L-Università ta' Malta

STANDARD OPERATING PROCEDURE

SOP CODE	SOP TITLE
ZRH-005-01	**PROCEDURE TO GENERATE SALES ORDERS FOR SERVICES PERFORMED BY LABORATORIES OR THROUGH USE OF LAB EQUIPMENT TO THIRD PARTIES**

PART 1

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PART 2

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PART 3

Authoriser **Mr. Simon J Sammut** **University Secretary – Office of the Secretary Rectorate**	**Date of issue:** 24/02/2020 **Date of next revision:** 24/02/2024 *(date extended as indicated in Part 4)*

PART 4 (To be filled in by OOTS, QSU or RSSD)

☐ This procedure has been revised and is no longer valid as from: (Write date)	☒ Date of NEXT REVISION is extended until: **24/02/2025** (Max. 4 years)	☐ SOP rendered obsolete on: (Write date)

1. Reason for revision

1.1. This SOP supersedes SOP UN-OP-001-01 and UN-OP-002-01.
1.2. General revision of SOP UN-OP-001-01 post expiry date.

2. Purpose and scope

2.1. This SOP describes the procedure to be followed in the event that research equipment or lab facilities of the University of Malta are used to provide a service to third parties.
2.2. All such services are to be managed through the sales order system described in this procedure.
2.3. Contracted consultations that do not require the use of university equipment or lab facilities are excluded from the scope of this SOP.
2.4. The scope of this SOP also excludes long-term contractual research agreements where Intellectual Property of research data needs to be considered.

3. Definitions

3.1. **Client:** An entity that is external to the University of Malta and is requesting a non-collaborative service from the University. Entities that fall under this designation include private persons, private companies, government entities and MUC.
3.2. **MUC**: Malta University Consulting Ltd. MUC acts as the client in the cases when:
a) A third party approaches MUC directly;
b) A University Department refers the job to MUC;
c) Multiple departments are required to collaborate to deliver a particular service. In which case MUC will act as coordinator between the various departments.
3.3. **PO,** purchase order: is provided to the University by the client. Purchase order numbers are generated by the client and are not traceable to a University numbering system but are to be quoted as reference.
3.4. **RSSD:** Research Support Services Directorate
3.5. **SO,** sales order: is generated by the University to keep track of paid services performed by the University to third parties. Each service is assigned a unique SO number by the University.
3.6. **SOP**: Standard Operating Procedure
3.7. **University entities**: Faculties, Institutes, Centres, Schools, Departments, and research groups
3.8. **Vote**: the University's global funds are split into various votes that are dedicated to various departments/faculties/units etc.

4. Responsibilities

4.1. All University staff is responsible to read and follow this SOP.

4.2. **University entity performing the service is responsible to:**

4.2.1. Liaise with the prospective clients and formulate quotations and reports

4.2.2. Ensure that the service is being done by the designated member of staff within the agreed time frame.

4.2.3. Ensure that the costs incurred on the laboratory to provide the service to the client are fully covered.

4.2.4. Liaise with RSSD to generate Sales Order

4.2.5. Ensure that the work is done within the parameters of accepted guidelines as detailed within the manual of conduct of procedures of the University of Malta.

4.3. **RSSD is responsible to:**

4.3.1. Liaise with the University entity performing the service and Finance Office as described in this SOP

4.3.2. Ensure that the SO workflow is made within the parameters of accepted guidelines as described in this operational procedure.

4.4. **The Finance Office is responsible to:**

4.4.1. Approve and follow-up on sales orders provided that invoicing, remuneration and financial matters are in line with the University's finance and budgetary policies and procedures.

5. Health and Safety requirements

5.1. N/A

6. Procedure

6.1. **General**

6.1.1. University entities performing services to third parties through the use of equipment or lab facilities are to identify a vote number where to deposit generated funds. There is also an option to create a specific Services Initiative Vote. If the latter option is selected, Finance office is to be contacted.

