

2nd December, 2019.

Ms Éilis Fallon
 Committee Secretariat
 Committee of Public Accounts
 Leinster House
 Dublin 2

Oifig an Uachtaráin
 President's Office

**An Sciathán Thoir, An Chearnóg Lár,
 Coláiste na hOllscoile Corcaigh,
 Bóthar an Iarthair, Corcaigh, Éire.**
 East Wing, Main Quadrangle,
 University College Cork,
 Western Road, Cork,
 Ireland.

T: +353 (0)21 4902201
 E: president@ucc.ie
 www.ucc.ie

Ref: PAC32 - I - 1675

Dear Ms Fallon,

I refer to your recent correspondence regarding information in relation UCC procurement activity for 2017.

As requested by the Committee, 26 purchases are included in the total of €2.9m.

The detail behind these is as follows:

- **€1.01m** relates to expenditure for which there is no national supporting procurement framework. As a result, the expenditure was unfortunately uncontracted. UCC is itself putting in place its own contractual position with these service providers.
- Amounts of **€260k** has since been tendered and are now fully compliant, whilst a further **67k** related to property rental which in turn are exempt.
- **€396k** relates to international student recruitment agency services who operate worldwide. This has been difficult to procure for. However, a cross sectoral collaborative University approach is currently being agreed to rectify future spend in this area.
- **€234k** relates to provision of statutory Health & Safety support and training services. The relevant national OGP frameworks have since been reviewed to remedy this non-compliance going forward.
- **€438k** relates to aggregated spend where the individual spend itself were complaint but on retrospective aggregation should have been procured differently and therefore moved into a non-complaint category.
- A further **€148k** related to cumulative below threshold spend on once off expenditure.

An tOllamh Pádraig G. Ó Sé PhD
 FIEEE, FAPS, FAAAS
 An tUachtarán

Professor Patrick G. O'Shea PhD
 FIEEE, FAPS, FAAAS
 President

The University is fully committed to reducing the level of procurement non-compliance. It has engaged with the Office of Government Procurement and the Educational Procurement Service on providing the Multi Annual Purchasing Plans (MAPP) as well as Corporate Procurement Plans to ensure all appropriate non - pay expenditure is properly scheduled and procured appropriately.

Procurement is now a standing item on the University's Finance Committee agenda, and they have accepted the need for additional resources to be applied to strengthen the University's procurement service.

Similarly, where instances of non-compliance do occur, sanctions are applied internally to encourage and enforce compliance. In the past year, such sanctions have included reducing individual budget holder expenditure approval limits to restricting and removing authority to make such purchase decisions.

I am confident that the increased internal focus and these measures will move the University to a level of greater compliance in future years.

Yours sincerely,

A handwritten signature in cursive script, appearing to read 'P. O'Shea', written in black ink.

Professor Patrick G. O'Shea
President

c.c. Mr. Diarmuid Collins, Bursar/Chief Financial Officer