

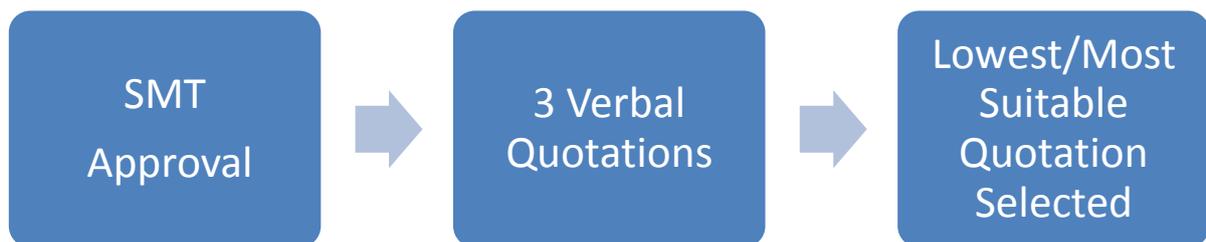
Summary Guide to Procurement in NMBI (March, 2016)

Procurement Policy covers the management and control of all non-payroll expenditure.

No procurement activities should be carried out without relevant authorisation.

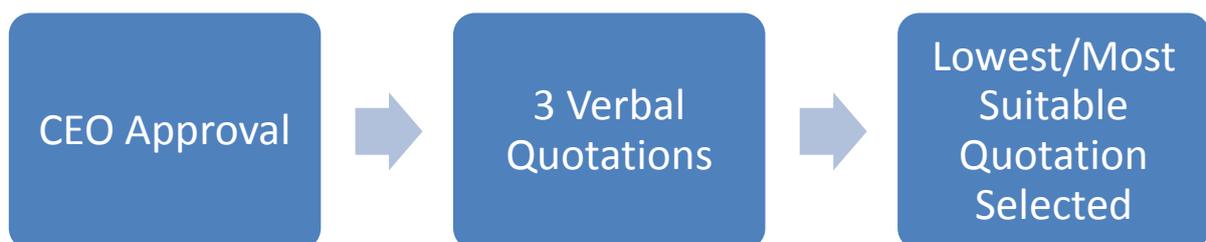
Expenditure up to €1,000

Expenditure up to €1,000 must be approved at SMT level, following approval it will be necessary to obtain at least 3 verbal Quotations and then the lowest tender/most suitable quotation can be selected.



Expenditure up to €5,000

Expenditure up to €5,000 must be approved at CEO level, following CEO approval it will be necessary to obtain at least 3 verbal Quotations and then the lowest tender/ most suitable quotation can be selected.

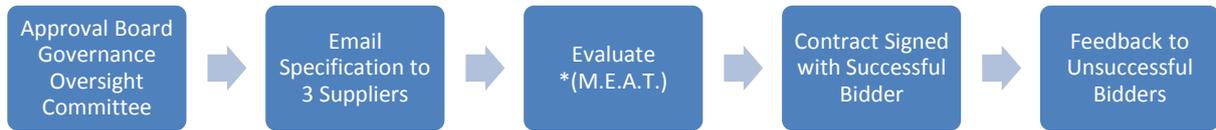


Expenditure between €5,000 - €25,000

Any and all expenditure above €5,000 must be the subject of a procurement process. All such procurements will be carried out by the Procurement Officer in consultation with the relevant Senior Management Team member and/or their nominee(s). Expenditure above €5,000 must be approved at Board level, specifically by the Board Governance Oversight Committee.

In the case of expenditure between €5k and €25k, following approval from the Board Governance Oversight Committee, a brief specification of requirements must be sent by

email/ fax to at least 3 suppliers seeking written Quotations. The Quotations received will then be evaluated objectively against the specified requirements (use a weighted scoring sheet). The procurement officer will agree and transmit any necessary feedback to unsuccessful tenderers. A contract will be presented for agreement with the successful bidder.



*M.E.A.T. Most Economically Advantageous Tender

Expenditure above €25,000

Expenditure above €25k, following approval from the Board Governance Oversight Committee, must be the subject of a formal tendering process through the etenders system. The procurement officer can advise on the appropriate procedures to be followed and the timelines involved and will undertake the procurement process in consultation with the relevant personnel.



*Request for Tender

All relevant original documentation pertaining to procurement processes must be filed with the procurement officer.

It is important to re-emphasise the fact that no procurement process can be commenced or any expenditure above €5k incurred without prior approval from the Board Governance Oversight Committee.

Verbal quotations are acceptable for once-off purchases that do not exceed €5,000.

Where it is envisaged that repeat purchases of the same low value item from the same supplier will arise;

- Written quotations must be requested where the cumulative value is expected to exceed €5,000.
- A formal tendering process will be required where the cumulative value exceeds €25,000.
- In both cases the approval of the Board Governance Oversight Committee will be necessary.
- The Budget Holder has prime responsibility for ensuring that procurement within his/her section is carried out in full compliance with NMBI's internal financial procedures, Government Guidelines and EU Directives. Further information in this regard can be obtained from the Procurement Officer. The Procurement Officer should be consulted in the first instance before any expenditure commitments outside of properly procured contracted suppliers are entered into.
- Consideration should be given to making use of National Procurement Framework agreements where they are in place, when current existing contracts expire. A complete list of current framework agreements can be obtained by contacting the Procurement Officer or from the O.G.P. website.
- All expenditure with the exception of Petty Cash items must be effected by raising Purchase Orders as required. Purchase Order approval is driven by means of an agreed approval hierarchy which is set up in the SAP Financial Management System.
- A Goods Received Note (GRN) must be raised and signed on the SAP Financial Management System before payment is made. Invoices must be registered on SAP and the supplier paid in compliance with the Prompt Payment guidelines.

Notes:

The expenditure thresholds outlined above are exclusive of VAT and refer to total anticipated expenditure over the duration of a contract.

The average duration of a contract is 4 years.