6.1.2. Generated funds are to be used to supplement funding for laboratory upkeep and upgrades, equipment calibrations and maintenance activities as well as staff remunerations.

6.2. **Work flow - evaluating the service and generating a quotation**

6.2.1. The prospective client approaches the University entity (could also be specific individuals) to request a service. If the client contacts MUC directly, the service is to be managed by MUC and the University will invoice MUC directly.

6.2.2. Services that involve using facilities or equipment ***from multiple University entities*** are to be referred to MUC. MUC will then coordinate the service request with the concerned entities and send a combined quotation to the client requesting the service.

6.2.3. The University entity or member of staff approached to carry out the service evaluates the work that is being requested, most importantly the number of people that will be involved to carry out the work, an approximation of the number of hours it will take to complete the job and a list of consumables and costs that will be required. Reference to **Appendix 1** can be made to help entities perform a comprehensive assessment prior to finalizing a quotation. In cases where an exact price cannot be deduced as a result of the nature of the work involved, a clause can be written down in the quotation indicating that the price may be reviewed after the service is completed.

6.2.4. It is important to consult with the Head of the entity before committing to use the laboratory or equipment to ensure that no conflicting events are scheduled.

6.2.5. A Quotation **(Appendix 2)** is generated and sent to the prospective client.

6.2.6. Terms and Conditions of payment are to be outlined in the Quotation in the space provided.

6.2.7. Once the University entity and the client agree on the price and the date by which the work is to be completed, a Purchase Order is ***requested from the Client***.

6.2.8. If the client cannot provide a PO, Section 2 of the Quotation must be filled in, signed and returned to the University entity.

6.2.9. The University entity should not accept to perform any services for clients that do not provide a PO or return the Quotation with Section 2 filled in no matter how urgent the job is. An email or some other form of written confirmation may also be accepted in certain cases.

6.3. **Performing the service and reporting**

6.3.1. Work is to be commenced only upon receipt of the PO to ensure that client is committed to pay the university once job is completed.

6.3.2. A report (Appendix 3), is compiled by the academic or delegate and sent to the client.

6.3.3. A reference number, that is the PO number and/or SO number is to be included in the report (Section 6.7).

6.4. **Remuneration guidelines**

6.4.1. It is the Head of Department’s responsibility to ensure that the costs incurred on the laboratory to provide the service to the client are covered.

6.4.2. Academics or researchers providing the service are entitled to receive **up to a maximum and collective total of 65%** of the invoiced amount (pre-VAT). Other members of staff, who were involved in the provision of the services, are also entitled to receive remuneration at the Head of Department’s discretion. This needs to be deducted from the 65% that is allowed for consultation fees, ensuring that **a minimum of 35%** of the billed amount is transferred into the Department`s initiative.

6.4.3. Since the University`s primary interests are and will remain those of the generation of knowledge, it is being understood that a fixed pricing list for tests and analysis is not feasible, however a general agreement between the Department members on pricing guidelines should be set to maintain consistency.

6.5. **Work flow - Invoicing the client through generation of a Sales Order number**

6.5.1. The University entity or member of staff coordinating the service is to send the following information to RSSD to generate a Sales Order:

- Client details
- Copy of PO
- Total price exc. VAT
- Applicable remuneration details (Refer to Section 6.4)
- A short description of the service being carried out (will appear on the invoice)
- The chosen vote number where money is to be deposited

6.5.2. RSSD generates the SO on AIMS and sends the SO number to the University entity or member of staff.

6.5.3. The Sales Order is approved first by the Director of RSSD or delegate followed by the Finance Department.

6.5.4. After the final approval, the client will receive the invoice via email.

6.5.5. Upon billing, the amount invoiced is transferred within a few days into the indicated initiative vote.

6.5.6. Remunerations are added on to the staff member’s paycheck within two to three months.

6.6. **Quotation**

6.6.1. A template of the Quotation is found in **Appendix 2**. Use of this Appendix is recommended however Departments can chose to design their own quotation template.

