

UCDAVIS

Supply Chain
Management

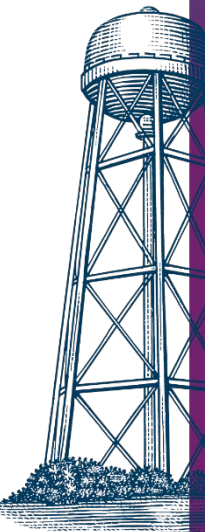
Processing Business and Revenue Agreements

SCM Community of Practice
May 12, 2022



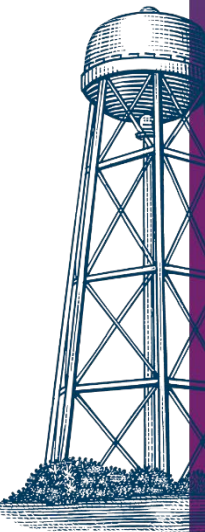
Welcome!

- This is the 2nd SCM Community of Practice meeting of 2022.
- These quarterly meetings provide an opportunity for:
 - SCM to share important updates on policies and procedures
 - You to ask questions and get clarification on processes
- Questions can be added in chat; we will periodically check in to answer questions. Time for Q&A will be available at end of presentation as well.
- A copy of this presentation will be sent to each of you.



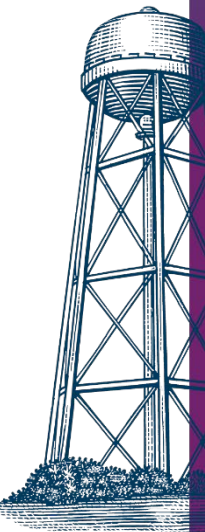
Today's Agenda

- ✓ Meet the Business & Revenue Contracts Team
- ✓ Overview of Primary Responsibilities
- ✓ Agreements Overview
- ✓ Checklist Before Submitting Agreements
- ✓ Business & Revenue Contracts Workflow/Process/Timelines
- ✓ Q&A

