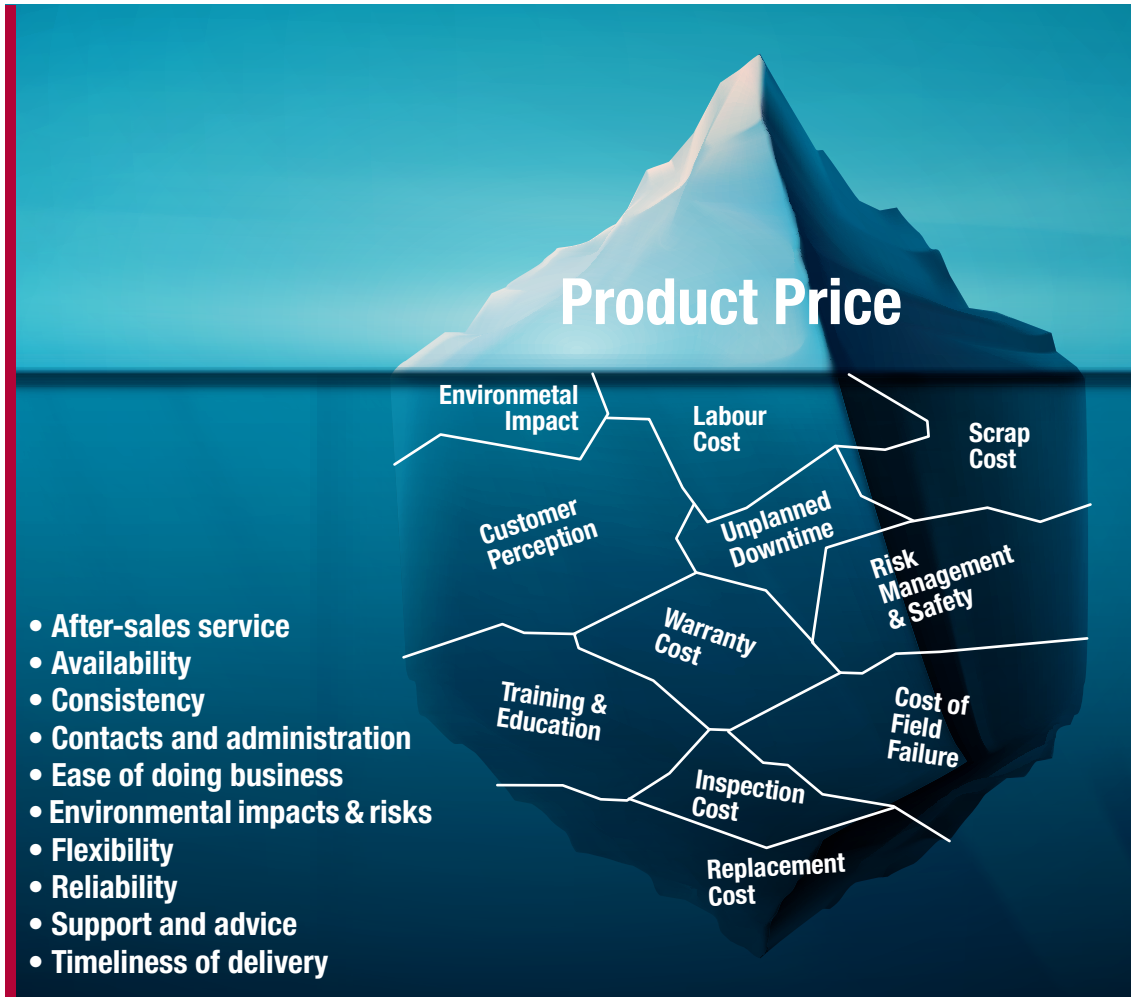
2.9 The Total Cost of the product/service

Where does 'total cost' fit into the VfM equation?

It is important to think in terms of 'total cost' addressing the key environmental impacts of each product or service, and not just of the 'basic price'. Consider the Iceberg Model, for

example, where one third of the purchasing iceberg is above water but the remaining two thirds comprise important factors such as:

Fig 5. The Iceberg Model



2.10 How to choose the correct supplier?

- What is their experience(s)? Have they experience similar to that which you require?
- Do they have the technical capability to fulfil the school's needs, i.e. do they have a proven track record of supplying the goods/services required in the school sector?
- Do they have a sound financial base? (You have the option to request financial records/ accounts, but you need access to someone who can interrogate them appropriately)
- Are they Tax Compliant? - a valid tax clearance certificate needs to be provided before any contract greater than €10,000 can be awarded.
- Are the supplier's internal structures robust? For example, effective purchasing, acquisition and control (i.e. minimum stock-outs).
- If problems occur, what structures does the supplier have in place to escalate the problem swiftly and resolve it?

