



Finance Division

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Oxford OX1 2ET

Get more Bang for your Buck!

Jacqueline Stiff
IT Buyer

&

Bettina Talmon
Solicitor

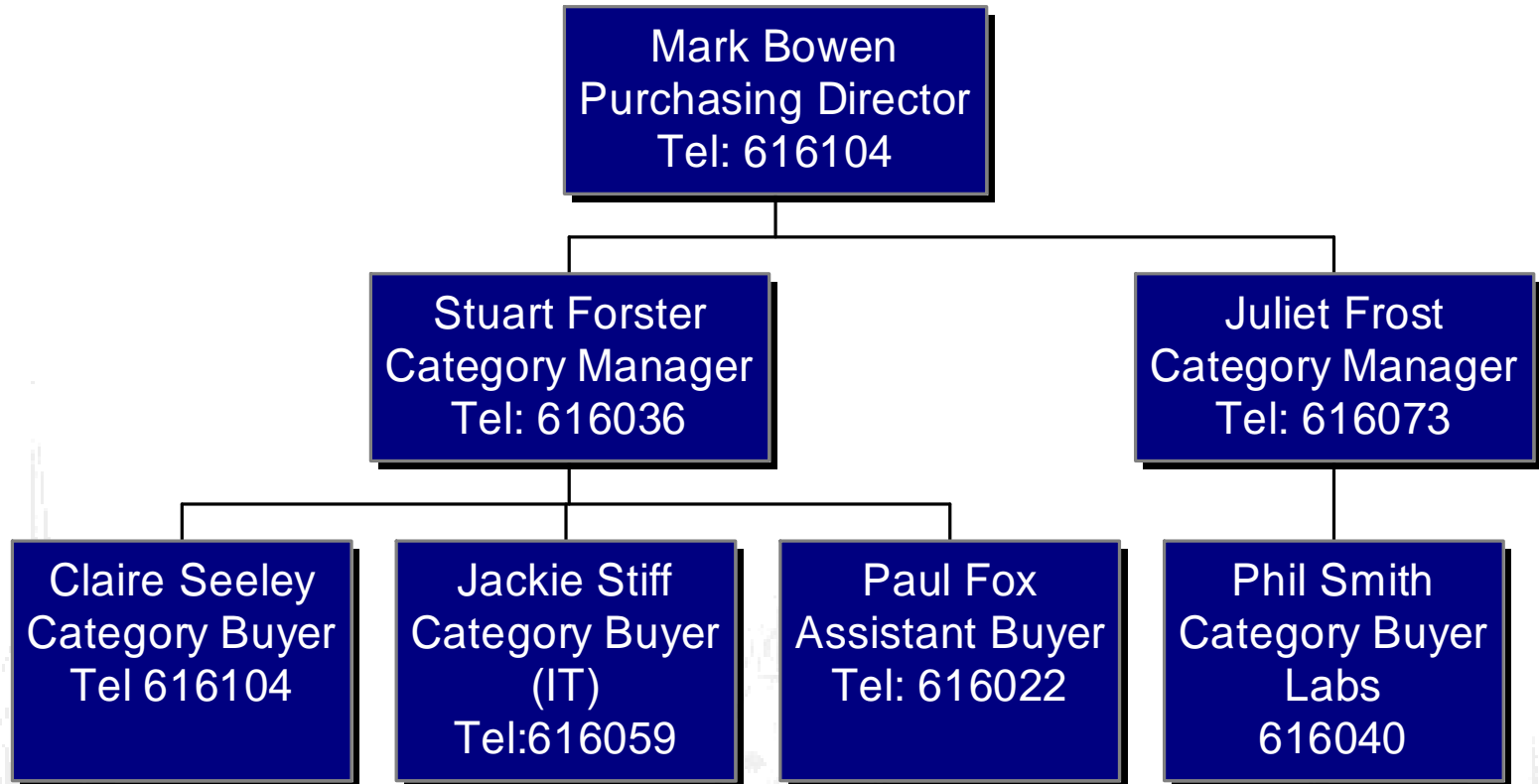


Prize Draw

Thinkpad X300 worth £1250.00
Lenovo Thinkpad X300
13.1" LED Screen
SL7100 Intel Processor
2GB SD RAM
64GB Solid state drive
Vista/XP pro
DVD-RW
Fingerprint reader
3 Years Worldwide warranty



University Purchasing Team



Purchasing Policy

To obtain 'value for money' - using the optimum combination of Whole-Life Cost, Risk and Quality.