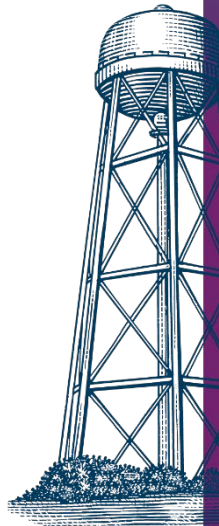
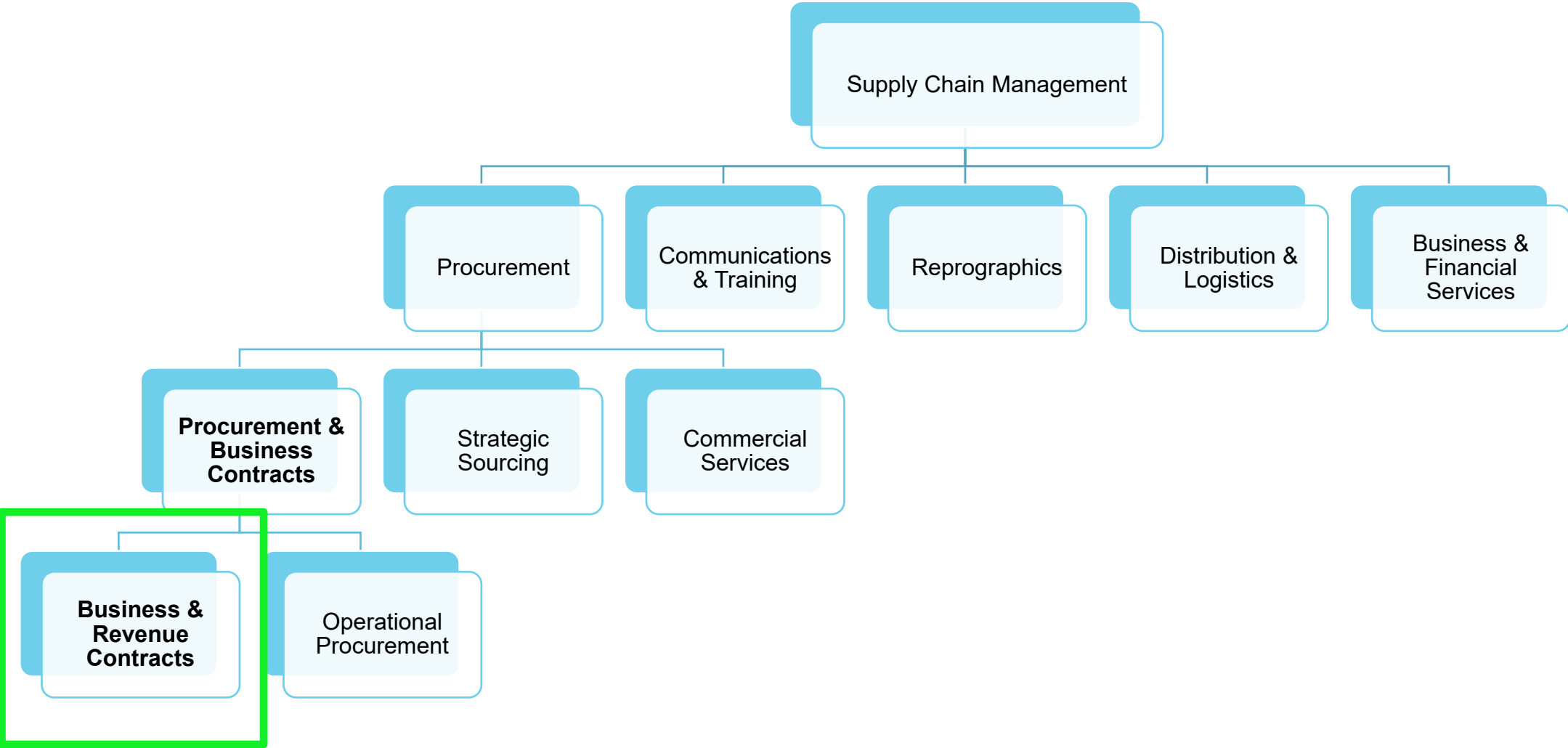


Meet The Business & Revenue Contracts Team!

- **Steven Kobayashi** - Associate Director, Procurement & Contracting Services
- **Victoria Chege** - Contract Administrator Lead
- **Valerie Roque** - Contract Administrator III
- **Paul Zhukotansky** - Financial Analyst

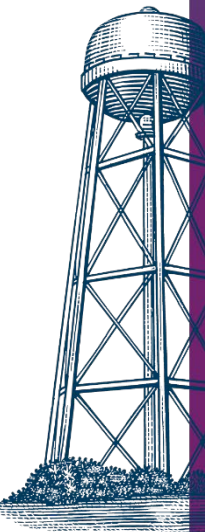


B&RC: Part of Procurement & Contracting Svcs



Topics Covered/Not Covered Today

- There are different types of Agreements at UC Davis, but today we'll only discuss **those that are handled by Business & Revenue Contracts.**
- Today's presentation **won't** cover:
 - [Strategic Sourcing](#) Agreements (campus-wide agreements)
 - Commercial Services Agreements (including Covered Services Policy 5402)
 - All other operational procurement
 - KFS Processes (refer to [KFS Training Information page](#) for available training and resources)
 - Invoicing



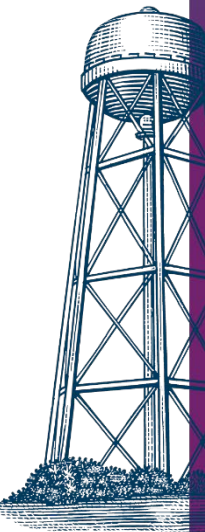
What Does Business & Revenue Contracts Do?

Business & Revenue Contracts is responsible for...

...REVIEWING, DRAFTING, NEGOTIATING, and ESTABLISHING...