- Can they demonstrate effective delivery arrangements?
- Can they demonstrate excellent customer service?

Some of these factors will be more applicable than others at certain times when determining which award criteria are most suitable for determining the award of a contract. Adopting a 'horses for courses' approach is the prudent approach for individual procurement projects.

The procurement process can take a long time, depending on the complexity of the project. A project can get quite complicated as several procedures and criteria need to be considered and followed before a product/service is selected. The 'rule of thumb' should always be to leave large-scale high-value projects to the qualified practitioners within the OGP where possible – it is time consuming toil, fraught with litigious risk. Use short-term bridging arrangements if possible until the OGP can service your school's needs, but confer with the SPU as to your best course of action before tackling any high-value procurement project.



STEP 3: Contract Management

Contract Management occurs after both parties have agreed the terms and conditions and levels of performance or service required.

How to manage a contract

This step is often overlooked or approached casually, yet it is the most important element of the procurement process for driving best outcomes from your sourcing arrangements with your suppliers (i.e. did you get the goods/service that was tendered? Be familiar with all terms and conditions, meet the agreed payment terms, and include a problem resolution procedure etc.)

Proper management of a contract especially for a high or medium value purchase will ensure your goods or services are supplied as requested, on time - every time, and help you monitor the overall performance of the supplier by:

- Keeping copies of all related documents and correspondence, filed together in a systematic way
- Building a good relationship with the supplier, keeping lines of communication open through supplier business reviews (SBR's). Contact the SPU if you require some more information on this.
- Lean on the supplier's expertise to build value-added measures into the relationship, while being particularly careful not to go beyond the scope of what is tendered for, resulting in having to pay more for services which were not tendered for in the first instance.
- Ensuring risks are identified and escalation procedures are in place for problems to be

- resolved, in a timely manner.
- Using supplier report cards, summary of performance that can be reviewed with supplier when needed.
- Having a contingency plan.
- Reviewing the contract’s end-terms in advance to decide on the future plan for sourcing the goods or services in question.

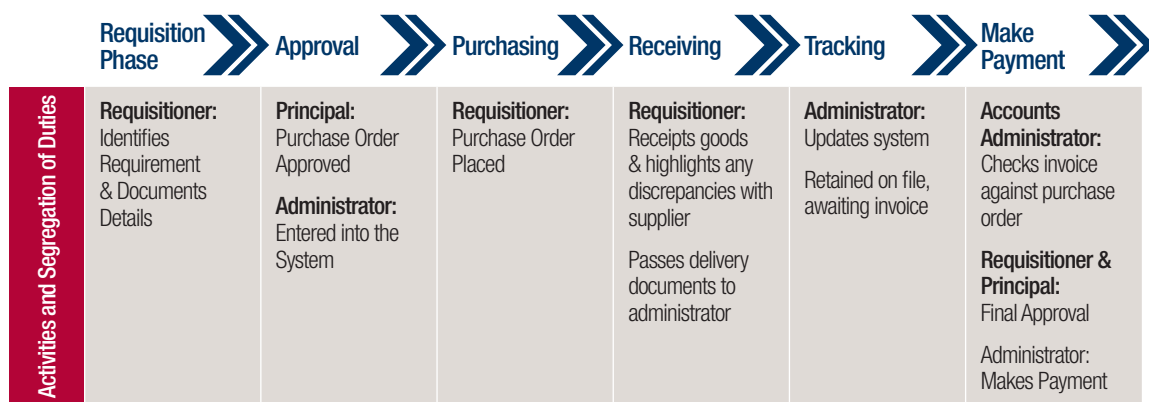


STEP 4: Requisition to Payment

What is involved in Purchasing?

This step generally refers to the low value routine purchases that a school may need, although required for all purchases. It includes all aspects of ordering goods or services such as request, approval, creation of a purchase order record (PO) and the receipting of goods. This process is called the ‘Requisition to Pay Process’.

Fig 6. Typical Requisition to Pay Process



Procedures governing the purchasing process will differ somewhat from school to school, however the suggested approach here outlines a model for good practice.

Purchasing procedures should be established and approved by the Board of Management, setting out the arrangements for buying and receipt of goods and accounting for them. Apart from routine items, purchases should only be made on foot of an approved purchase order certified by the Principal.

Where manual systems exist, PO books should be printed on pre-numbered books with the school details and logo. The books will be in triplicate form. The order books should be kept at all times in the school administrator’s office. Where accounting software packages

are deployed, this process may be automated and the PO requisition either printed down or mailed to the supplier electronically.

It is key that whatever the system you currently operate in your school, there must be a clear segregation of duties between the individual raising the purchase order requisition, the individual approving the order, and individual approving the payment.