- **Whole Life Cost**

- **Risk.**

- **Quality**



University Purchasing Thresholds

- 1. Goods & Services over £100,000 excluding VAT**
Tender
- 2. Goods & Services between £25,000 and £100,000 excluding VAT**
Tender
- 3. Goods & Services between £10,000 and £25,000 excluding VAT**
3 Quotes
- 4. Goods & Services between £1,000 and £10,000 excluding VAT**
2 Quotes
- 5. Goods & Services less than £1,000 excluding VAT**
1 Quote

IT Tenders Completed Aug 2007 – July 2008

- Telephone Network Maintenance £900K
- Cluster for Physical and Theoretical Chemistry £130K
- Content Management System for BSP £42K
- ICTST for OUCS £60K
- Compute Farm for OERC £300K
- Storage Area Network for Physiology, Anatomy and Genetics £40K
- Desktops for Libraries £215K

Total Savings made on IT Tenders



Total Saving £750K

Equivalent saving of the purchase of 1245
laptops

What is a Framework?



Current Frameworks Negotiated by UPD

- 3Com- working with 4 resellers.
Repton, Maypace, Viglen and European Electronique
- Cisco – Working with 4 resellers.
Affiniti, BT iNet, CAE Technologies, Synetrix.
- Lenovo – IBM Desktops and laptops
- Server and Storage
- National Note book agreement (NNA)

