HIGHER EDUCATION EQUIPMENT TRUST FUND

An overview of the University ETF process

October 25, 2019
Budget Office

Overview

- Purpose for ETF
- University ETF Cycle
- Guidelines
- Exclusion
- Definition of a system
- Deadlines
- Contacts
The Higher Education Equipment Trust Fund (HEETF) was established by the General Assembly to provide annual funding for the replenishment of equipment that supports the Academic Enterprise.

- Instruction
- Instructional and Academic Support
- Research

Old Dominion University allocates all HEETF funding to the Provost and the Office of Research to support this effort and a small percentage of funding directly to Information Technology Services for mediated classroom and laboratory equipment.

- ODU purchases the equipment using operating funds then is reimbursed by the Trust Fund.
<table>
<thead>
<tr>
<th>Process Preparation</th>
<th>Requisition &amp; Order Processing</th>
<th>Order Fulfillment</th>
<th>Final Liquidation</th>
<th>Close of ETF Cycle</th>
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</thead>
<tbody>
<tr>
<td>JULY- SEPTEMBER</td>
<td>NOVEMBER- FEB.</td>
<td>MARCH</td>
<td>JULY- AUGUST</td>
<td>SEPTEMBER</td>
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<tr>
<td>Academic units</td>
<td>Academic units</td>
<td>The Provost Office &amp; Budget Office reviews order process and reallocates unencumbered funds as needed.</td>
<td>The Provost Office and Budget Office complete a final review and reallocation of funding to ensure ETF funding is fully expended.</td>
<td>Budget Office completes final review &amp; budget adjustments for the ETF cycle.</td>
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<td>develop request lists</td>
<td>notified by budget Office that ordering can begin and approved lists are distributed</td>
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<tr>
<td>Provost approves units lists &amp; sets budget allocation for each unit.</td>
<td>Academic units place Orders (eVA and Non eVA methods)</td>
<td>Academic Units ensure e-receivers are complete, vendor invoices are submitted to AP, and encumbrances are liquidated.</td>
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<td>Provost Office submits ETF request list to the Budget Office</td>
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<td>Budget office completes Final review and approval of ETF lists and submits list to SCHEV.</td>
<td>MARCH 6TH ALL ORDERS INTO PROCUREMENT SERVICES</td>
<td>Orders made available to ITS for a Software Decision Analysis of software components (6-8 Weeks)</td>
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<tr>
<td>Distributes new budget create packages to Academic units for completion.</td>
<td>Finance creates new Org Codes, Banner Access, &amp; Master Signature Lists</td>
<td>Procurement Services continues to review orders &amp; works through the solicitation process. Keep in mind that there are varying lead times for the quoting process.</td>
<td>Procurement Services needs all orders into them to allow enough time to work through this process.</td>
<td>Finance submits final reimbursement request to SCHEV</td>
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<td>Once complete BO submits to Finance for processing</td>
<td>Once Org Codes are created Procurement sets up eVA for Academic Units</td>
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<tr>
<td>SCHEV reviews request lists from all institutions</td>
<td>Procurement Services is notified once complete and loads the Budget.</td>
<td>Orders reviewed &amp; works through the solicitation process</td>
<td>Orders made available to ITS for a Software Decision Analysis of software components (6-8 Weeks)</td>
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<td>prior to approving the requisition.</td>
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<td>Procurement Services reviews orders &amp; works through the solicitation process prior to approving the requisition.</td>
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<td>FY20 University ETF Process</td>
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**Start of New ETF Cycle**
- July- September

**Process Preparation**
- Academic units develop request lists
- Provost approves units lists & sets budget allocation for each unit.
- Provost Office submits ETF request list to the Budget Office

**Requisition & Order Processing**
- Academic units notified by budget Office that ordering can begin and approved lists are distributed
- Academic units place Orders (eVA and Non eVA methods)

**Order Fulfillment**
- MARCH 6TH ALL ORDERS INTO PROCUREMENT SERVICES
- Orders made available to ITS for a Software Decision Analysis of software components (6-8 Weeks)
- Procurement Services continues to review orders & works through the solicitation process. Keep in mind that there are varying lead times for the quoting process.