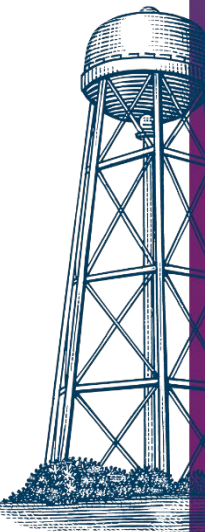
...legal, binding AGREEMENTS and CONTRACTS...

...for the provision of SERVICES and SERVICE-RELATED
TRANSACTIONS



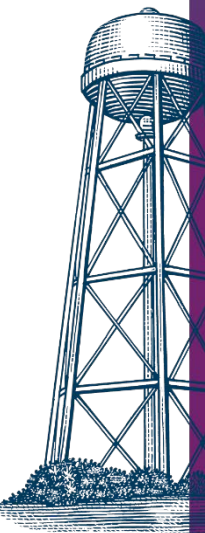
What Does B&RC Do? (cont)

- Business & Revenue Contracts works collaboratively with you to ensure:
 - ✓ policy and legal compliance, such as liability, insurance, governing law, debarment, etc.
 - ✓ all required information/documentation is included
 - ✓ accuracy/completeness
 - ✓ negotiations of Terms and Conditions (T&Cs) are completed
 - If Contractor proposes revisions to UC T&Cs
 - If using Contractor's agreement document
 - ✓ consultation with appropriate internal UC Davis departments (e.g., Risk Management Services, Campus Counsel, Innovation Access, etc.)
 - ✓ agreements are signed by an authorized signatory



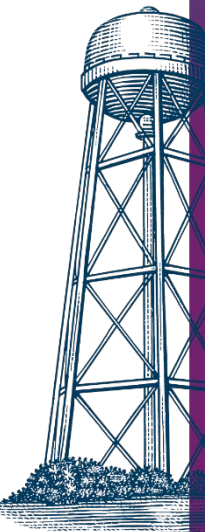
Warning on Signing Agreements

- Most University agreements can only be signed by an **authorized employee** in an authorized central unit, such as Business & Revenue Contracts.
- If you are asked to sign an agreement with contractual terms and conditions, on behalf of the University, **do not do so!**
 - Attach the agreement to a completed KFS **Purchase Agreement** document which will route to Business & Revenue Contracts for review and approval.



What is an Agreement?

- Agreement: Legally binding arrangement between parties (University and non-University entity) that outlines the purchase/sale of goods/services and includes the following components:
 - **Scope of Work** (who, what, where, when, why)
 - **Price** of the services and total cost
 - **Term** (start and end dates)
 - **Required Deliverables**
 - **Terms and Conditions**



Types of Business & Revenue Agreements

- ▶ Revenue Agreements for rate based services
- ▶ Professional Agreements
- ▶ Consulting Agreements
- ▶ Equipment Loan Agreements
- ▶ Facility/Land Use Agreements (more than one month but less than one year)
- ▶ No Cost Agreements
- ▶ Reimbursement Agreements
- ▶ Intergovernmental Personnel Act (IPA) Agreements

- ▶ Performance Agreements
- ▶ Affiliation Agreements
- ▶ Training Agreements
- ▶ Sponsorship Agreements
- ▶ Short Term Housing Agreements
- ▶ Executive Search Agreements
- ▶ Confidentiality Agreements (related to B&RC)
- ▶ Work Study Agreements
- ▶ Student Recruitment Agreements
- ▶ Program Membership Agreements

Facility/Land Use Agreements

- Agreement for access to a **non-UCD or UCD facility/land** requiring a signed agreement.

Less than 30 days

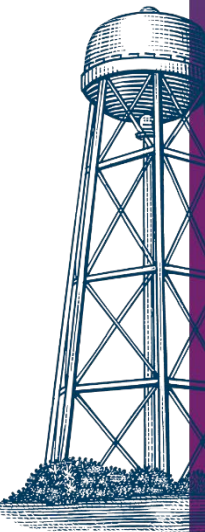
- Processed by the **Commercial Services Procurement Team**
- Complete a KFS **Purchase Agreement** to initiate transaction.