4.1 Requisition Phase

The person requesting the goods or services will complete the PO requisition in full in the school administrator's office, sign, and give it to the accounts administrator together with any supporting quotations/price documentation. Details should include:

- Description of goods or service
- Quantity
- Date required
- Cost centre/code
- Suggested suppliers and pricing
- Approval

4.2 Approval

The PO requisition and any supporting documentation will then be given to the Principal for approval and when the order is certified by the Principal it is returned to the school administrator. The school administrator will record the order in full on the system and (where appropriate) remove the first copy of the order from the book together with any supporting documentation and give it to the person who made the original request.

4.3 Purchasing

The order is then placed by the person making the request via scanning, email, fax, and phone. The PO requisition number **MUST** be referred to the supplier when the order is placed and the supplier informed that all correspondence, delivery documentation and invoices will only be processed if they comply with this request (terms and conditions).

4.4 Receiving

On receipt of the goods/services the person who placed the order must check the goods/service for quality, quantity and pricing against the order. The supplier must be notified immediately of any discrepancies on any of these issues and a note must be attached to the delivery documentation giving the details.

4.5 Tracking

The delivery docket together with the order and supporting documentation is passed immediately to the Accounts Administrator so that they can update the accounts system for the receipt of the goods. The Accounts Administrator retains these on file pending the receipt of the invoice.

4.6 Payment

- When the invoice is received the accounts administrator will check it to the purchase order and delivery docket as to quantity and the condition of goods delivered and evidence that the service has been supplied to a satisfactory standard. The quantities, pricing and the calculations on the invoice should be checked in full. Check that the supplier has quoted the order number on the delivery documentation and the invoice.
- Where discrepancies arise between the order/delivery and the invoice these should be brought to the attention of both the person who ordered the goods/services, and the Principal. The supplier should be notified in writing. Invoices which do not quote a purchase order number should be returned to the supplier unpaid. The invoice will be entered on the system and held for payment approval.
- The checked invoice is then given to the person who ordered the goods for final approval and when they have signed it the invoice is returned to the Accounts Administrator. The invoice is then given to the Principal for final approval.
- The approved invoices are then given to the accounts administrator who will release the invoice for payment. The invoice, delivery documentation and order must then be filed in a systematic way, for example, A to Z, monthly, by accounting period, and school year. At Post-primary level, each department within the school should consider keeping their own record of goods/services purchased and reconcile it with their budget.

Frequently Asked Questions (FAQs)

Where do I find out about contracts currently available to my school?

Details of current procurement arrangements can be found at the Office of Government Procurement's (OGP) website <http://www.procurement.ie/>.

How do I register with OGP?

- log on to <http://www.procurement.ie/>
- If you have not already done so, register as a Buyer (if you receive a 'bounce back' response stating your email is not being recognised as a 'Government Networks' email address, reply confirming that you are a school, citing your school's roll number and that you wish to register as a buyer)
- Once you have been sent login and password details, in the drop down menu on the Buyers page, choose 'Live Contracts'
- Choose the appropriate Category from the dropdown list
- Leave 'Sector' at the default setting of 'Any'
- Click the 'Apply' button

Where details of a specific contract for the required goods or services is not visible to you, contact the OGP via their customer service desk at support@ogp.gov.ie for clarification. Before making a decision to embark on any sourcing journey yourself, further advice should be sought from the SPU.

How do you define what is a 'good'?

A good(s) is the term for actual physical (tangible) products being purchased, such as stationery, ICT equipment (hardware), catering equipment, furniture.

How do you define what is a 'service'?

A service refers to the skills and expertise (intangible) provided by individuals or companies. For examples include, I.T. installation and maintenance, catering services, grounds maintenance.

How do you define what is 'works'?

Generally, this refers to any building work beyond maintenance, including new buildings, extensions, and refurbishments. Support is available from the Building and Planning Unit in the Department of Education and Skills, and there is guidance published on the Department's website www.education.ie/en/School-Design/ at this link.

What do I do if I have a problem with a product/service?

In the first instance, you should always contact the supplier/service provider in order to seek to resolve the issue to the satisfaction of your school. Contract Management remains

the responsibility of the school and you are best advised to maintain an issues log of non-performance; record details of the actual problem, when you raised the issue with the supplier or service provider, and the resulting outcome. If the contract has been put in place by the school locally, then you may seek to terminate the arrangements or seek an alternative in the event of a non-satisfactory outcome. Further advice should be sought from the SPU in this eventuality. However, if your school's requirements are consistently not being met within a contract or framework established by the OGP, these issues of under-performance should only be escalated to the OGP where attempts to resolve the issue locally have not resulted in a satisfactory outcome. It is important to be aware that there may be penalties associated with the unilateral breaking of a contract, however, the OGP will advise on the best course of action, on a case by case basis. Contact the OGP via their customer service desk.

What do we do if we cannot get the minimum of three written (emailed) quotes/proposals?

