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| Author | Director of Finance | | |



SCOTTISH ARCHERY ASSOCIATION

Procurement Policy and Procedures

1. **Purpose of procurement standards.** The purpose of these standards is to establish procedures for Scottish Archery for the procurement of supplies and other services.
2. **Code of conduct.** No Board director or other member shall participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved. Such a conflict would arise when the member, any member of his or her immediate family, his or her partner, or any organisation with which he/she is concerned, has a financial or other interest in the firm selected for an award. All members of Scottish Archery shall be subject to disciplinary actions for violations of these standards.
3. **Competition.** All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition. Awards shall be made to the bidder whose bid or tender is responsive to the specifications and is most advantageous to Scottish Archery, with price, quality and other factors taken into consideration. All or any bids or tenders may be rejected when it is in Scottish Archery's interest to do so. In all procurement matters Scottish Archery shall avoid practices that are restrictive of competition. These include but are not limited to:
 - (a) Placing unreasonable requirements on firms in order for them to qualify to do business,
 - (b) Requiring unnecessary experience and excessive bonding,
 - (c) Non-competitive pricing practices between firms or between affiliated companies,
 - (d) Non-competitive awards to consultants that are on retainer contracts,
 - (e) Organisational conflicts of interest,
 - (f) Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement, and
 - (g) Any arbitrary action in the procurement process.

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4. Methods of Procurement to be followed.

- (a) **Small purchase procedures** are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than £500.00. If small purchases are required, price or rates shall be obtained from an adequate number of sources to insure that the selection process is competitive in the best interests of Scottish Archery.

No formal process is required – once a suitable provider is identified direct contracting can take place. However, audit processes may require recorded evidence of how the provider was selected (eg noted in minutes of Board or Committee Meeting, etc)

- (b) **Medium purchase procedures** are those more formal procurement methods for securing services, supplies, or other property that cost between £500.00 and £5000.00. If medium purchases are required written quotation of price or rates shall be obtained from an adequate number of experienced sources to ensure that the selection process is competitive in the best interests of Scottish Archery.

This process shall include -
 Contract Details
 Advertisement of the specification of requirements
 Time allowed for responses
 Closing date for responses
 Status/experience of provider
 Financial stability of provider

Should all or most of such criteria not be possible the procedure listed under section (d) [non-competitive proposals] of this paragraph may be considered.

- (c) **Large purchase procedures** (formal advertising for procurement costing more than £5,000) where bids or tenders are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price (allowing for experience and time factors into account).

(i) The sealed bid method is the preferred method for procuring construction if the following conditions are present:

- (a) A complete, adequate, and realistic specification or purchase description is available;

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- (b) Two or more responsible bidders are willing and able to compete effectively and for the business; and
- (c) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(ii) If sealed bids are used, the following requirements apply:

- (a) The invitation for bids will be publicly advertised and bids shall be solicited from an adequate number of known suppliers, providing them sufficient time prior to the date set for opening the bids;
- (b) The invitation for bids, which will include any specifications and pertinent attachments, shall define the items or services in order for the bidder to properly respond;
- (c) All bids will be publicly opened at the time and place prescribed in the invitation for bids;
- (d) A firm fixed-price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs shall be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
- (e) Any or all bids may be rejected if there is a sound documented reason.

(d) Procurement by non-competitive proposals is procurement through an invitation of a proposal from only one source where considerations regarding other sources are determined as inadequate.

- (i) Procurement by non-competitive proposals may be used only when the award of a contract is not feasible under small purchase procedures, sealed bids or competitive proposals and one of the following circumstances applies:
 - (a) The item is available only from a single source;
 - (b) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;
 - (c) The funding source specifically authorises the use of non-competitive proposals; or

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- (d) After solicitation of a number of sources, competition is determined inadequate.
- (ii) Cost analysis, i.e., verifying the proposed cost data, the projections of the data, and the evaluation of the specific elements of costs and profits, is required.
- (iii) When using a non-competitive process Scottish Archery normally would be expected to submit the proposed procurement to the relevant funding source for pre-award.

5. Procurement procedures.

- (a) All procurement by the Company shall comply, at a minimum, with the requirements of subsections (i), (ii), and (iii) below:
 - (i) the Company avoid purchasing unnecessary items.
 - (ii) Required specifications for goods and services shall provide for all of the following.
- (b) A clear and accurate description of the technical requirements for the material, product or service to be procured. In competitive procurements, such a description shall not contain features which unduly restrict competition.
- (c) Requirements which must be fulfilled and all other factors to be used in evaluating proposal submitted in response to invitations.
- (d) A description, whenever practicable, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
- (e) When relevant, the specific features of "brand name or equal" descriptions that are to be included in responses submitted for consideration.
- (f) Positive efforts shall be made by Scottish Archery to utilize local businesses whenever possible and conducive to Scottish Archery's best interests.
- (g) Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.

6 Cost and price analysis.

Some form of cost or price analysis shall be made and documented in the procurement files in connection with every procurement action above £5000 in value. Price analysis may be

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accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicators, together with discounts.

7. Procurement records –

Procurement records and files for purchases in excess of the small purchase threshold shall include the following at a minimum:

- (a) basis for contractor selection,
- (b) justification for lack of competition when competitive bids or offers are not obtained, and
- (c) basis for award cost or price.

8. Contract administration.

A system for contract administration shall be maintained to ensure contractor conformance with the terms, conditions and specifications of the contract and to ensure adequate and timely follow up of all purchases. Scottish Archery shall evaluate contractor performance and document, as appropriate, whether contractors have met the terms, conditions and specifications of the contract.

9. Duration

This policy will remain in force for a period of 3 years from date of publication and will then be reviewed by the Director of Finance. Should changes in legislation or company operating circumstances dictate prior necessity, it shall be reviewed as required.