⚕ RUSH

Office of Research Affairs

STANDARD OPERATING PROCEDURE

SUBJECT: Research Capital Equipment Acquisition

I.   PURPOSE:
To outline the steps involved in purchasing capital equipment for the Rush research labs.

II.   GENERAL INFORMATION & BACKGROUND:
Based on Health and Human Services (HHS) guidelines, inventory of all equipment purchased through federal grants should occur every two years. All equipment should be located, identified, and tagged per regulations. This SOP outlines the process for acquiring capital equipment in research, including procedures for ensuring equipment is tagged and inventoried.

III.   DEFINITIONS:
A. **Accounting Unit (AU)** – Refers to a 9 digit identification number (e.g. 1040-100-10) associated with a department, grant, endowment, recruitment, chair package, etc., often used to initiate a process or transaction.
B. **Activity Number** – Refers to a unique identification number specifically associated with some AUs.
C. **Account Number –** Refers to a specific 5 digit number associated with each activity: 54900 is used for capital equipment purchases from Federal Funds/Grants (company 12 AUs). 18020 is used for all other capital equipment purchases (company 10 AUs).
D. **Budget Office** – Reviews capital requests to determine if funding is available. Assigns Capital Activity Numbers.
E. **Capital** – An asset which has an expected life of one year or more, has an acquisition cost of at least $5,000, and does not require construction.
F. **End User License Agreement (EULA)** – An agreement outlining terms of use for specific software, applicable to the software developer and the end user of the software.
G. **Information Services (IS)** – Responsible for overseeing the installation and maintenance of network and operating systems across RUMC.
H. **Principal Investigator (PI)** – The individual who bears primary responsibility as the custodian of a research lab. This includes technical, programmatic, fiscal, administrative, executive, and oversight requirements of the research.
I. **Department Designee** – The individual responsible for facilitating capital purchases for the department or for the research lab(s). This may include obtaining quotes from vendors, identifying funding sources, requesting re-budgeting for grants, submitting requests for capital dollars in Open Markets, initiating contract review requests in Agiloft, creating capital purchase requisitions in LINK, completing the Capital Asset Information Sheet, and/or requesting capital asset tags.
J. **Research Lab Services team** – Within the Office of Research Affairs, the Research Lab Services team is a group that supports and serves Basic and Translational Science Operations.
K. **Open Markets** – Platform for requesting capital dollars.
L. **Agiloft** – Contract Management System for creating requests for contract review.
M. **Fixed Assets** – Responsible for the ongoing fiscal integrity of the fixed assets of the Rush enterprise through the effective management of all of its Fixed Assets, including capital equipment.
N. **REDCap research equipment database** – An electronic database used by the Research Lab Services team to document, track, and manage all research capital equipment at RUMC.

O. **Capital Asset Information sheet** – Form for documenting capital equipment details, such as make, model, serial number, PO number, and location of a capital asset. This is required for auditing and compliance purposes.

IV. STAKEHOLDER RESPONSIBILITIES:
A. **Research Lab** – Obtain quote and associated terms/conditions from the vendor and identify funding source for purchase.
B. **Department Designee** – Enter capital request in Open Markets (if not using grant funds), initiate contract review requests in Agiloft, request re-budgeting of grant funds (if necessary), obtain approvals from senior leadership as appropriate, complete Procurement Checklist (if applicable), create purchase requisition if necessary, complete Capital Asset Information Sheet, request equipment tagging.
C. **Contract Manager** – Assigned to contract review requests in Agiloft, route contracts for review to the appropriate team(s), mediates contract negotiations between RUMC and the vendor, finalizes terms, and may initiate Purchase Orders.
D. **Provost Office (VP)** – Reviews capital requests in Open Markets and approves if funding is available; signs contract terms and equipment quote (after review/approval in Agiloft).
E. **Budget Office** – Assigns capital activity number, reviews available funding, and determines if the AU can support the purchase.
F. **Research Lab Services team** – Tags capital equipment once received, processes Capital Asset Information sheet with Fixed Assets, updates REDCap research equipment database.