This is a rare enough occurrence which does occasionally happen. However, you should retain electronic/email evidence of exhausting all avenues in seeking quotations/proposals. A situation may arise where, for instance, more than three companies are invited to quote, but less than three respond with a quotation/proposal. This is still considered a valid competition, as the obligation to seek a minimum of three quotes has been satisfied. SPU guidance on the correct option to take is always available in such scenarios.

Am I allowed to meet with suppliers without informing the OGP?

Outside of the constraints of the rules which govern a procurement competition, speaking with suppliers and gaining an insight into what the marketplace can provide is always worthwhile. However, as previously recommended, you should in the first instance search the OGP's website to see if a contract already exists for what your school is looking to procure. If not available, you should then contact OGP customer service team to alert them to your needs and you may be asked to complete a Procurement Service Request (PSR) form. It is important for each school to do this in order to allow the OGP to gain an insight into school-specific arrangements which will need to be planned on behalf of the school's sector. If in doubt as to what to do, the SPU is always there to advise and support your school.

What happens if I buy something outside of the OGP frameworks?

It is recommended that you utilise an OGP framework or contract where it exists for your requirement. However, if for some reason you choose not to, you may be required to provide a value for money justification for not using the contracts already in place and available to you (DPER Circular 16/13 at **Appendix B** refers).

We have been told we can get a better deal outside of the contract?

Depending on the goods or services, prices may fluctuate often or rarely. Contracts are important to give stability to both the buyer and the supplier for the stated period of time. If a school seeks to opt out of a contract early, penalties may be incurred. It is important to remember that establishing contracts in the correct manner is often costly and time consuming when considering the administrative overheads. Obligations to national procurement guidelines and public procurement law need to be adhered to, while risk needs to be identified and properly mitigated. All of these considerations add hidden costs beyond what may look like an attractive alternative unit price available outside of your existing contract. Caveat emptor.

What is the difference between a framework and a contract?

A framework is an agreement with a defined number of pre-qualified suppliers (framework members) to establish terms governing the award of contracts for particular goods or services during the lifetime of the agreement. As a general rule, contracts are awarded by means of supplementary (or mini) competitions confined among the framework members as and when Public Sector Bodies, including schools, identify a particular need. Being a framework member provides no guarantee to a supplier that they will be awarded any contract over the lifetime of the framework agreement, as contracts are awarded on foot of a competitive process in all cases.

What are the main benefits of a framework?

A framework agreement will generally allow the purchaser more flexibility around the sourcing of goods and/or services both in terms of volumes and frequency of running competitions. Structurally, frameworks allow for different strategies to be incorporated: this might mean breaking down requirements into smaller lots; defining value (€) bands; limiting geographic spread in order to provide greater access to local suppliers and SMEs. Establishing a framework in the first instance is a complex and administratively burdensome piece of work, appropriately carried out by the professional practitioners within the OGP model. Supplementary (or mini) competitions are generally administratively light and agile and allow contracts to be awarded relatively quickly.

What is the Official Journal of the European Union (OJEU) and what does it mean to the procurement process?

The Official Journal of the European Union (the OJEU) is the formal publication of record for the European Union. It is issued every working day in all of the official languages of the member states. Only legal acts published in the Official Journal are binding. The Official Journal of the European Union (OJEU) is also where tender opportunities above the stated OJEU threshold values must be advertised. Current threshold values are as follows (from January 2016):

	New Threshold from January 1st 2016
Supplies & Services: Threshold applies to Government Departments and Offices	€135,000
Supplies & Services: Threshold applies to Local and Regional Authorities and public bodies, including schools , outside the Utilities sector	€209,000
Works: Threshold applies to Government Departments and Offices, Local and Regional Authorities and public bodies	€5,225,000

If my school signs up to one (1) OGP contract, is it, de facto, signed up to all of the contracts? Does my school have to sign up to all of the contracts?

If, on behalf of your school, you sign up to one particular OGP contract, your school is only registered to use that specific contract. Each OGP contract currently stands alone. It is recommended that you sign up to all available contracts that meet the goods and services requirements of your school, though it is not mandatory to do so (DPER Circular 16/13 at **Appendix B** refers).

What is the evaluation process?

The evaluation process is a set of formal defined steps to be followed by an evaluation team - possibly consisting of a Chairperson, and depending on the resources available, perhaps the school Principal, a member or two of the Board of Management, and a subject-matter expert - to conduct an objective assessment of the responses received in response to a Request for Tender. For advice on the appropriate process to deploy, contact the SPU before the preparation and publication of any Request for Tender document.

What is the objective and purpose of an evaluation process?

The objective of an evaluation process is twofold

- to select the most appropriate proposal to meet the school's stated requirements
- to provide an audit trail and set of supporting documentation that will support the evaluation process and final decision.

