

PReq Instructions for Copiers

OUTRIGHT PURCHASE:

Category Code 44101501 (Inst Acct 6730 if \$5000 or over, if under \$5000 Inst Acct 6085)

- Purchase the copier and accessories you want with a one-time payment.
- Complete a PReq for the mainframe, accessories, and any trade in, or discount prices.
- You own the copier.
- You may or may not have maintenance on the copier. This is your decision. SEE MAINTENANCE SECTION.

FINANCE PLAN THROUGH THE BUSINESS OFFICE:

Category Code 44101501 (Inst Acct 6730 if over \$5000, if under \$5000 Inst Acct 6085)

- Your department would like to purchase the copier, but may not have the funds for outright purchase. You may lease purchase through the Business Office. The Business Office will pay the vendor for the entire amount of the copier, after which the Business Office will charge your statement of account each month for the monthly payment.
- Complete a PReq for the mainframe, accessories and any trade in or discount prices. In the internal notes section, please note this is a Lease Purchase through the Business Office, the length of the lease and the payment amount. Ad hoc Cathy Hagen to the end of the Workflow approval path. She will set up the repayment program and then forward the Preq to Purchasing for final approval.
- You own the copier when you finance through the Business Office.
- You may or may not have maintenance on the copier. This is your decision. SEE MAINTENANCE AGREEMENT below.

LEASE THROUGH A VENDOR:

Category 99991003 (Inst Acct to 6430 or 6435)

- Leases are through the "Cost per Copy" contract and early termination of the contract is typically not allowed. At the end of the lease term there will be an option to purchase amount. If you pay this amount, the copier is yours. If you do not pay the option to purchase amount, the machine goes back to the vendor.
- Complete a PReq for the monthly lease and maintenance costs. In the Item Description for Line 1, list the monthly lease cost for the copier and all accessories. For cost, you should enter the total amount to be paid for the term of the lease or your yearly expenditure. Note that the dollar amount will be encumbered. If you choose to encumber one year at a time, money will be added to the PO to cover each additional year as needed. The dollar amount should include interest charges.
- Maintenance coverage should be listed on Line 2 of the PReq. Indicate the cost per copy for service in the description. For the line item cost, enter the amount you estimate will be spent annually. Money will be added for each additional year as needed.
- Lease contracts typically are not cancellable. When you enter into a copier lease please be sure that you have funds available to cover the lease costs for the life of the contract.

MAINTENANCE AGREEMENT:

Category 99992001 (Inst Acct 6265)

- Covers unlimited service calls.
- No charge for any parts unless the company rules the problem is due to abuse.
- No charge for supplies other than paper and staples.
- Complete a separate PReq for maintenance if the copier is purchased outright. For leases, the maintenance will be included on the Pre for the lease. The Purchase Order number that will be assigned to this PReq will stay open for as long as maintenance is needed. For the cost, enter the amount you estimate will be spent annually. Money will be added for each additional year as needed.

TIME & MATERIALS:

Category 99992001 (Inst Acct 6265)

- You will only be charged when a service call performed.
- You will be charged for all parts replaced and for labor based on the time the service person is working on the copier. You may also be charged for travel time.
- You may not receive priority on service calls.
- Complete a PReq to set up a blanket order for time and materials payments. The Purchase Order number that will be assigned to this PReq will stay open for as long as you want the agreement time and materials. For the cost, you should estimate what a yearly amount would be.
- You may pay for each service call individually rather than set up a blanket order, if you wish.
- If you decide to switch from Time and Materials to a Maintenance Agreement, the vendor will require an inspection service call. You will be required to pay for any parts and labor required to bring the copier up to the vendor's specifications. The Purchase Order for your maintenance contract should be canceled if you switch to Time and Materials.

All PReqs related to copiers will show Anne Sopher as the Buyer if you use the Category Codes specified above. Enter \$3,001.00 or more as the dollar amount. If this amount is more than the actual anticipated expense indicate in comments what lower dollar amount you wish encumbered. The amount will be lowered when the PO is issued. If you have questions contact Anne Sopher at 335-0378 or anne-sopher@uiowa.edu .