Prices on Products

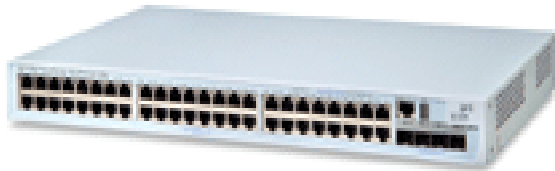


£1010.90

£864.00

Catalyst 2960 24 10/100/1000, 4
T/SFP LAN Base Image

£409.00

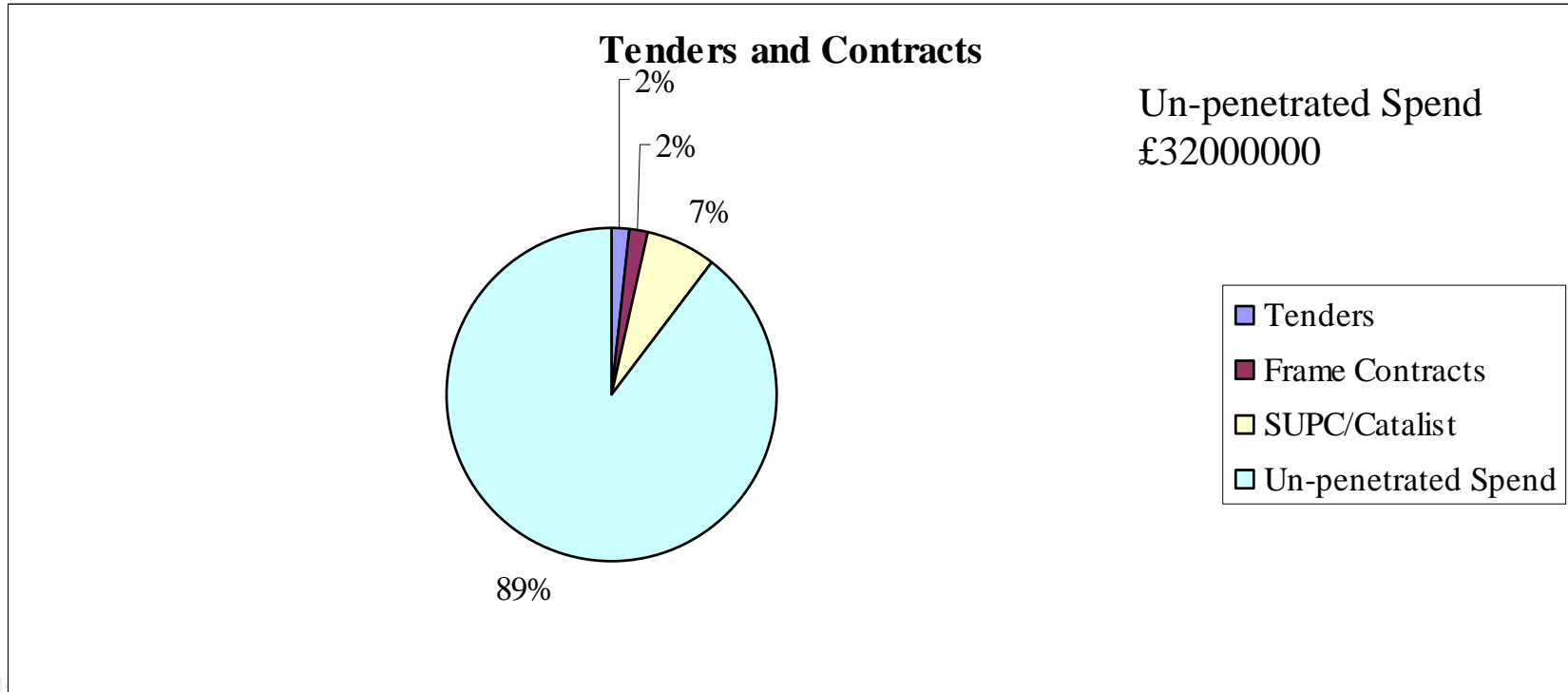


£307.26

Switch 4500 50-Port

15% & 25% Saving

Spend made using Frameworks and Tenders



Quotes from Departments

- "It was helpful having the Purchasing Department to guide us through the required tendering process, and we really benefited from the hard bargaining that Jackie Stiff undertook on our behalf with the selected supplier."
Neil Hoggarth
Computing Manager, Department of Physiology, Anatomy and Genetics
- "I would like to express my thanks on behalf of the Saïd Business School for the help and support that all of your colleagues have given us over the last year. Our purchasing requirements have varied significantly and we have received an exceptional service for all of our contracts, regardless of value. We have been particularly impressed by the negotiating that your team has completed on behalf of the School with potential suppliers, and wider purchasing expertise which has been crucial in our Catering Tender which we will be completing shortly"

Richard Briant Chief Operating Officer
Saïd Business School

A wide-angle photograph of a vast ocean under a clear blue sky with light, wispy clouds. The water transitions from a deep blue in the foreground to a lighter turquoise near the horizon. The text is centered over the image.