6.6.2. The layout of the quotation is as follows:

6.6.2.1. The Header Section is to contain the University Logo, name of the Department performing the Service and date on which the quotation is issued.

6.6.2.2. The Quotation is divided in two sections:

6.6.2.3. ***Section 1***: To be filled in by the department performing the service. This section contains:

- **Client Details** including the address, email and phone number
- **Quotation Number** whose format is chosen by the respective Department. The following format is suggested for consistency:

XXX-YYY-ZZZ

XXX – Initials of department
YYY – Quotation number
ZZZ – Year of issue

- **Reference** to any dated correspondence can be made
- A general **description of the service** to be carried out
- **Target date of delivery of report/service** to the client
- A second table outlining individual tasks, together with the corresponding price (excluding VAT), number of units required and a total price for each task. A final row is included containing the global price of the service. Rows can be added or deleted according to need.
- A list of **Terms and Conditions** is to be included to ensure that the client understands the terms of the service and payment. The current listed Terms and Conditions are general in their scope and can be amended as required. Additional clauses can be added as required.
- The Terms and Conditions listed in this Quotation Template include the following general statements:

  1. Quotation Validity is 30 days from date of quotation issuance
  2. Items are to be delivered and collected by the client.
  3. Before issuing of results / certificates, a Purchase Order must be provided or Section 2 needs to be filled in and returned to the Department performing the service.
  4. All cheques are to be made payable to 'University of Malta'; ***The Finance Office can be contacted for guidance on other methods of payment.***
  5. Unless otherwise specified, payment must be done within 30 days of invoicing.

- The quotation is to be signed off by the person compiling the information and reviewed by the Head of Department or delegate.

6.6.2.4. ***Section 2:*** To be filled in by the Client only when the client ***is not in a position to send a Purchase Order***. If the client sends a PO, then Section 2 need not be filled in. Section 2 serves to bind the client to fulfil his end of the contract as per the Terms and Conditions clauses listed in Section 1. Section 2 contains:

- Name, Surname and ID card number of client or representative of the company
- Name of Company
- Statement of Acceptance of Conditions
- Signature of the client
- Date

6.7. **Report Template**

6.7.1. A template of the Report that is sent to the client is found in **Appendix 3**.

6.7.2. The Report is to contain the following information:

6.7.2.1. The **Header Section** needs to contain the University Logo, the name of the Department performing the Service and the date.

6.7.2.2. The **First page of the report** is to contain the Sales Order and/or Purchase Order number and the customer details.

6.7.2.3. The **final page of the report** is to contain the name and signature of the person who compiled the report.

6.7.2.4. It is suggested that the report contains a description of the service that had been carried out, results and concluding remarks.

6.8. **Creating a new client ID**

6.8.1. To create a new client ID on the database, the following information needs to be sent to the Finance Office. Usually this step is performed by RSSD before generating the Sales Order number:

- Client Name
- Client Address
- VAT registration number
- Contact email
- Telephone number

7. References

7.1. AIMS Web - Sales Ordering Guide found on University AIMS website

8. List of appendices/worksheets

8.1. Appendix 1: Guidelines on how to formulate a quotation

8.2. Appendix 2: Quotation Template

8.3. Appendix 3: Report Template

APPENDIX 1: GUIDELINES ON HOW TO FORMULATE A QUOTATION

The following is a set of guidelines that the servicing entities are encouraged to consult to ensure that all the necessary information is at hand before specifying a price and determining the capacity of the laboratories to conduct the service.

