



Dean's Directive on Procurement of Supplies, Services and Construction Work

(DD_2021_02)

Article I

Introductory provisions

- 1.1 The Czech Technical University, Faculty of Electrical Engineering (hereinafter referred to as "FEE") is obliged to procure supplies, services and construction works for its needs in accordance with legislation, in particular according to Act No.134/2016 Coll., on Public Procurement (hereinafter referred to as "PPA") and the Rector's Order No.17/2020 on Public Procurement of the Czech Technical University (hereinafter referred to as "the Order").
- 1.2 This directive is binding for the procurement of supplies, services and construction work at FEE.
- 1.3 The principles of transparency, equal treatment, proportionality and non-discrimination must always be respected when procuring supplies, services or works.
- 1.4 For the purposes of this Directive:
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| <i>"Authorised Officer of the ONVZ (PPD)"</i> | means the Purchasing and Procurement Officer responsible for the Purchasing Agenda; |
| <i>"Head of Department"</i> | means the head of a department, the head of a department of the Dean's Office; the head of the IT centre |
| <i>"Registrar"</i> | means the Registrar of the FEE; |
| <i>"User"</i> | means a department, department of the Dean's Office, IT centre; |
| <i>"Project Manager"</i> | means a member of the Science and Research Department |
| <i>"Public Contract"</i> | means the acquisition of supplies, services or works for the needs of FEE (hereinafter also referred to as "Purchase"); |
- 1.5 All amounts quoted in this Directive exclude VAT.

Article II

Designated persons

- 2.1 The FEE will implement the Purchases through the Heads of Departments and Authorized Personnel of the ONVZ (PPD).

- 2.2 Individual actions within the Public Procurement agenda can be performed directly by the Head of the Department for Public Procurement with an estimated value of up to CZK 500,000.

Article III

Recording and approval of purchases

- 3.1 Any purchase request over CZK 2,000 must be registered in advance. The request includes:
- a) the subject of the Purchase (commodity, service or construction work);
 - b) a detailed specification of the commodity or service;
 - c) an estimated value (excluding VAT);
 - d) classification of the Purchase as a commodity;
 - e) source of funding;
 - f) other conditions for the Purchase (e.g. requirements of the grantor for the Purchase, replacement of a broken item, compatibility requirements, unique technology, Purchase from a foreign manufacturer, in the case of Purchase from structural funds, information on the Public Procurement scheme as communicated by the project manager, etc.)
- 3.2 The authorized officer of the ONVZ (PPD) shall determine the Public Procurement mode and subsequently determine all steps necessary to carry out the Purchase in the appropriate mode.
- 3.3 In case the requested goods are in the faculty warehouse, the User receives information from the Authorised Officer of the ONVZ on the method of purchase "IT WAREHOUSE" or "TPO WAREHOUSE" and collects the goods from the warehouse on the basis of the request for dispatch, which is Appendix 5 to this Directive.

Article IV

Estimated value of the public contract

Single Public Contract

- 4.1 The basis for determining the Public Procurement Scheme is the estimated value of a single Public Contract.
- 4.2 In general, a single Public Contract means a single case of procurement of supplies, services or works for the needs of FEE, except for specific cases of Procurement under Article 4.4 (Partial Procurement) or Article 4.6 (Regular Annual Procurement) of this Directive.
- 4.3 In the case of Partial Purchases (Article 4.4 below) and Regular Annual Purchases (Article 4.6 below), a single Public Contract is the aggregate of the individual Partial Purchases or Regular Annual Purchases. In both of these special cases, the estimated value of the Public Contract shall be determined by the User as the sum of the estimated values of the individual sub-Purchases (in the case of sub-Purchases) or as the total of the respective regular annual Purchases (in the case of regular annual Purchases).

Partial Purchases

- 4.4 In the case of partial Purchases (division of a Public Contract into parts), a contract whose parts (partial deliveries) form a functional whole and FEE procures such supplies, services or works in a temporal context shall also be considered a single Public Contract. Therefore, if the subject matter of the Public Procurement forms a functional (compact) whole, i.e. (i) the Purchases are materially and functionally related (i.e. similar goods or services or works with similar purposes are required)

and (ii) the Purchases are also related in time (i.e. they are carried out at the same time or close in time), these individual (partial) Purchases are considered to be a single Public Contract for the purposes of calculating its estimated value.