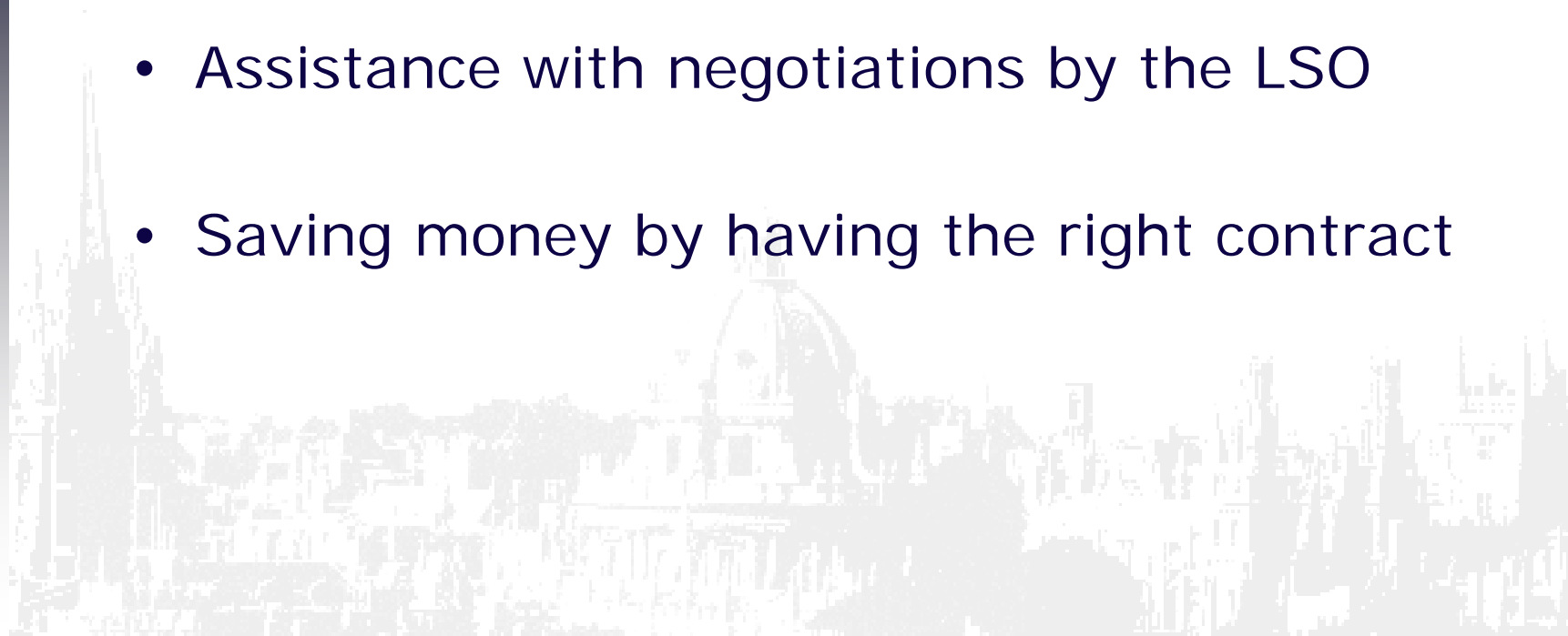
This is a drop in the Ocean

THINK!

How much money can we save for you?

Outline of this presentation

- Legal requirements of an enforceable contract
- Potential pitfalls in the negotiation process
- Assistance with negotiations by the LSO
- Saving money by having the right contract



Types of contracts available from the LSO

- Purchase of goods; supply of services
- IT contracts, e.g. software licence, software maintenance, escrow agreements
- Many more standard documents
- Bespoke contracts



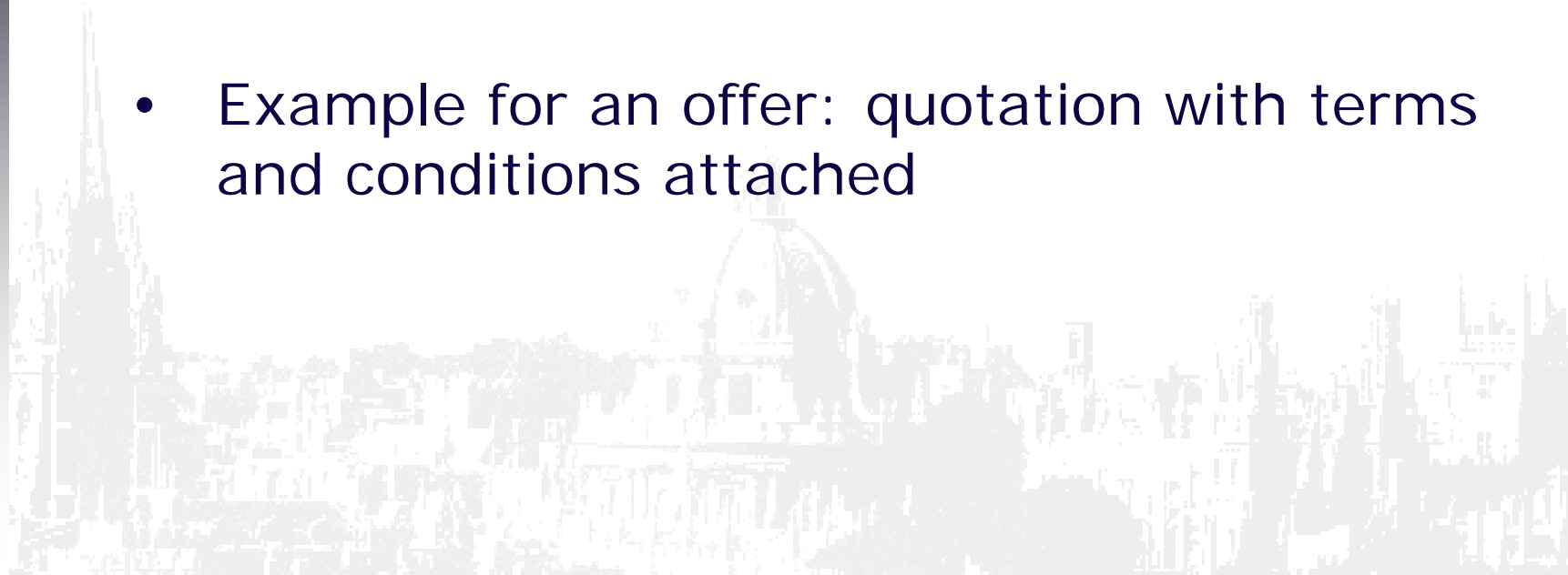
What forms a contract - the key elements

- Offer
- Acceptance
- Intention to be legally bound
- Consideration



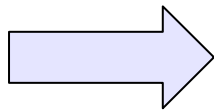
Offer

- Sufficiently specific and comprehensive
- Does not need to be entitled “offer”
- No offer: mere provision of information
- Example for an offer: quotation with terms and conditions attached



Offer v. invitation to treat

- Display of goods in stores
- Advertisement in newspapers/catalogues



No offer because normally no commitment to be bound

Acceptance

- In response to and exactly match terms of offer
 - counter-offer kills the original offer
- No consent by mere acknowledgment or silence
 - Differentiate from form called “acknowledgment of purchase”
- Conduct/performance/acceptance of delivery can amount to consent

Battle of the forms

- Documents with varying terms shuttle between the parties
- Last document sent before performance will normally constitute the agreement
- Importance of firing 'last shot' though sometimes no clear winner



Battle of the forms: Example

Uni sends off purchase order with its standard terms.

Supplier asks Uni to sign an acknowledgement of purchase with its own terms attached (rejection of original offer=counter-offer).

By signing the acknowledgment you accept the supplier's terms.

Understanding contract terms

- Incoterms (e.g. EXW=Ex Works, FOB=Free on Board,)
- Can mean an increase in the overall price
- May contain terms the University would normally not accept, such as:
 - indemnities
 - foreign law/jurisdiction
- Can mean further payments downstream

Specification of goods/services

- Often an annex to the contract
- What you can ask for under the contract will depend on the specification
- Functional specification better than technical specification



Termination of a contract

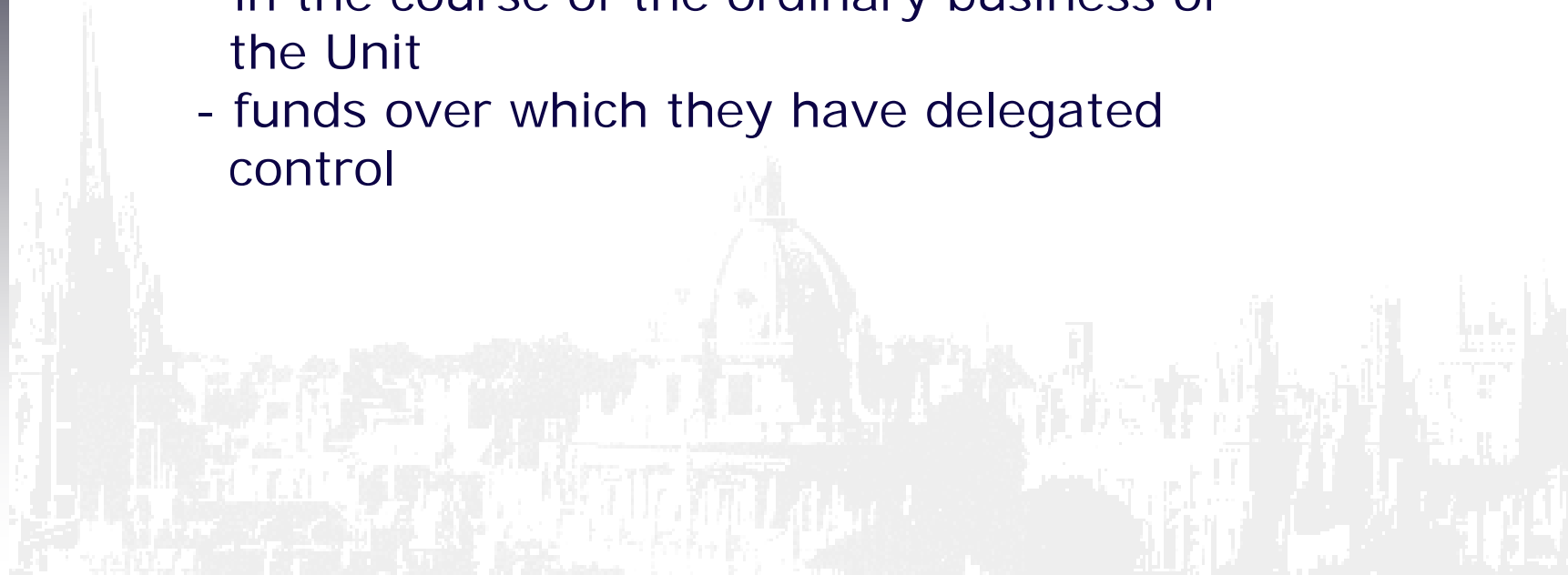
- Notice period to respect
- Standard notice period: 3 months
- Caution: if notice expires at end of year