More than 30 days but less than one year

- Processed by **Business & Revenue Contracts**
- Complete a KFS **Purchase Agreement** to initiate transaction.

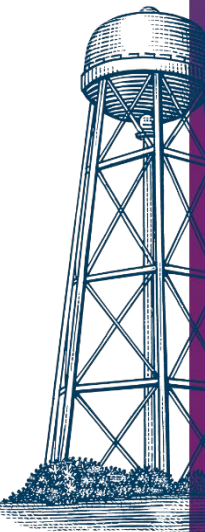
More than one year

- Processed through **Real Estate Services**
- **Contact them** for assistance with these types of agreements.



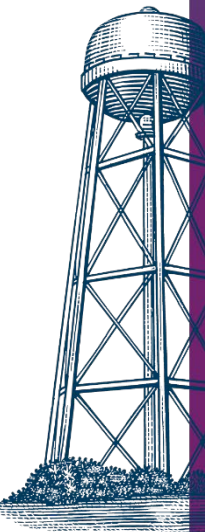
Non-Disclosure Agreements (NDA)

- Agreement that allows UC Davis or outside entity to share proprietary/confidential information with each other **for official purposes** specified in the agreement. **Also referred to as Confidentiality Agreement.**
 - This type of agreement legally protects said information from being used or shared by/with others not indicated in the agreement.
 - Request is processed on a KFS **Purchase Agreement** document.



Revenue Agreements

- Revenue Agreements are mainly when the University is **compensated for providing rate based services, or being reimbursed** for staff and faculty salary and benefit costs.
- Request is processed on a KFS **Purchase Agreement** document.
 - If the request is for rate based services, the department's approved rates for the services to be provided must be uploaded to the request.



Sponsorship Agreements

(There are two main types)

Outgoing Sponsorships

The **University makes a contribution** in support of an event produced by another entity, and the **University receives a benefit** in exchange for the financial contribution.

- Most outgoing **Sponsorship Agreements** can be completed on the pre-approved template **without** B&RC review, by completing the **Sponsorship Agreement template** and attaching it to the **KFS Requisition**.
 - *If changes are requested to the **Sponsorship Agreement template**, OR if the total proposed cost is \$10K or higher, a **KFS Purchase Agreement (PA)** document must be completed; PA will route to Business & Revenue Contracts for review/approval.*

Incoming Sponsorships

An outside entity makes a contribution to the University and **receives a benefit** in exchange for the financial contribution.

- Submit a KFS Purchase Agreement request to initiate processing **and upload benefits information**.
- Check with **University Preferred Partnership Program (UP3)** before submitting to B&RC.



Performance Agreements

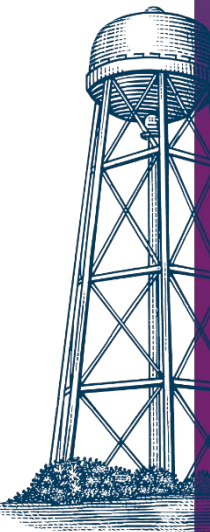
Performers include actors, comedians, musicians, singers, DJs, dancers, and lecturers/speakers (for entertainment purposes).

Performance Agreement Form

- Some **performance agreements** can be completed using the **Performance Agreement Form**. Once signed, follow the instructions outlined in the Performance Agreement Form for processing.
- Agreement must be signed before the performance, NOT after.
- If **changes are requested to the Performance Agreement Form**, submit a **KFS Purchase Agreement** document for review/approval by Business & Revenue Contracts.

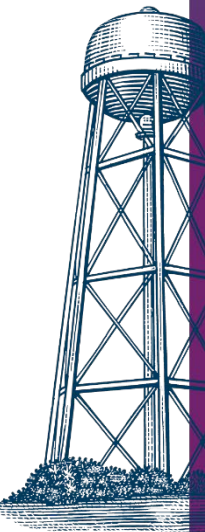
DO NOT use the Performance Agreement Form

- If a performance involves: **sound technician services, fire** or other incendiary device, **acrobatic devices**, or **connecting performer equipment to UC Davis owned sound systems**.
- If a performance agreement: requires **negotiation of terms & conditions** or **signature of contract provided by performer/agent**.
- Submit a KFS Purchase Agreement request to initiate processing **before the performance**.