V. APPLIES TO:
All RUMC employees, faculty, staff, and students who conduct or support research at Rush.

VI. PROCEDURES:
A. The PI or department designee determines funding source.
   a. Federal Grants, philanthropic funds, and other sponsored awards may be used for Capital purchases (company 12 AU and Activity number, if applicable) but if the original budget did not include capital expenses, the department designee may need to submit a re-budget request with Fund Accounting to ensure enough funds are available in the appropriate account category.
   b. If a department and/or Research Lab doesn't have sponsored funds, a new capital request in Open Markets must be initiated. The department designee will complete the request, which will then be reviewed by applicable departments and ultimately approved/denied by the VP and Budget Office.
      i. Capital Requests should be submitted in Open Markets during the annual Capital Request period in January and February for consideration in the next FY. Please see the Budgetary Workflow here.
      ii. If equipment need is Urgent, an Off-Cycle request can be entered into Open Markets. Please see the Rush Off-Cycle Contingency Workflow here.
B. The PI or department designee requests a quote from the vendor for the capital equipment they intend to purchase. **The quote expiration date should be at least 4 months, preferably 6 months, from the date the quote is issued. This is to ensure adequate time is available for contract review, contract negotiations between both parties, approval, and processing.**
   a. Per the Uniform Guidance Policy, all purchases in excess of $10,000 require at least two quotes obtained from different vendors. The lower cost option must be selected unless valid justification is notated in the appropriate section of the Uniform Guidance - Procurement Checklist form.
C. The PI or department designee requests all associated terms and condition of sale, EULAs (if software involved), and any other written agreement applicable to the purchase of the capital equipment from the vendor.
D. The quote, all associated terms, and Uniform Guidance - Procurement Checklist are uploaded as a new contract request in the Agiloft Contract Management System.
   a. **For access to Agiloft, complete the following training courses in the Rush Learning Hub: "Supply Chain Procure to Pay (P2P) Training" and "Requestor Training-Agiloft".**
   b. **Upon completion of training, request access to Agiloft in Link. Under the "Purchase Requestors & Approvers" column, click "Contracts" then select "Agiloft User Requests".**

E. After submission, the contract will be assigned to a Contract Manager and will route to the appropriate team(s) to review and validate prior to approval and signature. During this stage, the Contract Manager may reach out for clarification, changes to the agreement, or recommend an alternative vendor.

F. The Contract Manager will finalize and route for required approvals and signatures, and may initiate a Purchase Order on behalf of the PI or department designee.

G. In some cases, the PI or department designee is required to create the capital purchase requisition in [LINK](#) using the identified funding source and appropriate account number (54900 for company 12 AUs, 18020 for company 10 AUs).

   a. **To comply with University Purchasing Policy and Uniform Guidance Section: 200.318, 200.319 & 200.320, complete a Uniform Guidance - Procurement Checklist form for purchases in excess of $10,000 where Federal Funds are used.**

   b. **NOTE: Prior to creating the capital requisition, check the dimensions of the shipment to ensure it will fit through doorways and/or elevators.**

H. The electronic requisition will route for e-approvals to the appropriate departments in LINK, with the VP as the final approver.

I. Once equipment is received, the PI or department designee completes the Capital Asset Information Sheet and submits to Aleksandra_Danilovic@rush.edu on the Research Lab Services team.

J. The Research Lab Services team will process the Capital Asset Information Sheet with Fixed Assets, update the REDCap equipment database, and contact the PI or department designee to schedule time to tag the equipment.

K. When the equipment is tagged, the research capital equipment acquisition process is complete.

VII. <u>Appendix:</u>

Lab Services team Home Page
https://www.rushu.rush.edu/research/resources-researchers/facilities-space-and-equipment

Capital Procurement to Pay Process Overview
https://insiderush.rush.edu/departments/SupplyChain/Link Training Documents/Capital P2P 11-8-18ptx.pdf

Procure to Pay Process (General)
https://link.rush.edu/Documents/Req%20and%20Invoice%20Approval%20Reminder%20v7.pdf

Creating a Capital Requisition
https://insiderush.rush.edu/corporate/LinkJobAids/SupplyChainDocs/Creating%20a%20Capital%20Requisition.pdf

Rush Learning Hub
https://rumc.certpointsystems.com/lms/basicportal/rush/en-US/

Open Markets Request for Capital
https://secure.openmarketshealth.com/login

Agiloft Contract Management System
https://rushmedical.agiloft.com/gui2/samlssologin.jsp?project=Rush+Medical

Uniform Guidance - Procurement Checklist
https://insiderush.rush.edu/departments/SupplyChain/purchasing/TeamDocuments/Federal%20Research%20Grants%20-%20Procurement%20Checklist.pdf

Capital Asset Information sheet (attached)

Financial Planning and Decision Support
https://insiderush.rush.edu/departments/CorpFinance/Financial%20Planning%20and%20Decision%20Support/Forms/AllItems.aspx?RootFolder=%2Fdepartments%2FCorpFinance%2FFinancial%20Planning%20and%20Decision%20Support%2FCapital%20Planning&FolderCTID=0x0120007BB74E9C82C2B3419D574E70649D2297&View=%7B0423BA4B%2D2E52%2D4A60%2DB4F0%2D5632489898CA%7D

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