Guidance on ...Raising requisitions for Internal Trade and Stock items

Introduction

Internal Trade is the mechanism by which one part of the University can trade their goods and/or services with another. It is “Internal” because the trade of goods and/or services can only be within the University and not to or from any organisation that is a separate legal entity, including University Subsidiary Companies. Sales of University goods and/or services to organisations external to the University are handled either by Sales Invoice or On-Line Store.

For further information about Internal trade Please see Internal Trade - 5 criteria to meet for transactions to complete and Internal Trade - Where and when it is appropriate to be used

Stock is held in three storage locations across the University, these are the Biologies store, Chemistry store and Engineering store. Stock lines will vary according to the location and will include usually high volume, low value goods. The goods held in these stores can only be requisitioned by the “associated” departments, and/or other Faculty departments where permission exists.

Purchasing Goods and Services from Internal Trade Departments

1) Purchasing of goods or services that are not held as stock from other departments will be carried out within the myPurchase and uBASE systems, using the same process as purchasing from an external supplier. Supplying departments will be set up in the system as internal vendors and receiving departments will be set up as internal customers.

2) A shopping cart will be created in the myPurchase system. The requisitioner will enter the product category and cost centre or WBS element to be charged with the purchase, which will be the same as if the purchase was being made externally.

3) The shopping cart requires approval from the budget holder in the same way as an external purchase. When approval is gained a requisition is automatically created in the uBASE system.

4) The orderer will create an order from the approved requisition, using the document type for internal trading, and will select the supplying department as the vendor. The orderer will select the appropriate VAT code for internal trade to ensure that no VAT is calculated on the transaction.

5) A sales order will automatically be raised within the uBASE system. If the department wishes to supply the goods or service they need to remove the automatic billing block from the order and allocate an income code.
6) The department receiving the goods records a goods receipt against the purchase order and a sales invoice will automatically be created in the system. A purchase invoice is also automatically created in the system and is matched against the corresponding sales invoice and both invoices are cleared. The postings are automatically made overnight in the accounts of the supplying and receiving departments.

**How to raise a requisition when purchasing Stock items from University stores?**

1) Stock items will be ordered from the myPurchase catalogue. The shopping cart requires approval from the budget holder in the same way as an external purchase. When approval is gained the requester will enter a cost centre or WBS element for the charge and when approval has taken place a reservation will be created in the stores system. If the items are available then the stores person can pick the items. When the items are marked as picked in the system a charge is made against the cost centre or WBS element. There is no requirement to enter a goods receipt in the uBASE system for stores items.

**Contacts for systems help on mypurchase and uBASE (including Internal Trade)**

For myPurchase or uBASE system help (including any issues relating to the Internal Trade process) please contact mypurchaseubase@sheffield.ac.uk