

UC Davis
Business & Revenue Contracts
and
Services Team
Reference Manual

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I. Overview

The Business & Revenue Contracts team is charged with reviewing, negotiating, and establishing legal, binding agreements and contracts for the provision of services and service-related transactions. Business & Revenue Contracts agreements require signatures on behalf of both the university and the contractor. Signature authority has been delegated from the Chancellor down to the Director of Contracting Services and the Business & Revenue Contracts Manager. Unless granted a delegation by Business & Revenue Contracts, campus departments may not sign agreements on behalf of the university.

In 2005, Business Contracts (as it was then known) was broken apart and the campus contract system was reorganized. As a result, there are other contracting offices for campus, each charged with overseeing and producing certain types of agreements. Aside from Business & Revenue Contracts, the other contract offices are: Sponsored Programs, Real Estate, Design and Construction Management, Innovation Access, and the UC Davis Medical Center's purchasing and contracting services offices. A comprehensive list of agreements Business & Revenue Contracts handles (including applicable policies) is below in Section II.

The Services team is charged with issuing purchase orders, which are unilateral agreements that do not require a contractor's signature, for the provision of commercially available services. Signature authority has been delegated from the Chancellor down to the Director of Contracting Services and Service team buyers.

II. Types of Agreements Completed

Business & Revenue Contracts

- A. Revenue Agreements. Agreements under which UCD is receiving money. Examples include arrangements under which UCD is providing a service or being reimbursed for staff and faculty salary and benefit costs. The vast majority of service agreements handled by Business & Revenue Contracts are based on an approved rate or rates; if such, a rate approval letter signed by the requesting department's dean or vice chancellor must accompany the purchase requisition. Other revenue agreements, such as those involving research or sponsored activities, may be directed to Sponsored Programs by Business & Revenue Contracts.
- B. Professional Services Agreements (excluding UCDCM and School of Medicine). Professional services are agreements under which one exercises discretion and independent judgment and who performs work that is predominantly intellectual and varied in character, as opposed to skilled or technical (as opposed to physical or manual). Caution: professional services are often confused with services provided by independent contractors; please be sure to refer to BUS 77 for information about independent contractor agreements, which are processed through the Services team. Common examples include licensed professionals such as doctors, attorneys, and CPAs; web designers; and executive search professionals. Because Business & Revenue Contracts has an obligation to justify that the price to be paid is reasonable, you may be contacted for additional information about the rate or quote provided. NOTE: Independent contractors are often confused with professional service agreement; independent contractors are handled by the Services team. Please refer to BUS 77, available at http://afs.ucdavis.edu/our_services/contracting-services/policies.html, for information about independent contractor agreements.
- C. Independent Consultant Agreements (excluding UCDCM and School of Medicine). A consultant is an individual with professional or technical expertise who is not employed by the university; the university does not control the manner of performance or the results of the service provided by the consultant. The end result of such an agreement is typically a recommended course of action via written or oral communication directed at administration or management. For additional information, please refer to BUS 34, available at http://afs.ucdavis.edu/our_services/contracting-services/policies.html. NOTE: Section 10515 of the California Public Contract Code strictly limits a consultant's ability to perform services, procure goods or supplies, or take any action related to Consultant's findings and recommendations pursuant to this agreement. If you believe the consultant should complete specific tasks that may result from the outcome of their review, please inform Business & Revenue Contracts when your original request for an

agreement is submitted. Competitive bid requirements also apply; please refer to Section VII below. If not competitively bid, Business & Revenue Contracts has an obligation to document that the price to be paid is fair and reasonable.