The purpose is

- To eliminate subjectivity as much as possible from the evaluation process
- To provide transparency in the evaluation process
- To ensure that all proposals are evaluated in the same fair manner
- To mitigate risk including that of a legal challenge.

What are the steps involved in an evaluation process?

The steps include

- In drafting the tender document, select award criteria i.e. the factors by which you will determine the suitability of one proposal over another.
- Establish an evaluation team and de-brief them on their roles within the team.
- Upon opening of the tenders after the tender deadline has closed, firstly check each tender received for compliance – has it been received before the deadline for receipt of proposals and does it satisfy the qualification pass/fail criteria in every respect. Once this has been completed, compile a list of tenderers who have not have passed the qualification stage. These need to be informed that their proposal has been deemed non-complaint, and outline the reasons why.
- Thereafter, the team continue with the evaluation process and score the remainder of the proposals against the pre-prepared and published award criteria.
- Upon agreement and completion of this stage, the results issue, in writing, to all simultaneously. Their result should provide details of how they scored against each award criterion, giving them details of the scoring and specific reasons why they were successful or unsuccessful.
- For contracts with an overall value of €209,000 or greater, the standstill period days needs to be enforced to, in order to allow any unsuccessful company, the opportunity to appeal the result. Only after the standstill period has passed without challenge, can a contract be signed with the preferred bidder. (Section 2.6 of this guide also refers)

How does the OGP try to support local small and medium-sized businesses?

In April 2014, the Department of Public Sector Expenditure and Reform published DPER Circular 10/2014 which attempts to make public procurement contracts more accessible to

SMEs. The circular promotes that contracting authorities set relevant and proportionate financial capacity, turnover and insurance levels for tendering firms as well as encouraging the sub-dividing of larger contracts into lots, where possible, to enable SMEs to bid for these opportunities. The circular also encourages SMEs to form consortia where they are not of sufficient scale to tender in their own right and to register on www.etenders.gov.ie to ensure maximum exposure to tendering opportunities. A link to this circular is provided here - http://www.procurement.ie/sites/default/files/circular_10-14.pdf

Are there training sessions available to help me complete tender documentation?

This is something the SPU would consider on request and where resources allow. Close support on conducting proper procurement processes is already available to you from the SPU – procurementssupport@jmb.ie.

Appendix A

The DES issued Circular 0060/2013 with regard to changes in public procurement practices which would affect schools;



Public Procurement Circular 0060/2013

1. Purpose of circular

The purpose of this circular is to inform school management authorities of changes taking place in relation to public procurement practices, to highlight the publication of a new circular, which has been issued by the Department of Public Expenditure and Reform, on the use of central procurement frameworks and contracts and to provide information on procurement frameworks and contracts relevant to schools.

2. Appointment of Chief Procurement Officer and establishment of the new Office for Government Procurement

In December 2012, Paul Quinn was appointed as Chief Procurement Officer for the Public Service. Paul Quinn is now leading on procurement reform across the public service and is establishing a new office, the Office of Government Procurement (OGP). The OGP undertakes all public sector procurement with public sector bodies drawing from frameworks and contracts which it puts in place. The National Procurement Service (NPS) has been subsumed into the OGP from 1st January, 2014. A more detailed update on the work of Paul Quinn and the OGP is available on the Department's website at <http://www.education.ie/en/Schools-Colleges/Information/Procurement/Procurement.html>

3. Circular 16/13 from the Department of Public Expenditure and Reform

The Department of Public Expenditure and Reform have recently issued Circular 16/13 which sets out the position with regard to the use of central frameworks and contracts by public bodies. All bodies, including schools, who receive more than 50% of their income from public funding come under the remit of this circular. A copy of the circular is attached to this document. The circular emphasises the need to achieve the best value for money taking into account the cost of the goods and services as well as the cost of procurement activity.

4. Centralised frameworks and contracts

A number of frameworks and contracts are available for use by schools, utilities, ICT, stationery, office equipment, facilities management, and many others. The full list is available to you once you register as a 'buyer' on www.procurement.ie.

Appendix B



Ref: DPE033/005/12

28 September 2013

To: **Heads of Departments / Offices**

Circular 16/13: Revision of arrangements concerning the use of Central Contracts put in place by the National Procurement Service

(This Circular replaces Circular 06/12 concerning Public Procurement (Framework Agreements))

A Dhuine Uasail

Purpose

1. The purpose of this Circular is to inform all public bodies the importance of maximising the value for money achievable when procuring any commonly acquired goods or services. In this regard the central procurement frameworks and contracts established by the Office of Government Procurement (OGP) / National Procurement Service (NPS) are designed to optimise benefits to the public service through the strategic aggregation of its buying power.
2. Public bodies are reminded that such central procurement frameworks are targeted at securing best value for money and facilitating contracting authorities to deliver services within their budgetary constraints. In this regard, public bodies should encourage and promote the use of central frameworks by the public bodies under their remit. The benefits arising from these central procurement frameworks include: cash savings; administrative savings from reduced duplication of tendering; greater purchasing expertise; improved consistency; enhanced service levels and legal certainty. Officials are also reminded that it is Government policy that public bodies, where possible, should make use of all such central arrangements.