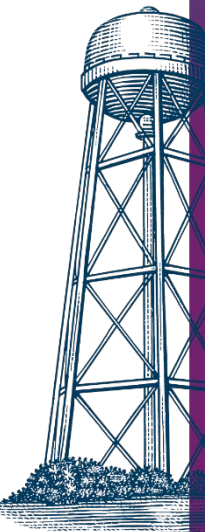
Consultant Agreements

- A consultant is an individual or company with professional or technical expertise who is contracted by the University to **evaluate** a department's needs and **provide expert advice or opinions** to solve an administrative problem.
 - If the cost of a consultant is \$10,000 or higher, three (3) price quotes must be included with your KFS document and should be electronically attached to the **Notes and Attachments** section. The [Request for Quotation](#) form can be used if desired.
 - The end result of a Consultant Agreement is typically a **recommended course of action** via written or oral communication directed at administration or management. *NOTE: Follow-on work is prohibited by [Public Contract Code 10515-10518](#).*
 - Submit a KFS **Purchase Agreement request** to initiate processing



Professional Services Agreements

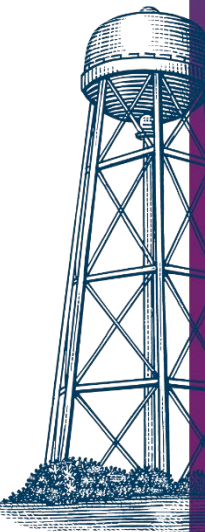
- Professional Services include **licensed or certified professionals** such as doctors, attorneys, CPAs, web designers, and executive search professionals, contracted by the University to perform specific services.
 - *NOTE: Independent contractor agreements are often confused with a professional services agreement; independent contractors are handled by the Commercial Services procurement team. Please refer to the [Procurement & Contracting Services website](#) for more information.*



Submitting Department-Specific Agreements

- Most department-specific agreements are processed in the Kuali Financial System (KFS) on a **Purchase Agreement (PA)** document.
- If the external contracting party provides you with an agreement for signature, upload the agreement to the PA document in KFS.

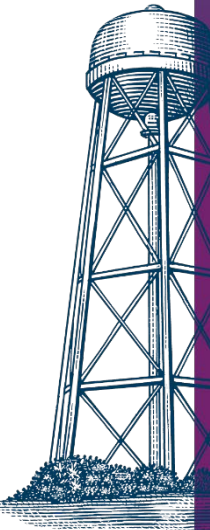
Note: The University prefers to use its own agreements whenever possible.



Checklist Before Submitting KFS Agreements

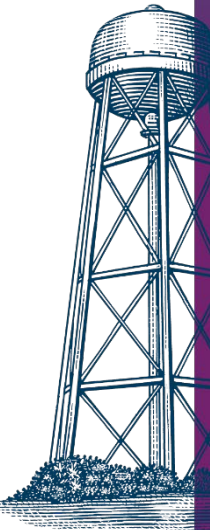
Make sure the following information is entered:

- Desired **start and end dates**
- Vendor contact information:** contact name, email address, and phone number
- Description of services**
- Appropriate commodity code reflective of service being requested;** incorrect commodity code can cause routing delays (refer to [KFS training](#)).
- Technical contact in campus department**
Include contact information (email address and phone number); this is the person to whom questions will be directed regarding any technical issues.
- Not-to-exceed (NTE) and accounting line** amounts should match (refer to [KFS training](#))
- Upload applicable forms/documentation** – see following slide

