

Policy Name: Purchasing of Goods and Procurement of Services

Policy Title:	Purchasing of Goods and Procurement of Services
Description:	Document which sets out the procedure to be followed when procuring goods or services and requesting payment for same.
Author (Position):	Chief Financial Officer
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Purchasing of Goods and Procurement of Services

1. General

This document sets out the procedure to be followed when procuring goods or services and requesting payment for same. It also provides guidance regarding certain payments which must be processed through payroll and taxed.

2. Purchasing of Goods and Services - Other Than Lecturing-Related Services

In general, purchasing is initiated by a member of staff placing an order with the proposed supplier, having first checked that the purchase is authorised by the person responsible for managing the relevant budget.

It is Marino Institute of Education's (MIE's) policy to ensure that best value for money is obtained for all expenditure. To this end, quotes should be obtained from a number of potential suppliers whenever possible, before selecting a supplier. Ideally, three quotes should be obtained, particularly where the cost of the item to be purchased will exceed €1,000. Quotes should be attached when sending the invoice to Finance for processing.

The supplier of the goods or services will then provide an invoice.

The person initiating the order should ensure that the invoice will include the following:

- i. Supplier's name, address and tax number (either VAT registration number or taxation/RSI number, if the supplier is not VAT-registered);
- ii. A description of the nature of the goods or services supplied;
- iii. Date of invoice and rate of VAT (if the supplier is VAT-registered)
- iv. The name of the person who placed the order, and the department code the invoice is to be charged against.

The invoice should be addressed to 'Finance Department, Marino Institute of Education, Griffith Avenue, Dublin 9.' Upon receipt by the Finance Department, it will be stamped, copied and sent to the ordering department for approval. If the supplier wishes to transmit the invoice electronically, they should send it to finance@mie.ie.

If there are errors or queries on the invoice, these should be notified immediately to the supplier, and marked on the invoice and returned to Finance, so that Finance Department will be aware of the reason for non-payment in the event of supplier queries. Finance will put the invoice on the system 'on hold' until the error or query is corrected/resolved.

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MIE does not maintain an 'approved suppliers' list. Heads of Department have discretion in this regard, subject to ensuring value for money.

2.1. Public Procurement Requirements:

Where purchases/contract values are anticipated to exceed €5,000 in any academic year, a minimum of three written quotes must be obtained and furnished to the Chief Financial Officer (CFO) before proceeding. Potential contracts of value exceeding €25,000 must be referred to the CFO to ensure compliance with tendering requirements. The CFO maintains a register of significant contracts which is used to assess re-tendering requirements.

3. Set-Up of New Suppliers

Please check with the Finance Department before setting up a new account with a supplier, to avoid duplicate accounts being created. Where the supplier requires an application for credit facilities to be completed, this should be brought to the Finance Department for certification.

Stationery and office supplies should be ordered through Reception, who have accounts with appropriate suppliers and can ensure order quantities are appropriate to obtain quantity discounts, etc.

4. Petty Cash

Small amounts of cash are retained in a float in the Finance Department for minor purchases or outlays which must be paid for in cash for one reason or another¹. Petty cash is not a substitute for the normal invoice process outlined above, or for the general rule that minor outlays should be paid for by the member of staff and recouped through the [Reimbursement of Expenses](#) procedure. Please always ensure that you have appropriate permission in advance for any expenditure you incur. Cash should be requested using a cheque requisition form.

5. Cheque Requisitions

It is envisaged that cheque requisitions will be required only rarely, as the majority of purchases will be invoiced by the supplier or, for lecturing-related services, processed through MIE's payroll. In all cases, an invoice or other appropriate third-party document should accompany the request for payment.

¹ See [Petty Cash](#) and [Petty Cash Floats - Book Sales](#)

6. Lecturing-Related Services

The Revenue Commissioners' view is that part-time lecturers/trainers are employees. Payments are to be made to these individuals net of statutory deductions for PAYE and social insurance deductions.

Where the supplier is not satisfied with their treatment as an employee and can provide sufficient information that their business is their primary and full-time business, MIE may, at its discretion, review the circumstances and request Revenue to provide an opinion as to whether PAYE is to be applied to the payment.

Where the supplier is not subject to PAYE, the supplier will provide an invoice, which should give details as set out in the above section, and the description should adequately set out details of the service provided.

The procedure for requesting payment for various services is outlined below:

6.1. Part-time Staff Claim Form

As for other staff, a New Staff Details Form should be completed in advance and sent to Finance (who will copy to Human Resources), with details of the term of the proposed engagement (hours, rate, etc.). The Part-Time Staff Claim Form (available on the shared drive) must be completed for individuals engaged to provide academic services such as a series of lectures, examination marking, Teaching Practice Supervision, oral examination, external examiners, etc. Note that written approval from the Dean is required **before** engaging part-time staff, and that Part-Time Staff Claim Forms must be signed by both the Head of Department and the Dean.

The main rates applying are set out in a separate Payment Rates document, located at S:\\02 Finance Department.

6.2. Guest Lecturers

From 1st September 2019, Revenue has determined that payments to Guest Lecturers must be taxed through the PAYE system, as for other part-time lecturers. See also [Section 7](#) below, re: gift vouchers.

6.3. External Examiners Residing Abroad

Payments to External Examiners² resident in Ireland are processed through the payroll similarly to other staff.

In relation to External Examiners² residing abroad, the Revenue Commissioners have determined that, with effect from 1st January 2013, 20% of the fee for External Examiners² is liable for 41% tax. The remaining 80% of the fee and out of pocket expenses incurred by an External Examiner² may be paid tax free.

6.4. Interviewers

Payments to external individuals sitting on MIE interview panels are taxable, and any such payments will be processed through MIE's payroll and subject to appropriate PAYE/PRSI deductions.

7. Gift Vouchers

Gift Vouchers are not permissible as an alternative form of remuneration and should not be used to pay individuals – staff or others – in any circumstances.

However, it is acknowledged that occasionally an external individual provides guest lecturing/interview or other services on a goodwill basis. If it is wished to provide a token of gratitude for the services so provided, a gift voucher of up to €90 may be issued for that purpose, subject to prior approval. A separate form is required to record the details of the individuals to whom the voucher is being provided.

It is emphasised that this option applies only to external people visiting once per annum, and only to people who are not requesting payment for the service – the vast majority of guest lecturers and others will be handled as set out in [Section 6.2](#) above.

The Revenue Commissioners have determined that only one such gratuity may be issued to an individual (up to a maximum value of €500) without deduction of tax/PRSI in any one tax year.

² See [MIE Role of External Examiners](#)

8. Responsibility

Any queries regarding any of the above should be directed to a member of the Finance Department, who will endeavour to resolve all queries in advance so that payments are processed in good time.

This document will be reviewed at three yearly intervals. It may be reviewed more frequently in the event of legislative or other relevant developments.

9. Related Documents

- 9.1. [Reimbursement of Expenses](#)
- 9.2. [Petty Cash](#)
- 9.3. [Petty Cash Floats – Book Sales](#)
- 9.4. New Staff Details Form
- 9.5. Part-Time Staff Claim Form
- 9.6. Payment Rates Document
- 9.7. Cheque Requisition Form
- 9.8. Voucher Request Form
- 9.9. [MIE Role of External Examiners](#)