



# UNIVERSITY OF PITTSBURGH

## UNIVERSITY OF PITTSBURGH CANCER INSTITUTE POLICY

CATEGORY: PURCHASING

SECTION: Capital Equipment

SUBJECT: Purchasing Capital Equipment for UPCI Shared Resources

EFFECTIVE DATE: January 1, 2007, revised March 19, 2012

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### I. SCOPE

UPCI continues to be committed to purchasing cutting-edge equipment for its shared facilities so that excellent technology and research services will be available to UPCI researchers. Because resources are limited and heavily competed for, it has become increasingly important to develop a process to evaluate the value and priority for all expensive equipment that UPCI is requested to purchase, to demonstrate that a) there is an important need for the equipment and b) there is a solid researcher-base at UPCI who consider the requested equipment to be important for their research activities and would be willing and able to pay for the new capability or service. This policy establishes guidelines for all new requests for shared facility equipment purchases costing \$50,000 or more that will be used in a UPCI shared facility.

### II. POLICY

All requests for capital equipment costing \$50,000 or more to be used in a UPCI shared facility should be submitted to the UPCI Associate Director for Research Administration. Break-even analysis and facility budget implications should be prepared in consultation with the UPCI financial analyst for Shared Resources.

The purchase request should contain the following information:

A. Title and contact information of preparer

- B. Mission statement of the shared resource
- C. Overview justification for purchase of equipment (new technology, replace outdated equipment, add capacity, etc.)
- D. Summary of how this equipment will be used to provide needed services at UPCI.
- E. Detailed rationale for investment in this new piece of equipment
  - 1. If relevant, describe similar services available to UPCI researchers and other current users
  - 2. If this equipment is new technology at UPCI, justify the purchase in terms of research capabilities and services that it will provide
  - 3. Explain how this equipment will expand capability
  - 4. Explain how this equipment will be used to provide new or improved assays
  - 5. List researchers who are requesting this service (list names and specific details of research need that equipment will provide, based on a survey of UPCI members)
  - 6. Explain how this equipment will improve analytical capabilities
- F. Provide 5 year projected costs
  - 1. Purchase price of equipment, staff, supplies, maintenance agreements, etc.
- G. Plan to recover costs of purchase and other expenses
  - 1. Projected Revenue
    - a. Grants(current grants or future submissions in which cost of utilization of the service would be included)
    - b. Fee-for-service (describe cost recovery including charges for services with anticipated volume)
- H. Letters from users describing how the equipment will improve their research and describing their annual projected usage and agreement to pay the proposed service charges

Approved:

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Nancy Davidson, MD, Director UPCI and UPMC Cancer Centers

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