



## 4.6 Maintenance

### Policy Statement

The University of Georgia will comply with State of Georgia requirements for procuring maintenance agreements for equipment. This policy and procedure pertains to the maintenance of equipment only. Building maintenance is generally considered public works and is not included in this section. To determine the applicability of this policy end users should contact Procurement. All vendor maintenance agreements should be reviewed by Procurement

### Reason for policy

This policy is intended to provide information regarding the development of maintenance agreements and to ensure compliance with governing regulations.

### Procedures

State Purchasing Division maintains a convenience statewide contract for equipment maintenance, which may be utilized by the University. The Procurement Office can provide details regarding the use of this contract. If the end-user is not utilizing the statewide contract and the amount is \$25,000 or greater, a sole source purchase must be justified if the maintenance will not be competitively bid (For more information on sole source purchases, see section [4.11](#)). Regardless, the below procedures are applicable.

Purchase Requests for Maintenance service should include the following information:

The applicable fiscal year must be clearly indicated using the “Accounting Date” option listed in Section [3.2.8](#) Purchase Request Preparation.

The line item description section must specify:

Length of contract (beginning date and ending date)

University of Georgia property number (available on silver decal)

Manufacturer and name of equipment (e. g. Hewlett Packard/Printer)

Model Number

Serial Number

Location of equipment (building and room number)

Computer systems require special consideration. Accessories, such as printers and monitors that will necessitate additional coverage, must be specified.

For University owned copiers and for copiers leased by the University where the lease does not include maintenance, and there is a set monthly, quarterly, or yearly fee, a purchase requisition should be submitted to Procurement listing all copiers and accessories to be subject to maintenance on the requisition. Some copier leases include maintenance and have a set “per copy” usage fee. Since the maintenance is included in the lease, the end user would not submit a separate purchase requisition for the maintenance. The “per copy” usage fees are to be paid using a payment request.

The current purchase order number and if applicable, the current vendor contract number (as some vendors assign their own contract number) should be listed for equipment under contract.

Equipment maintenance contracts: Maintenance purchases should be requested by preparing a requisition in UGAmart. If the vendor has provided their maintenance agreement, it should be attached to the requisition along with a quote, if applicable.

The vendor's maintenance agreement should contain the following information (the requisition needs only to reflect the information indicated by an asterisk):

Signature of vendor and date signed.

\* Beginning and ending date of maintenance period. No agreement should begin prior to the expiration date of the equipment warranty. If state funding is involved, new agreements and renewals should terminate on June 30th.

\* Description of item, or items, covered by the agreement with the name, model and serial numbers shown.

\* Cost per month, quarter, or other time period and total dollar value of agreement.

Number and frequency of inspections and/or service with full details of services to be performed. The agreement should specify whether both parts and labor are included, and any exceptions to coverage.

The vendor's maintenance agreement should not be signed by the requesting department. This agreement is to be submitted to the buyer in the Procurement Office for review. After the Procurement Office has reviewed the agreement, Procurement will submit it to Legal Affairs for review, as needed.

If the maintenance agreement is not attached to the requisition, the Procurement Office will obtain the agreement. If the requisition is for a renewal of an existing contract, rather than a new contract, the department should place the previous purchase order number, if known, in the internal comments section and indicate the requisition is for renewal of an existing contract.

In any instance where a **full advance payment or a deposit** is required, Procurement will provide Accounts Payable with the vendor's invoice for payment when the purchase order is issued. The invoice should be attached to the requisition when submitting to Procurement. For further information on advanced payments, please see Section **3.2.8.2**. Payments to Accompany Order Advanced Payments.

Many equipment maintenance contracts have anniversary or termination dates of June 30. To prevent discontinuance in coverage, the user department should submit a new requisition with a quote to the Procurement Office prior to July 1, indicating that the department wishes to renew the contract for the coming fiscal year. This renewal requisition should include the following information:

- a) Previous purchase order number
- b) Supplier's name
- c) Funding source chart string to be charged
- d) Fiscal year to be charged - *(Note: When initiating a purchase request to be issued in a future fiscal year, the accounting date must be changed to the start date of that fiscal year. If using current year's funds, allow the date to remain the "default date" which is the date the requisition was submitted for approval. If next year's funds will be used, change the date to 07/01/XXXX (XXXX = the year beginning the next fiscal year)*

**Early termination of existing contracts:** If for any reason the department wishes to terminate an existing contract before the end of the maintenance period, a written request for termination should be made to the University Procurement Office.

**Price increase during contract term:** If a vendor notifies a department of a price increase for an existing contract, the department should immediately notify the University Procurement Office. If the increase is during the term of the contract, and unless the contract permits price increases during the term, the increase normally cannot be allowed. The contract can, however, be canceled if it contains a provision to do so, and a new contract at the new rate can be initiated subsequently.

All of the requested information is necessary to ensure efficient and accurate handling of maintenance needs. Omitted information may result in delay of maintenance coverage.

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All of the requested information is necessary to ensure efficient and accurate handling of maintenance needs. Omitted information may result in delay of maintenance coverage.

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#### Forms/Instructions

Sole source/sole brand form

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#### Additional contacts

Procurement Office Staff: 706-542-2361

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#### Policy definitions

A contract consists of the vendor's maintenance agreement and a University of Georgia purchase order.

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#### Responsibilities

**Responsible University Senior Administrator:** Vice President for Finance & Administration

**Responsible University Administrator:** Procurement Officer

**Policy Owner:** Procurement

**Policy Contact:** Annette Evans

**Phone Number:** 706-542-2361

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#### Related Information

Multiple training resources for processing payment requests are available in the OneSource Training Library:

[Creating a Payment Request](#)

[Creating a Payment Request with Multiple Expense Lines](#)

[Creating a Payment Request with Multiple Accounting Distributions](#)

[Editing a Denied Payment Request](#)

[Approving a Payment Request](#)

[Denying a Payment Request](#)

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#### Record Retention

Retention for purchase order files may vary by the method of purchase (competitive, sole source, under the competitive bid threshold) and whether there is an official contract or agreement.

Retention: 5 years, BOR 0472-03-001; 7 years, BOR 072-03-009; 7 years after expiration, BOR 0472-14-002

Record Copy: Procurement

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#### FAQs

Q1: Is this procedure applicable to building maintenance?

A1: No. Building maintenance will fall under sections 3.2.4.1, 3.2.4.2, or 3.2.4.4 depending on dollar value and scope of work.

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#### Policy Dates

Effective Date: 01/01/2016

Date Last Updated: 06/17/2016

Date of Last Review: 4/20/2020

Date of Approval:4/20/2020

Previous Version of Policy:

Date Last Updated: 06/17/2016

Date of Last Review: 02/05/2018

Date of Approval:

Previous Version of Policy: