

## **Enterprise Ireland Procurement Policy**

In its purchasing, Enterprise Ireland seeks to obtain value for money while balancing considerations of specification, quality, price, safety, health, welfare, ethics and service support.

Purchasing must be discharged with probity, transparency and accountability in a manner that secures value for money.

Individuals purchasing must ensure that they have clearly defined the specification of requirement, and have sufficient budget prior to commencing any quotation/tendering procedure.

Enterprise Ireland have agreed thresholds and authorisation limits which determine the particular quotation or tendering procedure to be followed, and the authorisation required before the organisation commits to spend. This must be followed for all purchases.

National Procurement Guidelines and EU Directives apply not only to formal written contracts but to all purchasing activities. Enterprise Ireland seeks to ensure that its practices and procedures are open, objective and transparent. In this respect the published National Procurement Guidelines and EU Directives must be followed.

Enterprise Ireland must also comply with the provisions of current legislation e.g., Prompt Payment of Accounts Act 1997, the Late Payment in Commercial Transactions Act 2012, and Safety Health and Welfare Regulations where applicable.

## **Authorisation Thresholds and Responsibilities**

### **Introduction**

Authorisation levels apply to all purchases. Authorisation should be sought as soon as the relevant cost and other necessary information is available. The maximum value of the purchase should be carefully estimated including the cumulative spend, to ensure the appropriate authorisation is sought.

Individuals involved in purchasing must be aware of the timeframes involved with particular procurement processes. High value procurement requiring National and EU advertising have set time frames which cannot be reduced, hence early planning is critical.

### **Less than €10,000**

Individual purchase with a value of less than €10,000, ex VAT may be recommended by a Requisitioner and approved by the Budget Manager where an existing contract is not already in place to meet this requirement. One quotation, confirmed in writing, is required. It is recommended that the Requisitioner contact at least two suppliers to ensure best value is obtained. Purchase orders must be completed and processed through Accounts Payable.

### **Between €10,000 and €25,000**

Individual purchase and/or cumulative purchases between €10,000 and €25,000, ex VAT may be recommended by the Requisitioner and approved by a Head of Department where there is sufficient budget available to proceed, and where an existing contract is not already in place to meet this requirement. A minimum of three written quotations is required. Advertising on eTenders.gov.ie and national media should be considered (if appropriate). Purchase orders must be completed and processed through the relevant Buyer.

### **Between €25,000 – EU Threshold (€214,000 Goods/Services)**

Individual purchase and/or cumulative purchases between €25,000 and the EU Threshold of €214,000, ex VAT may be recommended by the Budget Manager when the purchase is within his/her budget, and where an existing contract is not already in place to meet this requirement. The purchase must be approved by the Finance & Operations Committee where the estimated value of the purchase is €70,000 or more incl. VAT. Department of Finance instructions issued in Circular 10/10: Facilitating SME Participation in Public Procurement requires that the Restricted Procedure for tendering should no longer be used for advertised contracts for supplies and general services with an estimated value up to €134,000.

Central Purchasing must be informed that a formal tendering procedure is taking place. Prior to award of contract the Finance & Operations Committee should be advised and give their consent to the successful tender. Purchase orders must be completed and processed through the relevant Buyer.

Type of Purchase	Value of Purchase	Recommended by:	Approved by	Quotation/Tender Procedure
Goods/Service (incl. Consultancy)	Less than €10,000	Requisitioner	Budget Manager	Low Value Procedure (1 Quotations Required)
	Between €10,000 & €25,000	Requisitioner	Head of Department	Medium Value Procedure (Min of 3 Quotations Required)
	Between €25,000 & EU Threshold	Budget Manager	Head of Department (€25k - €70k incl VAT) Finance &	High Value Procedure (Formal Tendering –

	(€214k for Goods & Services)		Operations Committee above €70,000 incl. VAT	National Procurement Guidelines.)
	Greater than EU Threshold (€214,000 for Goods and Services)	Budget Manager	Finance & Operations Committee above €70,000 incl. VAT  Prior approval for funding required	EU Procedures - Open, Restricted or Negotiated (EU Procurement Directives apply)
Capital Works	Greater than EU Threshold (€5.35m for Capital Works)	Budget Manager	Finance & Operations Committee above €70,000 incl. VAT  Prior approval for funding required	EU Procedures - Open, Restricted or Negotiated (EU Procurement Directives apply)
Research Assessors Payments (Honoraria)	Agreed Rates	Delegated Manager	Head of Department	Honoraria Procedure to be followed

Central Purchasing must be contacted prior to any EU and Capital Works purchasing

EU thresholds are revised every two years and up-to-date thresholds can be checked on the EU public procurement website <http://simap.eu.int> , which can be accessed via a link on [www.etenders.gov.ie](http://www.etenders.gov.ie).

**Greater than the EU Threshold (€214,000 for Goods & Services and €5.35m for Capital Works)**

Individual purchase and/or cumulative purchases greater than the EU Threshold of €214,000 (Goods/Services) and €5.35m (Capital Works), ex VAT may be recommended by the Budget Manager when the purchase is within his/her budget, and where an existing contract is not already in place. The purchase must be approved by the Finance & Operations Committee where the estimated value of the purchase is €70,000 or more incl. VAT.

If the value is greater than €3m, ex VAT then the purchase must firstly be authorised by the Executive, and then brought before the Board of Management.

Prior to award of contract, the Finance & Operations Committee should be advised and give their consent to the successful tender.

Central Purchasing must be informed about, and assist with all purchases greater than the EU Threshold.

Competitive tendering through the OJEU must be undertaken and EU Directives must be fully complied with.

### **Research Assessor Payments (Honoraria Payments)**

A significant proportion of research assessment work is procured externally. These assessments are usually carried out by contractors from industry, consultants, or universities and academic experts both nationally and overseas.

Research Assessor payments must be recommended and authorised by an appropriate manager following the successful completion of an assessment. Level F managers may authorise expenditure up to €10k. Expenditure above this threshold should be authorised by the Finance & Operations Committee.

Purchase orders must be completed and processed through the Buyer. Research Assessor payments are subject to professional services withholding tax (PSWT).

### **Quotation and Tendering Process**

The procedures set out in this section will form the basis for putting in place formal purchasing and contractual agreements for supplies, works and services. When there is a requirement to purchase, the individual purchasing must check whether sufficient budget exists and must establish whether an existing contract is already in place before proceeding. If a contract exists it must be used.

Individuals involved in purchasing must be aware of the timeframes involved with particular procurement processes. High value procurement requiring National and EU advertising have set time frames which cannot be reduced, hence early planning is critical.

**Capital Works projects will be subject to National and European threshold limits. The Purchasing Department should be consulted for advice prior to undertaking this process.**

**\*\* Funding approval required for all contract spends at relevant level notwithstanding that monies may have been allocated to departmental budgets/cost centres.**