- D. Performance Agreements. Performers include musicians, dancers, magicians, disc jockeys, magicians, and lectures or speakers for the sole purpose of entertainment (not education). Most performance agreements can be completed by the campus department without Business & Revenue Contracts' involvement. For the template and user instructions, please refer to "Performer Agreement" at http://afs.ucdavis.edu/our_services/contracting-services/business-contracts/index.html for additional information.
- E. Equipment Loan Agreements. Departments receiving equipment from an outside company may use the delegated Equipment Loan Agreement Form (available at http://afs.ucdavis.edu/our_services/contracting-services/business-contracts/index.html) unless changes are required, in which case they must be processed through Business & Revenue Contracts. If a campus department is loaning equipment to another non-UC institution, Business & Revenue Contracts can draft an agreement specific to the arrangement. For customized equipment loan agreements or changes to the Equipment Loan Agreement Form, please submit a no cost purchase agreement via KFS.
- F. Sponsorship Agreements. Agreements under which either a) UC Davis is providing money to another entity in exchange for a benefit or benefits or b) UC Davis is receiving money from another entity in exchange for a benefit or benefits. The benefit(s) should be clearly identified in the Kuali Financial System (KFS) request, either in the "Items" screen or attached to the KFS request. The most common example of a sponsorship benefit is use of sponsor's name/logo in promotional material recognizing them as a sponsor. Typically organizations will list sponsorship opportunities and associated sponsorship benefits on their websites and that page can be printed and attached to the KFS request. NOTE: If the university is providing money to an organization for an event and there's no benefit to the university directly, it is unlikely that a sponsorship agreement is appropriate. Payment for tickets to events should be paid through Travel; cash donations are processed through Extramural Accounting.
- G. Executive Search Agreements. Agreements with individuals or companies that specialize in recruiting executive personnel. All executive search agreements must be pre-approved by Human Resources.
- H. Work Study Agreements. Agreements under which students employed by outside agencies sanctioned by the university.

- I. Reimbursements Agreements. Classified as a revenue agreement in Kuali, Agreements under which the university is being reimbursed for use of staff and/or facilities. Reimbursement agreements are entered into in advance of an engagement or use of facilities. Reimbursement agreements should not be confused with confirming agreements, which are agreements that are entered into after an engagement has already taken place.
- J. Faculty, staff & student appointments at other institutions and UC Davis, including Intergovernmental Personnel Act agreements. NOTE: Any agreement under which a faculty member will be performing work for another institution must be approved by the Provost's office before being sent to Business & Revenue Contracts with documentation of such approval.
- K. Utility Agreements. Business & Revenue Contracts completes agreements for utility services, such as gas and electricity, for the UC Davis campus. Prior to submitting a request for an agreement, please check KFS to see if there's already a campus-wide agreement in place for the services and utility provider needed. If an agreement is already in place, your department can pay all invoices against the campus-wide agreement.
- L. Non-Disclosure & Confidentiality Agreements. Such agreements are requested when a company wants UC Davis to perform services (or vice versa) but need to be able to a) discuss a potential project in detail prior to committing to work and b) ensure that any confidential or proprietary information disclosed will not be shared with any other party. Such agreements are not necessary if work is commencing and the other party just wants to ensure confidentiality – our standard services agreement contains detailed confidentiality obligations. NOTE: Non-disclosure or confidentiality agreements pertaining to the purchase of a commodity are processed by Purchasing; those relating to research projects are processed by Sponsored Programs. When submitting a request for a non-disclosure or confidentiality agreement, please include a statement explaining the type of service or description of the project the agreement is to cover.
- M. Affiliation Agreements. Per UC Davis PPM 210-05, affiliation agreements are agreements between UC Davis and another accredited academic institution under which one party agrees to furnish education, training, or clinical experience that is integral to a specific institutional academic degree or course objective but is not available at the student's home institution. Business & Revenue Contracts completes all non-UCDHS/School of Medicine/School of Nursing affiliation agreements. Affiliation agreement should not be confused with fellowship agreements, which are processed through Graduate Studies.
- N. Training (non-academic affiliation) for university students and staff to study elsewhere or for non-university individuals to study at UC Davis.

- O. Animal Loan, Lease, Boarding, and Special Uses Agreements.
- P. Land use and facility use agreements/permits for non-exclusive use of and generic access to non-university land or facilities for a period of more than 30 days and less than one year. Agreements for use of UC Davis property, those involving modifications to land or property or those spanning one year or more should be directed to Real Estate Services. Agreements for land or facility use for 30 days or less should be submitted to the Services team.
- Q. Vendor Supplier Forms. Sometimes contractors require that the university sign informational forms that submitted with a request for an agreement. Business & Revenue Contracts does not need to complete, review or sign documents provided by contractors that are requesting information only; campus departments can complete and sign them. Typically called “New Supplier Forms” or something similar, the documents seek to obtain information about the university or certifications [example: “Is anyone employed by your company an employee of (insert contractor’s name) or related to an employee of (insert contractor’s name)?”] **Caution: If contractual terms are included on the document, even if by a web link reference, the agreement must be signed by Business & Revenue Contracts though all information should be completed by the requesting campus department.**
- R. Miscellaneous non-research agreements that require an authorized university signature. Examples include agreements under which the university will have the right to use websites for book sales and rentals, applications for licenses, applications for shipment to embargoed countries, memorandums of understanding (MOUs), etc.