Authority to enter into contracts

Financial Regulations, Reg. No. 23:

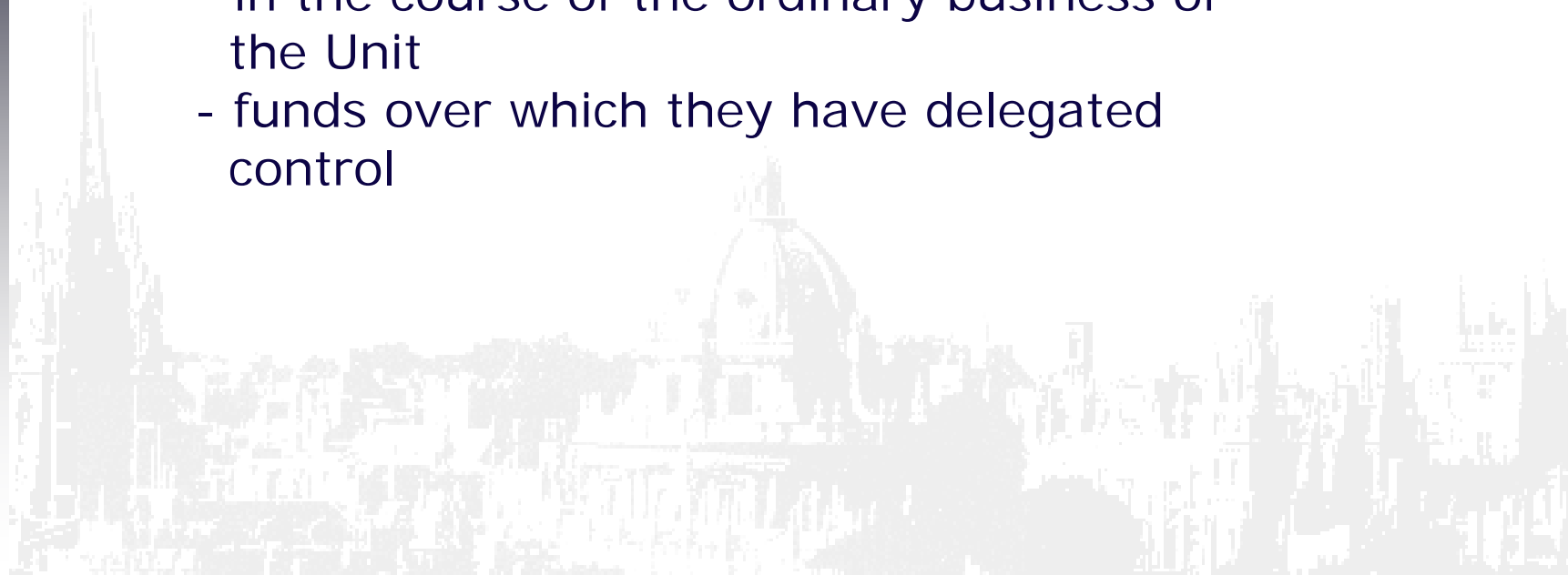
- VC and Registrar: general authority
- Director of Finance: sales, purchases, etc.
- Heads of Departments/Budgetary Units:
 - in the course of the ordinary business of the Unit
 - funds over which they have delegated control



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Conclusion

- Having the right contract is a direct way of saving money and avoiding losses for the Department and the University.
- If you have non-purchase related enquiries you are welcome to contact us directly.
- We are happy to help!