**Final Liquidation**
- Orders reviewed & works through the solicitation process prior to approving the requisition.

**Close of ETF Cycle**
- July- August

**Cycle Close Out**
- September

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**MARCH 6TH**
- ALL ORDERS INTO PROCUREMENT SERVICES

**JUNE 19TH**
- ALL ORDERS RECEIVED & ACCEPTED FOR PAYMENT

**JULY-SEPTEMBER**
- Start of New ETF Cycle

**OCTOBER**
- Process Preparation

**NOVEMBER- FEB.**
- Requisition & Order Processing

**MARCH**
- Order Fulfillment

**APRIL- JUNE**
- Final Liquidation

**JULY- AUGUST**
- Close of ETF Cycle

**SEPTMEBER**
- Cycle Close Out
ETF Guidelines

- Must cost $500 or more
- Can not be considered an excluded item according to SCHEV (See attached exclusion list)
- Cannot be consumables, supplies or any equipment not expected to last the required retention period
- Items must match the description associated with the ETF authorization number assigned

Many departments approved list exceed their departmental ETF budget allocation to allow for flexibility during the ETF procurement process to account for the below circumstances:

- (1) asset is no longer available in the marketplace,
- (2) asset will not be able to be delivered within the timeline for the current ETF cycle,
- (3) savings accrued during the procurement process enables the procurement of additional items not included in the originally approved listing.

Any adjustments to previously approved ETF authorization listings must have prior approval from the Budget Office and only will the above circumstances be approved for adjustment.
ETF Guidelines

To prevent your operating budget from being charged for orders purchased under the ETF program:

- **ETF Coordinators** should ensure that:
  - Items being purchased meet the ETF guidelines
  - Their department stays within their ETF Budget Allocation
  - The department meets established deadlines
  - Orders are received and invoice is submitted to Accounts Payable
  - All outstanding encumbrances are liquidated

***While every effort has been made to ensure that only valid ETF items are included in the approved list; should an item be deemed unacceptable for ETF funding after it is procured, the respective Department is responsible for providing alternative sources of funding for the item.***
<table>
<thead>
<tr>
<th>Exclusions</th>
<th>The Following Items:</th>
<th>The Following Programs:</th>
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<tbody>
<tr>
<td></td>
<td>a. Library Books, Films, Videotapes, DVD's and Library Materials</td>
<td>All Programs</td>
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<td>b. Microfilm Collection and Materials</td>
<td>All Programs</td>
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<td>c. Library Shelving</td>
<td>All Programs</td>
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<td>d. Office Appurtenances (Blinds, Carpets, File Cabinets and Similar Items)</td>
<td>All Programs</td>
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<td></td>
<td>e. Office Furniture (Desks, Chairs, Tables and Similar Items)</td>
<td>All Programs</td>
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<td>f. Transportation Equipment</td>
<td>All Programs</td>
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<td>g. Equipment Normally Affixed to a Building or Functional as a Part of an Operating System of a Building</td>
<td>All Programs</td>
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<td>h. Climate Control and Security Systems</td>
<td>All Programs</td>
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<td></td>
<td>i. General Telecommunications Equipment</td>
<td>Public Service and Physical Plant</td>
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<td>j. Buildings</td>
<td>All Programs</td>
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<td>k. Equipment with a Useful Life Less Than 7 Years and Computing Equipment with a Useful Life Less Than 3 years</td>
<td>All Programs</td>
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<td>l. General Applications Software (Lotus, Excel, Word, etc.)</td>
<td>All Programs</td>
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<tr>
<td></td>
<td>m. Items Costing Less Than $500</td>
<td>All Programs</td>
</tr>
<tr>
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<td>n. Used Equipment</td>
<td>All Programs</td>
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</tbody>
</table>
System

An assemblage of instruments, modules, and components that together operate as a single functional unit that interdependently perform a specific task and will remain assembled and operate as a single functional unit for the entirety of its useful life.

