

REQUISITIONS, ORDERS AND EQUIPMENT PURCHASES

This is intended as a general guide to placing orders in the department. Please take the time to read it if you generate or authorise departmental requisitions. Key updates to the previous version, circulated in 2007, **are highlighted in red.**

This guide also covers the specific procedures that are required for the purchase of equipment, or the receipt of equipment on loan.

This document, and subsequent updates, can be found on the departmental website, at <http://www.materials.ox.ac.uk/local/documents.html?panel=6#FinanceForms>

Items covered are as follows:

1. How the ordering process works.
2. Completing requisition forms.
3. Items costing more than £1,000.
4. Equipment on loan.
5. Equipment purchases.

1. How the ordering process works

The department is required to follow the University's financial regulations and procedures (<http://www.admin.ox.ac.uk/finance/index.shtml>). Note that funding bodies, including the EPSRC, require us to evidence adherence to these procedures.

To make a purchase you must first complete a requisition form or raise a shopping cart and submit this to the finance office. Orders must only be generated by the finance office. Orders must be placed via the university's Oracle finance system. Under no circumstances should departmental members attempt to make their own orders, either in writing/email, or by telephone. This includes orders to Colleges, and for catering at Begbroke.

We will not be able to pay any invoices that have not been generated in advance by a departmental requisition.

Orders will normally be processed within 24 hours of receipt by the finance department. However, if your requisition is urgent, see the notes in section 2

2. Completing requisition form

Requisition forms are available throughout the department and on the departmental website. If you are new to the department, please contact the finance office to arrange a convenient time for the team to take you through the procedure.

Points to note:

- If the supplier you wish to use is not already set up on the University Finance system, please check with the Department's Finance office. If you are unsure whether a supplier is already set up please check with the Finance Office.
- Please ensure that the source of funds (ie account code number) is indicated on your requisition form. Please use the account code number, including the task number in the case of Projects, and not a general description of the grant/cost centre. If you are not sure what the account code is, please ask before submitting the form. Forms without a code will be returned to the originator.
- Please ensure that the requisition is signed by your supervisor/the cost-centre budget holder, who is authorised to sign against that particular account code. Unfortunately we cannot take a verbal assurance that the budget-holder is happy; *the form has to be signed*. PI's and other budget-holders who anticipate being away should make arrangements for signing cover in their absence, and let the Finance Department, and supervisees know what the arrangements will be. Forms that have not been properly authorised will be returned.
- It is essential to ensure that the prices, specifying currency for overseas suppliers, and catalogue numbers that you quote are correct and up-to-date, and that if there is a delivery or packing charge, the cost for this is also included on the form. If a discount is available, this should also be noted on the form. The accuracy of price information is particularly important for processing onto the Finance system. If you do not check the prices, your order could well be delayed or the requisition sent back.
- Please give us the full address and post-code of the supplier. We cannot process an order without these.
- If your requisition is based on a quotation received, this must be attached to the requisition form.
- Note that goods received from non EU countries will normally attract import duty/import VAT and internal freight charges, so you need to make allowance for these extra costs that will accrue to your cost centre. Orders from other EU countries will accrue VAT at the UK rate payable to HMRC.

- **Deliveries.** Staff at Begbroke should note that we do not have any facilities to pay cash on delivery for orders. And there are only limited facilities for this at the City Centre site. You should be clear about the delivery terms and arrangements before you place your requisition, and let us know if there are likely to be any problems. Please note that University Financial policy states that goods should not be paid for before delivery. If you are uncertain please ask the Department's finance team.
- Any orders for £1,000 net or more should be accompanied by two competitive quotations. See section 3 for further details. This is University policy.
- Note that we cannot give out order numbers until your requisition has been input onto the finance system; they are automatically generated by the system. This process happens three times a day. Please allow 24-48 hours for your purchase order to be processed. We cannot do this instantly.
- Orders are normally sent automatically by the Finance system.
- If an order is urgent you should write 'URGENT' clearly across the top of your requisition form. Please do NOT just leave it in the finance officer's pigeonhole – bring it into the finance office.
- **Web orders.** Unfortunately the University's purchasing procedures are not yet geared up to making orders directly over the web.
- **IT orders.** Note that any orders for IT equipment have to be approved and countersigned by the Senior IT officer before we can process them.
- **The University does not permit us to pay more than £5,000 in advance for an order, without a bank guarantee from the supplier, or the establishment of an escrow account.**