Role of Accounting Officers and Accountable Persons

3. Accounting Officers and Accountable Persons are reminded that systems of internal control within public service bodies should support compliance with the requirements of this Circular. Procurement practices are subject to audit and scrutiny under the Controller and Auditor General (Amendment) Act 1993 and Accounting Officers are publicly accountable for expenditure incurred. Management in Government

Departments and Offices should ensure that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant guidelines.

4. Where public bodies do not utilise central procurement frameworks they should be in a position to provide a value for money justification. Value for money justifications should take into account the full costs of running a public procurement competition. Public bodies must comply with their obligations under national law and guidelines.
5. The functions of the NPS and the National Public Procurement Policy Unit are to transition to the OGP on 1 January 2014. The OGP will embark on a series of reforms aimed at assisting the wider Public Sector to deliver much needed public services in an efficient and cost effective manner. In this regard, the OGP will be issuing further Circulars on aggregated arrangements such as central procurement frameworks, as these measures are put in place.

Dissemination


6. You are requested to bring this Circular to the attention of –
 - all staff in your Department/Office who might be involved in procurement of goods and services, and,
 - all contracting authorities under the aegis of your Department/Office to ensure that arrangements are put in place to implement its terms in the areas under the aegis of your Department/Office.

Queries

7. Queries in relation to specific central procurement frameworks should be channelled through www.procurement.ie. Any issues in relation to the policy underpinning this Circular should be addressed to the Department of Public Expenditure and Reform at procure@per.gov.ie.

Mise le meas,
Paul Quinn
Chief Procurement Officer

Appendix C

<p>An Roinn Oideachais agus Scileanna Sráid Maoilbhríde, Baile Átha Cliath 1 D01 RC96</p>		<p>Department of Education and Skills Marlborough Street Dublin 1 D01 RC96</p>
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Issued: October 2015

Circular Number: 0056/2015

To: The Managerial Authorities of Recognised Primary, Secondary, Community and Comprehensive Schools and The Chief Executive Officers of Education and Training Boards

Use of Central Procurement Arrangements put in place by the Office of Government Procurement

This circular clarifies the arrangements concerning the use of central procurement arrangements put in place by the Office of Government Procurement. It should be read in conjunction with the Department of Public Expenditure and Reform circular 16/2013 which, together with the Department of Education and Skills circular 60/2013, issued to all schools on the subject of Public Sector procurement. The circulars DES 60/2013 and D/PER 16/2013 are available at, http://www.education.ie/en/Circulars-and-Forms/Active-Circulars/cl0060_2013.pdf.

Undertaking Procurement

School management have the choice to undertake procurement individually. It is not mandatory for schools to use central procurement arrangements. Schools are, however, reminded of the importance of achieving value for money in the use of public monies and that central procurement arrangements are targeted at securing best value for money. It is Government policy that public bodies, where possible, should make use of all such central arrangements (Department of Public Expenditure and Reform circular 16/2013 refers).

Where a public body chooses not to use a central procurement arrangement, it should ensure that there is an appropriate focus on good practice in purchasing and that procedures are in place to ensure compliance with all relevant procurement guidelines, policy and legal obligations in order to achieve and be able to demonstrate better value for money (VFM) in such activity. In determining VFM, the full cost of undertaking a procurement, as well as the cost of the goods and services, involved should be included.

Advice on good procurement practice may be found on www.procurement.ie.

Support and Procurement Services

The Office of Government Procurement (OGP), which was established by Government to lead on centralised procurement, provides advice, support and central procurement arrangements. Their mandate is to provide a central sourcing service to all public bodies, including schools. Details of available frameworks and contracts can be found at www.procurement.ie or by emailing support@ogp.gov.ie.

The School Procurement Unit (SPU) has been established within the education sector as a procurement support resource for schools. It provides advice on how to access and best use central frameworks and contracts. Their mission is to ensure that procurement requirements for schools are considered when central procurement is being undertaken and that schools can benefit from lower cost goods and services contracts.

Schools within the ETB sector are supported by their relevant Education and Training Board as well as the Public Service Reform Unit within Education and Training Boards Ireland (ETBI).

Information on procurement in the education sector is available from the SPU, ETBI or on <http://www.education.ie/en/Schools-Colleges/Information/Procurement/>. A new service will be available by 2016 to enable school management to subscribe to an education procurement newsletter to inform schools of procurement activities and opportunities. Procurement support services are established to assist schools in acquiring the goods and services they need at less cost.