Investigation of problem/service	Enquire whether the client requires a standard service or else an investigation. • STANDARD SERVICE: The client requires a measurement of just the elemental composition of a material or to determine the identity of a particular material. • INVESTIGATION: The client needs to know the type of damage sustained to a part of machinery found in their production and an investigation of the probable causes If the service is identified to be an investigation, more resources may be required. Therefore ensure that resources are available and are taken in to consideration at the costing stage.
	Ask the client the following questions to ensure that a complete evaluation of the work is carried out: • What is the problem? • Material of part/object • End use of part/object • What are they trying to investigate?
	Check whether the requested work had been performed by another member of the same department, if it is a continuation/repeat or new request.
	Evaluate how many man hours will be involved to complete the service/consultation
	Enquire whether the client requires the services of an ISO certificated laboratory/workshop
Experiment/ Test design	Enquire whether validated methods are available and whether they need optimisation or evaluation etc.
	Enquire about grade and type (amber/clear) of volumetrics to be used
	Enquire about grade and purity of chemicals to be used
	Enquire about the level of accuracy/precision that is required by the client
	Check test standards and test specifics.
	Evaluate whether calibration standards or certified reference materials need to be purchased
Technical	Identify appropriate machine/equipment and test. If client suggests a particular test, check whether equipment is the most suitable test, and also whether the equipment, sample size and shape are suitable for that test.

	Evaluate whether equipment will require calibration or servicing prior to or after the service is performed.
	Check status of calibration of machines/instruments
Sample Properties	Enquire about sample properties (solubility, particle size, purity, carcinogenic properties etc.) that can affect the analysis or be harmful to the person performing the analysis. An MSDS is to be provided by the client when available.
	Enquire whether destructive tests can be performed or else samples need to remain intact
	Enquire about the condition of samples and whether sample preparation is necessary
	Enquire about stability of samples. Enquire whether samples need to be stored at particular conditions whilst awaiting analysis
	Enquire about the number of samples, different samples or repeat of the same.
Report	Ask the client whether a report and/or certificate is required
	Enquire about report style like for example need for Good Documentation Practices, Good Laboratory Practices etc.
	Enquire whether proof of calibration, validation or qualification of equipment is required to be sent in the report
Health and Safety	In events where measurements are carried out on site, enquire about possible risks to the researchers, need for Personal Protective Equipment (PPE), ease of access etc.
	Consult H&S office about any special H&S requirements that need to be regarded. Risk assessments may be required.
	If testing is to be performed off-campus consult with the University's Insurance Department to ensure that staff members are indemnified. Students are not be allowed to work off-campus without the proper supervision by a competent member of staff.
Transportation	Enquire whether the client or university will be responsible for transportation and if the goods/parts need to be transported or stored in certain environmental conditions.

APPENDIX 2

L-Università ta' Malta

DEPARTMENT OF ______________________

Quotation

4 November 2018

Section 1

Client Details	Company name and address Tel: 1111111; Mob: 222222 Email
Quotation No.	Example: CHE_NN_2015
Reference	
Description of Service requested	
Target date of delivery of report/service	

	Details	Quantity	Price (Exc. VAT) per unit	Total
1.				
2.				
			TOTAL COST (Exc. VAT)	

Terms & Conditions

1. Quotation Validity is 30 days from date of quotation issuance
2. Items are to be delivered and collected by the client.
3. Before issuing of results / certificates, a **Purchase Order** must be provided or Section 2 needs to be filled in and returned to the Department performing the service.
4. All cheques are to be made payable to 'University of Malta';
5. Unless otherwise specified, payment must be done within 30 days of invoicing.

Quotation compiled by	**Quotation Reviewed by**
Name: Job Title: Email: Telephone number:	*Head of Department*

Section 2

To be filled by the client & faxed/emailed to the undersigned, if a Purchase Order is not provided

Name & Surname in Block Letters		**ID Card Number**	
Company			
Acceptance of Conditions: ***I hereby fully agree to the above stated terms & conditions.***			
Signature		**Date**	

APPENDIX 3

L-Università ta' Malta

DEPARTMENT OF ___________________________

Report

4 November 2018

Sales Order No. /Purchase Order No.	
Customer details	

Report compiled by:

<Signature>

Name
Job title
Email address
Telephone number