3. Items costing more than £1,000 net. University Policy.

3.1. Goods and services costing between £1,000 and £25,000

We need to demonstrate that competitive quotations have been sought for any purchases costing between £1,000 and £25,000 (including VAT, delivery etc).

Please therefore obtain two fully specified quotations for any items where the requisition total falls within these parameters. If it is not feasible to obtain an alternative quote (eg this is the only supplier; or there are good scientific or value-for-money reasons for using this supplier), then the requisition must be accompanied by a note explaining why another quotation has not been sought in this instance. **Please also ensure you complete the pre-purchase equipment and instrumentation check-list available on the department website.**

3.2. Goods & Services between £25,000 and £100,000. University Policy.

A full tendering procedure must be carried out for all procurements between these amounts. Model documents for this procedure are available from the University's Central Purchasing office. Tenderers must be given adequate time to prepare their response. Please consult the Deputy Administrator (Finance) Tim McAree before seeking quotations. Please also ensure you complete the pre-purchase equipment and instrumentation check-list available on the department website.

3.3. Goods & Services over £100,000. University Policy.

The University's Central Purchasing Group must manage the tendering process up to the point where tenders are received. Departments will still manage the technical evaluation and contract with the selected supplier. Throughout the process Central Purchasing staff will be available to advise or assist. It will be normal procedure for high value tenders to be advertised through the Supplement to the Official Journal of the European Union(OJEU).

This must be done in consultation with the Deputy Administrator (Finance) Tim McAree and the Head of Administration and Finance Charlotte Sweeney.

This regulation also applies to any supplier agreement where the total value of the goods to be purchased during the agreement period exceeds the threshold value.

Please also ensure you complete the pre-purchase equipment and instrumentation check-list available on the department website.

If you have any queries on these procedures, please discuss with Tim McAree.

4. Equipment on loan

If you are hoping to receive some equipment on loan, please let the Deputy Administrator (Finance) Tim McAree know well beforehand.

The implications of equipment loans can be quite costly and complex. There are, for example, potential VAT liabilities on loaned equipment. Loaned equipment coming from overseas may also attract import duty, import VAT and freight charges for which the department could be liable. The insurance cover also needs to be agreed with the 'loaning' organisation. Please therefore consult us well in advance of making any arrangements. Usually an exchange of letters is all that is needed to clarify responsibilities and arrangements. Tim McAree will arrange this and should therefore be consulted.

5. Equipment purchases

Note the special procedures required for any purchases costing > £1,000 (see section 3 above).

University and departmental policy require us to assess the full cost of purchasing equipment, and the concomitant long-term obligations. If you intend to purchase a substantial (in terms of size/weight/utility requirements and/or costing > 10k) piece of equipment, please let Tim McAree know in good time before you wish to make the purchase. The Facilities Manager Les Chorley may also need to be consulted.

Please also ensure you complete the pre-purchase equipment and instrumentation check-list available on the department website.

We need to know what the equipment purchase will entail in terms of the following:

- Size – dimensions and weight.
- Installation requirements.
- Likely location
- Use of utilities required.
- Delivery access and costs.
- Future maintenance, adaptations/improvements and servicing costs.
- Import duties and VAT liabilities.
- Safety implications.
- The need to tender or obtain competitive quotes.
- Supplier's proposed terms and conditions for purchase
- Any associated purchases of kit from other suppliers.
- Time required for testing and acceptance of the equipment.

When an order is finally generated for a significant piece of equipment, it should be accompanied by a detailed letter from the department, to clarify the terms and specification of the order.

Link to the University's Central Purchasing Website

<http://www.admin.ox.ac.uk/purchasing/>