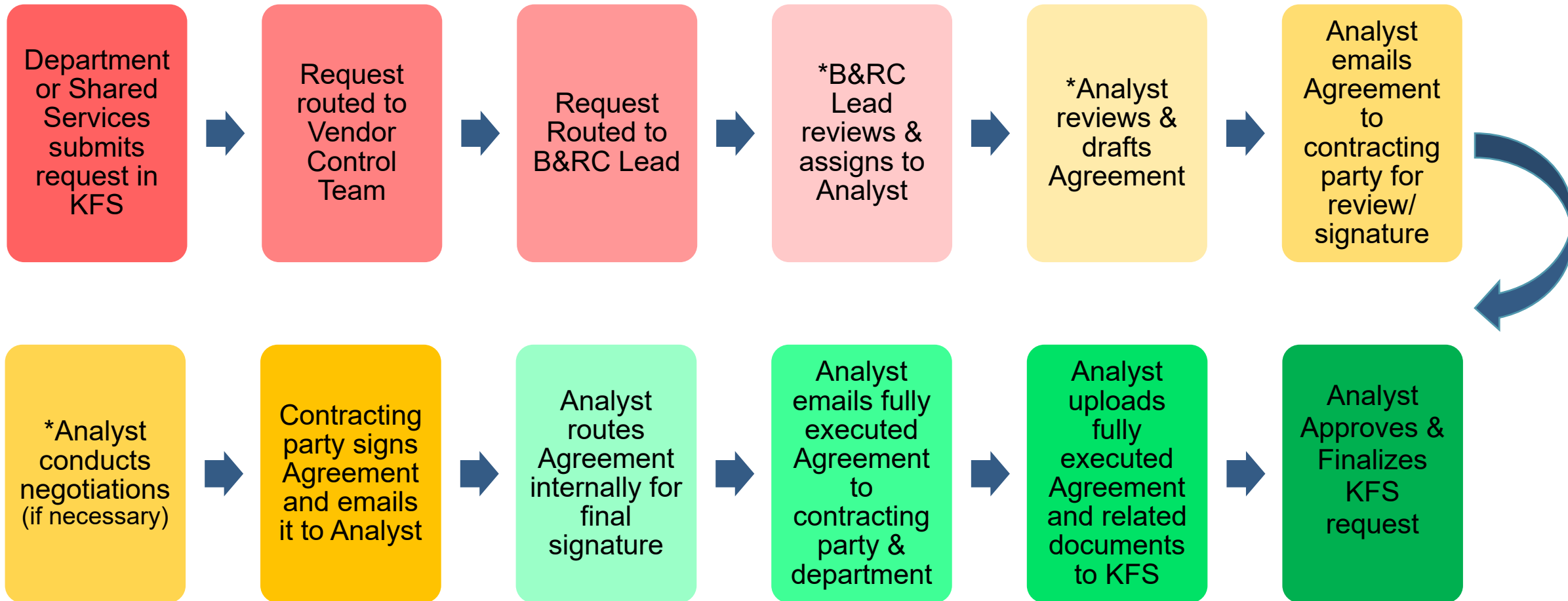


Checklist Before Submitting KFS Agreements

Form/Document	Description
<input type="checkbox"/> Scope of Work	Detailed description of services, roles and responsibilities, required deliverables, etc. (basically who, what, where, when, why, and for how much)
<input type="checkbox"/> Independent Contractor Pre-Hire Information Form	Required if contracting with an individual or company owned and operated by an individual
<input type="checkbox"/> Report of Proposed Transaction Involving Potential Conflict of Interest	Required if contracting with a current or former UC employee or near relative
<input type="checkbox"/> Confirming Order Justification	Required if work begun or was completed prior to an agreement being executed (signed by Department Head up to \$500 and signed by Dean/Vice Chancellor if total cost greater than \$500)
<input type="checkbox"/> Source Selection and Price Reasonableness (SSPR)	To be used where there is only one supplier that can provide the service, and total cost of transaction will be \$100K or higher (or \$10K if utilizing federal funds for purchase) <i>Two forms are necessary: The SSPR and the Individual Disclosure Statement</i>
<input type="checkbox"/> Quotes	Ensure compliance with Bidding Guidelines
<input type="checkbox"/> Rate Approval Documentation	If the university will be providing a service to a non-UC entity (revenue agreements), the requesting department must provide documentation showing that the rate(s) to be charged for the provided service(s) have been approved by the campus rate committee, or their dean or vice chancellor.
<input type="checkbox"/> Small Business Waiver Form	Ensure compliance with the Small Business First Program
<input type="checkbox"/> Covered Services Carve Out Justification	Ensure compliance with Regents Policy 5402 regarding Covered Services