- The system components must be required for the system to perform its specific task.
- You cannot group items that together do not operate as a single functional unit in order to meet the $500 price minimum.
- Consumables are not allowed for ETF purchases and should not be combined with a qualifying ETF item.
- Once an assemblage of components are deemed a “system”, they must be maintained as a system for the entire retention period and disposed of as a single unit.
- This standard applies even when a system includes components that individually may have different retention periods.
  - Ex. computing and non-computing components in a single system.
- Components of a system must be purchased using one ETF number
- Every effort should be made to order all components of the system from one vendor.
Deadlines

- **SEPTEMBER 27, 2019**
  - Submit FY20 ETF list to SCHEV

- **NOVEMBER 1, 2019**
  - Department units begin submitting requisitions to procurement services for FY20 ETF items

- **MARCH 6, 2020**
  - All FY20 requisitions (eVA and Paper) received by Procurement Services

- **JUNE 19, 2020**
  - All FY20 items and system components received and invoiced
  - Includes high tech research equipment requiring calibration/ installation/ software fine-tuning.

- **AUGUST 31, 2020**
  - All FY20 ETF invoices paid
  - All items received
  - All Encumbrances liquidated
  - All budgets balanced
Budget Office Contacts

For assistance with:
- ETF Policy / Guidelines
- Approved Authorization Lists
- List Modifications
- Budget Adjustments

Contact
- Tiffany Hampton: tchampto@odu.edu
- Shawnda Green: slgreen@odu.edu
- Budget@odu.edu
- Ex. 3-3127
Procurement
Overview

- Get familiar with what you are ordering? Educate your departments.
  - Is there an available contract vendor?
    - Quotes should reference contract number
    - Quotes should reference MSRP, contract discount % and extended cost
    - Quotes should not be expired
  - No Contract, is it a sole source, or does Procurement need to solicit?
  - Does your order NEED special delivery?
    - Quotes should reference FOB Destination
    - If order is being delivered to Property Control, no lift gate or inside delivery (save ETF funds by requesting tailgate delivery)

- PCards shall not be used to purchase ETF

- ETF and Non-ETF equipment purchases should be requested on separate requisitions

- Installation costs should be listed on separate line item

- Component of a system should be listed on separate line items, with the exception of software

- Software should be noted with cost on the same line item as the equipment
  - If software is requested, complete and submit Questionnaire

- Multiple Vendors
  - Note in the comment section of the requisition
  - Email fixedassets@odu.edu
eVA Requisitions

- **Requisition Title**
  - ETF, Vendor Name, Description, ETF Budget Code/Sub Account Code

- **Line Item Description**
  - Corresponding components to a system should be listed on separate line items.
  - Each line item should reference the corresponding ETF authorization number for the system.
  - If there is not enough room on the line item for the ETF authorization numbers, use the overall PO comments section.

- **Sub-Account Code**
  - Consider the purpose of the system instead of component parts when identifying the appropriate sub-account code.

- **Quantity and Dollar Amount**
  - Quantities should be the number of actual systems and the unit price of the actual system.
  - No flip flop orders, i.e. quantity of 50,000 with a unit price of $1

- **Freight and/or Shipping Charges**
  - Charges should be on a separate line item
  - Appropriate commodity code number 96286 and sub-account code 5021
eVA Requisitions (continued)

- ‘Ship To’ Address
  - All ETF with the exception of equipment requiring special handing from vendors or freight companies, installation and/or calibration, must be shipped to ODU Property Control.

- On Campus ‘Delivery To’ Address
  - Final on campus delivery location (building and room number) shall be included in the overall PO comment section on the PR to include, contact name and phone number.
  - Comments must be ‘Visible to Supplier’
Contacts

For assistance with:
- Checking status of an order
- Questions regarding available contracts
- Questions regarding sole source requests
- Questions regarding solicitations and associated timeframes

Contact
- Procurement Services: procurement@odu.edu
- Harry Smithson: hrsmiths@odu.edu
- Janis Hall: jnhall@odu.edu
- Neil Cutler: ccutler@odu.edu
- Etta Henry: ehenry@odu.edu
Questions?