Benefits for schools

Department of Public Expenditure and Reform circular 16/2013 outlines some of the benefits of central procurement arrangements including cash savings; administrative savings from reduced duplication of tendering; greater purchasing expertise; improved consistency; enhanced service levels and legal certainty.

Opportunities

The OGP regularly publish information on new central frameworks and contracts on its website, www.procurement.ie. The education website will also carry some relevant information on opportunities.

Contact details

OGP	support@ogp.gov.ie	076 100 8000
SPU	procurementssupport@jmb.ie	01 203 5899
ETBI	procurement@etbi.ie	045 901070

Useful links

- <http://www.education.ie/en/Schools-Colleges/Information/Procurement/>
- www.procurement.ie

Appendix D

Example of Category Management Table, in order of highest spend

Expenditure 14/15	Specific Details	Supplier(s) 14/15	Cost 14/15	Cost 13/14	Difference
Cleaning					
Cleaning					
Cleaning & Sanitary materials					
Deep Clean					
Sanitary bins					
Drain clean					
Door mats					
TOTAL:					
Maintenance & Repair					
Maintenance & Repair					
Plumbing					
Electrical					
Painting					
Landscape maintenance					
Lift					
Heating system					
Drain clean					
Building works					
Garden supplies					
Locksmith					
TOTAL:					
Utilities					
Gas					
Electricity					
Water					
TOTAL:					
Educational Materials					
Educational materials					
Art supplies					
Classroom supplies					
Book rental scheme					
TOTAL:					
Office Supplies & Equipment					
Office supplies/equipment					
IT equipment					
IT repair					
Photocopier meterage					
Paper					
Print & photocopy supplies					
Photocopier					
Phone					
Admin system					
TOTAL:					
Account Fees/Banking					
Payroll fees					
Accounts fees					
Electronic payments					
RCT/VAT fees					
Bank fees					
TOTAL:					

Appendix E

Example of Evaluation Table for a Cleaning Supplies Open Tender Competition*

Criteria for Analysing Cleaning Supplies Contract						
Headings	Weighting	Co A	Co B	Co C	Co D	Reasons for Marks
Price	100 marks					
Price is based on:	100 marks	€5,000.00	€4,500.00	€3,750.00	€2,000.00	
Lowest price*	€2,000.00	40	44.44	53.33	100	
Total marks go to Co D as is lowest price						
* Lowest Price is based on:						
Lowest Price/price of A * no. of marks						
Lowest Price/price of B * no. of marks etc.						
Quality	75 marks					
Security of Supply	15 marks	12	10	13	8	
Quality Control Systems	10 marks	7	7	8	9	
Management of Contract	15 marks	12	12	13	13	
Office Support Infrastructure	5 marks	4	2.5	3	4.5	
Experience, Qualification & Staff Training	5 marks	5	3	3	5	
Transport Arrangements	5 marks	4	5	5	5	
Additional Proposals	5 marks	3	2	3	4	
Trouble-shooting & Risk Assessment	5 marks	3	2	3	4	
Total Scores for Sub-Criteria		50	43.5	51	52.5	
Overall Total Scores out of 175 marks =		90.00	87.94	104.33	152.50	
Highest Score = Preferred Supplier	Co D					

* For illustration purposes only – an OGP framework for these products is available to schools already.

As you can see from the image above –

1. Price was considered the most important criterion in this tender, it has higher amount of marks allocated to it, and hence it is documented in advance of the other weightings. Price is the only non-subjective part of the evaluation process, with the formula - *Lowest price over price offered, multiplied by maximum marks available* – the most commonly used to allocate marks.
2. The remaining criteria are weighted again as per their importance and the marks are allocated as to the responses in the tender submitted from each of the bidders. The reasons for these marks should be documented, as these reasons will form the basis of the information sent to the successful and unsuccessful bidders. (Please contact the SPU for template letters).
3. It is clear in this instance that the preferred supplier is Company D. Company D and the unsuccessful bidders must be written to on the same day notifying bidders of their marks and where the relative merits of their proposal was deficient in relation to that of the preferred supplier.
4. It must be noted, that each requirement or specification will be unique in some way. The evaluation table above is for illustration purposes only. You should contact the SPU for support and guidance in drafting future requirements and how they might be best evaluated.