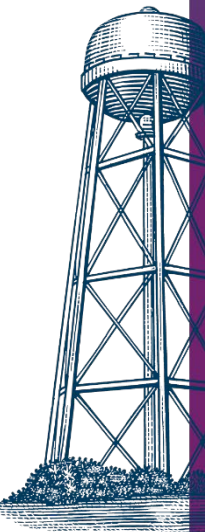
Business & Revenue Contracts Workflow



*Lead and/or assigned Analyst may reach out to department for clarification, missing information or consultation as needed.

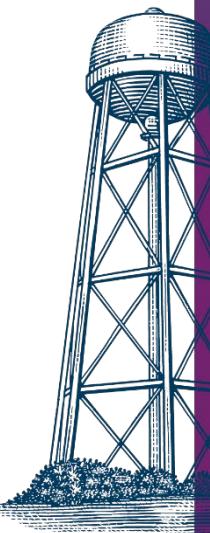
Timelines

- Timelines vary considerably, depending on various factors, so always **PLAN AHEAD!** Factors that affect processing time:
 - Completeness of the KFS request
 - Nature of Request
 - Required Negotiations
 - Complexity of the purchase/services
 - Responsiveness of involved parties



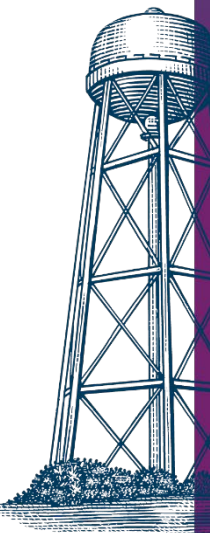
Requesting an Amendment to an Agreement

- An amendment **should** be processed if:
 - Prices have increased.
 - Terms and conditions have changed.
 - Additional service(s) are being added.
 - More time is needed to complete services.
- An amendment should **NOT** be processed if:
 - Services were completed, and a new project with the same or different scope of work is to commence. In this case, a **new agreement is required**.
- KFS sends auto-notices at 30 days prior to expiration
 - Plan ahead! Don't wait for agreement to expire, if you wish to extend it. Requests for Agreement amendments will go through the same routing as the initial Agreement request.



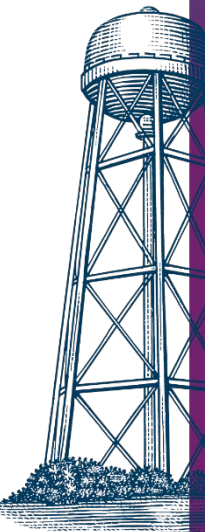
Requesting an Amendment to an Agreement

- An amendment request must be issued against the **original** agreement in KFS by locating the final **Purchase Agreement** and clicking on the **amend** button.
 - **Do not delete or modify existing line items.** New line items may be added as necessary.
 - All changes to dollar amounts and dates should be made directly to and throughout the KFS document.
 - A **note must be added** to explain why change is necessary. For example, why is extension necessary (e.g., more of the same services are needed), or justification for price increase (e.g., additional hours required).



Business & Revenue Contracts Resources

- [Business & Revenue Contracts Website](#)
- Business and Revenue Contracts Policy: [PPM 330-05](#)
- Procurement & Contracting Services [Forms](#)
- [Small Business First Program](#)
- [KFS Purchase Agreement and Requisition Document Help](#)
- [How To Buy Guide](#)
- [Communities of Practice](#) other presentations
- To request access to the expiring agreements dashboards, email scm-data@ucdavis.edu



Questions?