- 4.5 A single Public Contract may be divided into parts (Partial Purchases) and these Partial Purchases may be executed separately, provided that the Partial Purchases are executed under the procurement regime that FEE would have to use for a Public Contract awarded as a whole (that is, as if the division of the Public Contract into Partial Purchases had not occurred).

Regular Annual Purchases

- 4.6 In the case of Purchases for which supplies or services are purchased on a regular or continuing basis (regular annual Purchases), the estimated value of the Public Contract shall be determined on the basis of the actual price paid for supplies or services of the same type during the preceding 12 months, adjusted for changes in quantities or prices that may be anticipated over the next 12 months.
- 4.7 The estimated value of the regular annual Purchases shall be determined by the Purchasing and Procurement Department ("PPD") in advance for the following calendar year based on information from Users.
- 4.8 Any information being collected from Users will normally take place by 31.10.

Acquisition of goods and services with variable prices during the year

- 4.9 The above rule for determining the estimated value of Public Procurement of supplies and services in the form of regular annual Purchases shall not apply if their unit price is variable during the accounting period and these supplies and services are procured according to the actual needs of FEE. However, this is exclusively for the procurement of supplies and services the need of which is random and which cannot be objectively predicted in advance. This exemption may be used only in a limited number of cases and for a limited financial amount (e.g. tickets, air tickets, refreshments, office supplies) and always on condition that the supplies or services are purchased at variable prices during the accounting period.

Article V

Types of public procurement schemes depending on the estimated value of the public contract

5.1 Standard cases

Depending on the expected value and the specifics of the particular Public Procurement, the Authorised Officer of ONVZ (PPD) shall select one of the following types of procurement arrangements (ranked from least to most restrictive), except for the special rules for Commodity Purchases under Article 6.1, which shall be made on the Electronic Marketplace or through the Procuring Entity's profile on the Tender arena:

- a) **Direct Purchase.** It shall be used for supplies, services and works which, because of their volume and estimated value, are not appropriate to be procured in a more rigorous manner, having regard to administrative considerations. The User shall assess whether the price is normal at the time and place of performance. It shall be sufficient to approach a single supplier. It is applicable for Public Contracts with an estimated value of up to CZK 10,000 or for Public Works Contracts with an estimated value of up to CZK 200,000.
- **A public contract with an estimated value of up to CZK 2,000.** The purchase can be made by Direct Purchase paid in cash, by faculty credit card or by invoice. Other terms and conditions for Purchases up to CZK 2,000 shall be determined by the Head of Department. Depending on the nature of the Purchase (urgency), it must be preceded

by a limited or individual commitment (internal order).

- **A public contract with an estimated value of CZK 2,001 to CZK 10,000.** The purchase is made by Direct Purchase via a purchase order to a specific supplier. Depending on the nature of the Purchase (urgency), it must be preceded by a limited or individual commitment (internal order).
 - **A Public works contract with an estimated value of up to CZK 200,000.** The purchase may be made by Direct Purchase via a purchase order to a specific supplier. Depending on the nature of the Purchase (urgency), it must be preceded by a limited or individual commitment (internal order).
- b) **Direct purchase with prior market research.** This is a more rigorous version of Direct Purchase verifying the reasonableness of the price. The User shall invite at least three suppliers to submit a bid if quotations are not available at the usual time and place. In the event that the User cannot comply with the market survey with the number of suppliers as specified above for objective reasons, the User shall justify this in a written record and store this record with the order in the AEDO system. The User shall use the Direct Purchase with Market Survey template, which is Appendix 2 of this Directive. It shall be used for Public Contracts for supplies and services with an estimated value **between CZK 10,001 and CZK 500,000**, unless the provider of the funds specifies stricter conditions (e.g. for Public Contracts covered by the Structural Funds **the upper limit is CZK 400,000**). It also applies to Public Works Contracts **from CZK 200,001 to CZK 500,000**. The purchase can be made by means of a purchase order to the selected supplier. This issued order above CZK 50,000 must be published in the Register of Contracts before the Purchase is implemented, in case no contract is concluded for the Purchase. In addition, an order in excess of CZK 200,000 must be approved by the Registrar.
- c) **Closed call to a selected group of suppliers.** In this case, the Authorised Officer of ONVZ (PPD) shall invite in writing at least 5 suppliers to submit a tender in the case of a Public Contract awarded via the electronic marketplace GEMIN and in the case of a Public Contract awarded via the Tender arena contracting authority profile, a written invitation to at least 3 suppliers shall be sufficient. It is applicable in the case of small-scale public supply and service contracts **from CZK 500,001 to CZK 2,000,000** and in the case of public works contracts **from CZK 500,001 to CZK 3,000,000**. If the fund provider sets a stricter lower limit, then this stricter lower limit applies (e.g. for Public Contracts covered by the Structural Funds the lower limit is **CZK 400,001**). The purchase must be made by means of a concluded contract.
- d) **So-called direct address.** Only in justified cases the Authorised Officer of ONVZ (PPD) shall directly address a specific supplier, especially if the requested supply has no substitute on the market or there is insufficient competition from suppliers of the requested supply. It is applicable in the case of small-scale public contracts **from CZK 500,001 to CZK 2,000,000**. If the funder sets a stricter lower limit, then this stricter lower limit applies (e.g. for Public Contracts covered by Structural Funds the lower limit is **CZK 400,001**) The purchase must be made by means of a concluded contract.
- e) **Open call.** The ONVZ (PPD) Authorised Officer will publish the tender documentation on the contracting authority's profile with the possibility for an unspecified number of suppliers to submit a tender. It is applicable in the case of small-scale Public Contracts for supplies and services **from CZK 500,001 to CZK 2,000,000** and in the case of Public Works Contracts **from CZK 500,001 to CZK 6,000,000** In case the provider of the funds sets a stricter lower limit, then this stricter lower limit applies (e.g. for Public Contracts covered