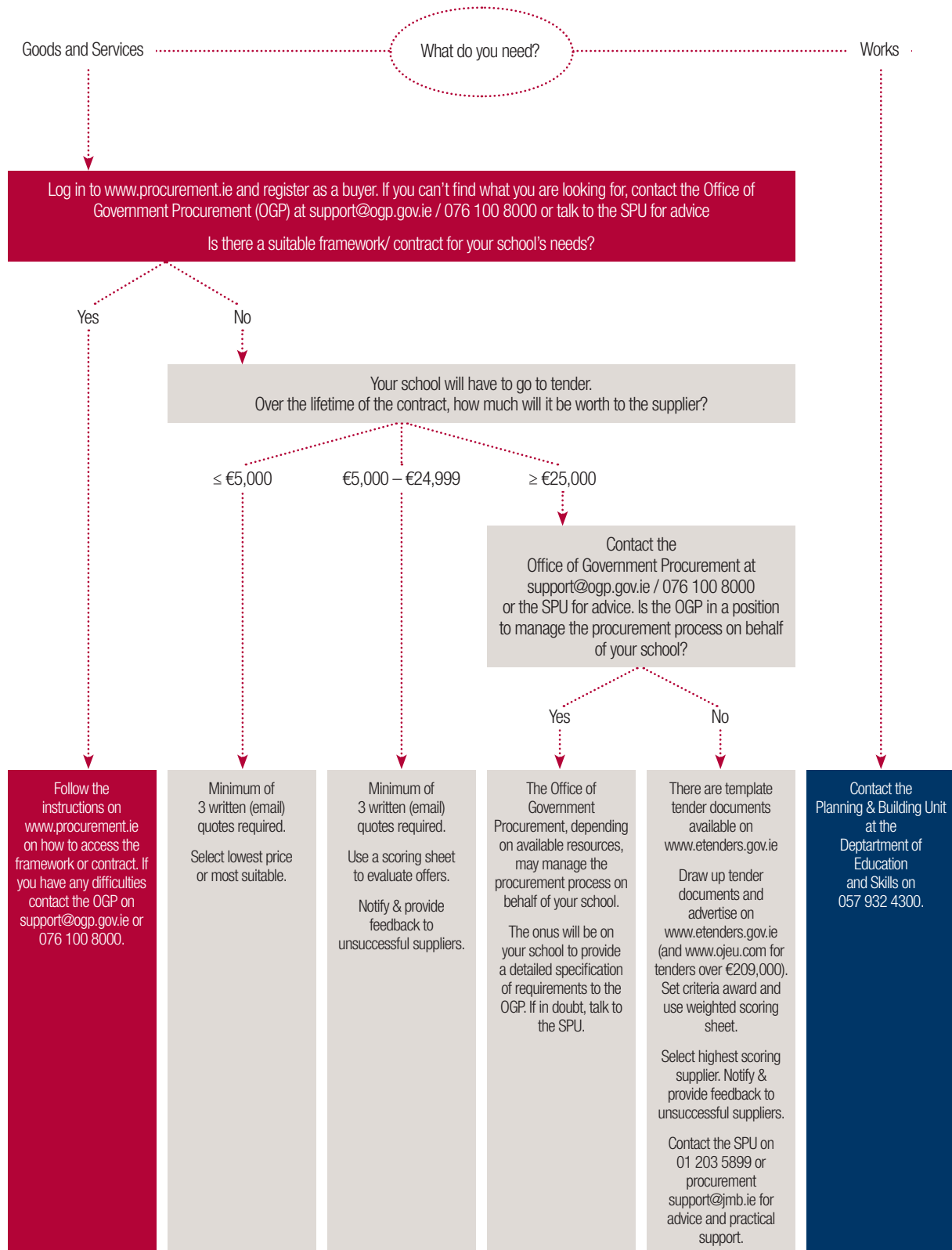
Appendix F

Checklist for the procurement of Goods or Services for your School

1. Have you identified the need – is the purchase necessary?
 2. Have you registered as buyer at www.procurement.ie?
 3. Is this product/service already available?
[Check with the OGP on www.procurement.ie or with the SPU firstly]
 4. If not, has a clear specification been written? Does this include the total life-cycle costs, quality to meet the requirements of the need?
 5. Have guidelines relating to cost and transparency been followed?
- * If formal tendering process is required:**
6. Has funding been secured through your internal approvals process?*
 7. Has the correct tendering procedure been decided upon?*
 8. Has sufficient time for preparation and submission of tenders been allocated?*
 9. Has the correct physical opening of tenders' procedure been followed?*
 10. Has additional information been requested for the purpose of clarity?*
 11. Has the correct procedure to evaluate tenders been followed?*
 12. Have all submissions been notified of their position and feedback given?*
 13. Has the Tax Clearance Certificate been requested from the winning supplier, (Only applicable for contracts in excess of €10,000)?*
 14. Does the contract drawn-up, where applicable, specify the
 - a. Specification(s)
 - b. Service Level Agreements (SLA's)
 - c. Terms and Conditions
 - d. Cost of the Contract
 - e. Expiry Date of the Contract
 15. If the contract is above the EU threshold, has a 'notice of award' been submitted to aid the transparency of the process?
 16. Has a plan to manage the contract been prepared?
 17. Have the unsuccessful tenderers been notified and debriefed (in writing)?

Appendix G

Choosing the Right Procurement Process for your School





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