

CAPITAL EQUIPMENT PROCESSES

The procurement of [capital equipment](#) has a specific set of processes. A complete PR package must be received by the Purchasing Department in order to begin the procurement process. The requirements follow:

Definition of Capital Equipment

Capital equipment is defined as non-expendable equipment with a system acquisition cost of \$5,000 or more and a life expectancy of at least two (2) years.

Preparing the Capital Equipment PR Package

Complete a Purchase Request listing the items and/or system(s) with a recognizable description. The approver is the person with signature authorization for the total dollar amount for the listed center number. The Deliver-to field refers to the building and room where the equipment will be delivered and used.

Note: With the amount of information required for capital equipment purchases, please do not submit other extraneous information. It does not replace required information, and it either impedes the progress of the procurement or does not help.

Information on the PR includes:

- 1) List items and/or systems with a recognizable description and manufacturer's catalog numbers
- 2) PR signature authorization for capital equipment for the listed center number

Information to be submitted as part of the PR package:

1. Product literature – vendor literature of the equipment being requested
2. Quotes - all quotes obtained during market research
3. Routing Slip - signed by the appropriate Building Coordinator
4. Limiting Competition – a justification is required if competition is to be limited or no competition is anticipated. The Justification for Single/Sole Source form (CG3) or Vendor Recommendation form (CG3a), must be completed and submitted with the PR, which documents the facts leading to this conclusion.
- 5) Other forms. Two other forms, the [Worksheet for Limited Competition](#) and the [Product Comparison Worksheet](#) may also be used to capture pertinent market research information
- 6) Essential features - if limiting to one manufacturer, list those features that determined the decision
- 7) Acceptable manufacturers - list acceptable manufacturers as part of the PR package, if applicable
- 8) Trade-in - for trade-in of government-owned property, indicate the decal number/serial number of the equipment and list the trade-in allowance on the PR
- 9) Standardized Equipment Checklist – submit appropriate checklist for standardized equipment category form, if applicable (see C&A Forms at <http://ncifrederick.cancer.gov/Cad/Forms.aspx>) for checklists

- 10) Alternate Models for Standardized Equipment – submit justification for equipment if requesting a manufacturer/model other than those on the Standard Equipment Checklist Form (see C&A Forms at <http://ncifrederick.cancer.gov/Cad/Forms.aspx>) for checklists

Obtaining Additional Required Signature Approvals

Additional Signature approvals are transmitted via SmartStream workflow for Finance (for SAIC-Frederick, Inc and NCI programs), EHS (when required) C&SS (for IT approvals) and Property approvals.

For those using Distributive Entry, route using the proper workflow code, (see chart below). For those not using Distributive Entry, forward the PR to the Purchasing Department and the requisition will be electronically approved by Finance, EHS, C&SS, and/or Property via workflow.

| SMARTSTREAM ONLINE WORKFLOW | | <p>Note: Pre-approval obtained via SmartStream electronic routing (Distributive Entry by Program Area or Data Entry by the Purchasing Department).</p> <p>Below is a SmartStream code reference for your convenience. Please double-check spelling and remember to FORWARD the requisition.</p> |
|--|---|---|
| CATEGORY | CODE | APPROVING ORGANIZATION |
| <p>Capital Equipment</p> <p>Sensitive Property (includes servers)</p> <p>Chemical Fume Hoods Laminar flow cabinets Portable electric heaters</p> | <p>CAPITAL</p> <p>PROPERTY</p> <p>EHS</p> | <p>Finance & Property</p> <p>Property Department</p> <p>Environment, Health and Safety</p> |
| <p>Hard Drives Operating Systems (Windows 7, VISTA, etc.)</p> <p>All Equipment having a computer</p> | <p>CSS</p> <p>CSSCE For Capital Equipment (Finance) and Sensitive Items (Property)</p> <p>CSSNCE For Sensitive items (Property)</p> | <p>Computer and Statistical Services</p> |

Cancellation and Return of Incomplete PR Packages

Capital equipment purchase request packages received incomplete may be cancelled in SmartStream and returned to the requestor listed on the PR with a [Return of Capital Equipment Purchase Request Form](#) listing the missing information or approvals. An e-mail notification will be sent to the requestor and approver indicating the cancellation of the PR package.

Capital Equipment Communication Chain

The requestor and approver listed on the PR will receive a status update e-mail as listed below:

| Event | Acquisition Action | Program Area Action |
|--|---|---|
| PR Received Incomplete in Purchasing | Cancel PR, return package with cover memo to requestor listed on PR with copy to approver listing missing information | Assemble a complete package, forward through all required additional signatures to Purchasing |
| PR Received Complete and in queue (if needed) for processing | An e-mail will be sent to the PR requestor indicating PR is in line for processing. | N/A |
| Complete PR package assigned to Buyer for processing | An e-mail will be sent to the PR requestor indicating PR is ready for procurement process. | N/A |
| Received alternate low bid proposal | An e-mail will be sent to requestor for acceptance or justification | Reply to e-mail |
| Award made to vendor | An e-mail will be sent to the requestor indicating the order has been placed or the contract has been awarded. | N/A |

CAPITAL EQUIPMENT CONTRACT YEAR END REQUIREMENTS

Proper acquisition planning, cash flow management and sound businesses practices ensure fiscal responsibility. It is therefore essential to establish complete and distinct year end requirements, timeframes and processes.

Due to the volume of capital equipment submissions received in the contract year, it is likely purchase requests will not be processed until after the end of the current contract year. These PRs will be placed into a queue and processed in a first come, first serve manner.

Two factors to note:

1. The center number will remain the same, i.e. the current contract year, regardless of order date.
2. PRs must state any emergency requirements to endure expedited processing.