by Structural Funds the lower limit is CZK 400 001). And furthermore, it applies in the case of Public Contracts awarded **under the PPA regime, i.e. above CZK 2,000,000 for supplies and services, unless it is an exception under Section 29 and Section 30 of the PPA**. The purchase must be made by means of a concluded contract.

- 5.2 The User and the Authorised Officer of ONVZ (PPD) must select the type of scheme for a particular Public Contract according to the price limits set out in Article 5.1 above. If there is any doubt as to which Procurement scheme to select, the Purchase must be made under the more restrictive scheme.
- 5.3 For the purposes of determining the Public Procurement regime for supplies, services or works for the needs of FEE, there shall be no purposeful (artificial) division of the Public Contract in order to avoid the obligation to award the Public Contract under a more restrictive scheme, which is associated with a higher estimated value of the Public Contract.
- 5.4 For Public Contract whose estimated value without value added tax is **higher than CZK 500,000**, or unless the provider of the funds specifies more restrictive conditions (e.g. for Public Contracts financed by the Structural Funds the upper limit is **CZK 400,000**), the User is obliged to fill in Appendix 3 of this Directive entitled "Application for processing of a Public Contract." It shall contain the specific and verifiable information and facts on the basis of which the estimated value of the Public Contract has been determined and, where applicable, the justification for the selection of the specific suppliers proposed to be approached. It must also include a technical specification of the required performance.
- 5.5 For Purchases according to paragraph 5.1. a) to e), it is necessary to create and have approved a Purchase Order against a specific supplier before the Purchase or before the signing of the Contract, according to the procedure on the implementation of management control (see the Directive of the Bursar No. 98/2013). The created Purchase Order for the supplier is archived in the electronic version together with the draft order and the signature clause in the central repository of the CTU (CUL) and is available in the Agendas of Electronic Circulations and Documents (AEDO) subsystem and in the Financial Information System (iFIS). In the event that a contract is concluded for a Public Contract above CZK 50,000, the order is not published in the Register of Contracts, as in such a case the contract is always published. An order the value of which exceeds CZK 200,000, excluding VAT, is always approved and signed by the Registrar after the Head of Department.
- 5.6 In the case of a request for a Public Contract for supplies, services and works financed by the Structural Funds, the User shall always contact the relevant Project Manager for the selection of the Public Procurement scheme, regardless of the amount of the estimated value. The User shall register the request including information on the Public Procurement scheme as communicated by the Project Manager.
- 5.7 **Special cases**

Framework Agreement. In some cases (particularly for the purchase of electronic components or other frequently needed goods or services), the FEE may enter into a Framework Agreement to purchase from a single supplier or multiple suppliers (if the Framework Agreement is with multiple suppliers) through individual purchase orders. The basic terms and conditions of individual Purchases (type of goods and purpose of use, unit prices, and delivery times) will be determined by the framework agreement. The Framework Agreement may be concluded by the FEE after one or more suppliers have been selected under one of the above-mentioned types of procurement schemes, again depending on the estimated value of the goods, services and works

that the supplier(s) will be obliged to supply to the FEE during the term of the Framework Agreement and on the terms and conditions agreed in the Framework Agreement.

Public works contracts. Public works contracts with an estimated value of more than CZK 6,000,000 (VAT excluded) and directly related supplies and services or those public works contracts and directly related supplies and services for the implementation of which a subsidy from public budgets will be drawn pursuant to Article II(1)(b)(ii) of the Order shall be awarded by the Rector's Office for the CTU. The organisation of the award of these Public Contracts shall be carried out by the OVIČ RČVUT. The future User of the subject of the Contract is obliged to provide cooperation in the procurement of the Public Contract in accordance with the instructions of the OVIČ RČVUT. The User is also obliged to process and submit to the OVIČ RČVUT the "Request for Processing of Public Contract," which is Appendix 3 to this Directive.

Public contracts falling under the exclusive competence of the Rector's Office. These include public contracts paid from the budget of the accounting centre "SCHOOL," public contracts for the supply of electricity, natural gas and mobile telecommunications services (including data). They are also public contracts in accordance with paragraph 1 of Article VI of the Order.

Article VI

Purchase of selected commodities for centralised procurement

- 6.1 The commodities listed in Appendix 4 of this Directive will be procured by ONVZ (PPD) through the electronic marketplace or through the procuring entity's profile on the Tender arena, regardless of their estimated value.
- 6.2 Purchases of the above selected commodities are generally made on a monthly basis.
- 6.3 Exceptionally, taking into account the specifics of a particular Purchase or a situation where the need for a Purchase arises, the Authorized Officer of the ONVZ (PPD) may choose a more lenient type of scheme under Article 7.2.
- 6.4 Purchases of selected commodities under Article 6.1. with an estimated value of over CZK 2,000,000 must be made under the procurement scheme for Public Contracts under the PPA.

Article VII

A less-restrictive type of scheme in special cases

- 7.1 Purchases of goods with variable unit prices, see Article 4.9 (airline tickets, travel tickets, food and beverages, office supplies), which the FEE purchases repeatedly according to its current needs, which cannot be predicted in advance, can be made by Direct Purchase or Direct Purchase with market research.
- 7.2 In justified (and exceptional) cases which, having regard to objective reasons or circumstances, require a Purchase to be made under a less-restrictive or more expeditious procurement scheme than that which must be applied under this Directive, the Authorised Officer of ONVZ (PPD) may decide that the Purchase shall be made under a less-restrictive type of procurement scheme. This decision shall be documented and sufficiently justified by the User or the Designated Official of the ONVZ (PPD). The ONVZ (PPD) Authorised Officer shall make the decision:
 - a) up to CZK 200,000 alone,
 - b) over CZK 200,000 with the prior written consent of the Registrar.
- 7.3 Specific examples or circumstances of specific Purchases may include: emergency situations, uniqueness of the technical solution of the requested commodity that can only be supplied by a specific supplier.

Article VIII
Common, transitional and final provisions

- 8.1 This Directive does not apply to the awarding of concessions for works or services, nor to small-scale concessions; the awarding of concessions, including small-scale concessions, is only possible with the prior approval of the Rector.
- 8.2 The following appendices form an integral part of this Directive:
- Appendix No. 1 - [Simplified scheme of the Public Procurement Scheme](#)
- Appendix No. 2 - [Direct Purchase with market research](#)
- Appendix No. 3 - [Request for the processing of a public contract](#)
- Appendix No. 4 - [Selected commodities for centralised procurement](#)
- Appendix No. 5 - [Order sheet](#)
- Appendix No. 6 - [Selected elements of the tax document](#)
- 8.3 This Directive cancels the Registrar's Instruction on Procurement at the FEE of 28 February 2017
- 8.4 This Directive shall enter into force on 1 January 2022.

In Prague, 13 December 2021

prof. Mgr. Petr Páta, Ph.D.

The amendments made by Appendix No. 1 shall take effect on 1 June 2022