Services

- A. Air/Water/Ground Charter Agreements. Due to the high risk of both water vessel and air charters, expect delays in processing time due to the need for the Buyer to obtain additional documentation and insurance requirements. Bus charter services are also processed in Services. If the bus service originates from campus, check first with Fleet Services to see if they can accommodate your need.
- B. Catering/Lodging/Event Agreements. Agreements requiring an authorized signature that binds the university must be signed by a Service Buyer. Department initiates a Purchase Agreement document, selecting the “Catering/Lodging/Event Agreement” dropdown. The agreement will be reviewed and signed by a Service Buyer and sent to the vendor. The expenses can be paid either by a Corporate Card or DV (citing the reason code of entertainment).
- C. Credit applications for Services. Call Contracting Services for a copy of the credit reference letter (752-0370).

- D. Coaching/Training Services. Customized training for staff and faculty.
- E. *Communication Services (Freelance Writers, Graphic Designers, Marketing Strategy, Media Buying, Mobile Application Design and Development, Photography, Videography)
- F. Custodial Agreements – pre-approved by Custodial Division.
- G. Equipment Repair Services involving mostly labor.
- H. Facility Use Agreements 30 days or less (with catering). These agreements should be initiated on a Purchasing Agreement document, selecting the “Facility Use Agreement 30 days or less” dropdown.
- I. Facility Use Agreement 30 days or less (without catering). These agreements can be initiated on a requisition document. A purchase order will be issued and used for payment.
- J. Faculty Relocations. Approved moving vendors and additional instruction is found at: http://afs.ucdavis.edu/our_services/travel-e-entertainment/index.html.
- K. Farm Labor Agreements.
- L. Independent Contractor Agreements. An independent contractor relationship exists when the university contracts with an individual or sole proprietor and the university has the right to control only the result of the services, not the manner of performance. A detailed scope of work is required in addition to payment milestones. For additional information, please refer to BUS-43, available at <http://purchasing.ucdavis.edu/policies>. NOTE: Section 10516 and 10524 restrict the way UC does business with consultants, employees, former employees and independent contractors. Competitive bid requirements also apply; please refer to Section VI below. If not competitively bid, Services has an obligation to document that the price to be paid is fair and reasonable. (Note: If the project you are hiring has a position classification, it will require approval from your HR representative.) For campus departments go to <http://www.hr.ucdavis.edu/recruitment/consultants.html>.
- M. Off-site Laboratory Analysis. Off-site laboratory services can be processed on an APO using an unrestricted commodity code as long as the costs for the lab services are less than \$5,000 and there are no terms and conditions. All other laboratory services need to be submitted on a KFS requisition document.

- N. Landscape and Gardening Services. Sometimes remote UC Davis locations require landscape and gardening services. Both a contractor's license and prevailing wages apply; therefore, expect delays in processing time to ensure these requirements are met.
- O. Maintenance Services. Examples of maintenance projects include repairs and/or resealing asphalt, duct cleaning, carpet cleaning, cleaning window blinds, and cleaning exterior windows. Construction projects are processed by Design Construction Management (DCM). These projects consists of moving, demolishing, altering, upgrading, renovating, installing, or building a structure, facility, or system according to a plan or by a definite process. Construction consists of the application of any of these techniques to physical plant facilities such as structures, utilities, excavations, landscaping, site improvements, drainage systems, and roads; and additions, deletions, or modifications of such facilities. Exterior and interior painting or repainting of new or existing structures are forms of construction. Upgrading or replacing a building system in its entirety when it has exceeded its useful life is generally construction, not maintenance.
- P. Pest and animal control. These services are handled by Services if they are not offered by Facilities Management. http://facilities.ucdavis.edu/building_maintenance/services.html.
- Q. Subcontracts for commercial services in support of federal grants. A copy of the grant is required to be attached to the KFS document to ensure that the services do not require monitoring by Sponsored Programs.
- R. Transcription Services.

*A matrix will be provided detailing approved communication vendor agreements. All pre-qualified communication vendors have received training in order to execute UC brand and standards.

III. Procedure for Requesting a Contract or Amendment.

A. Submit a Requisition or Purchase Agreement document via KFS; specific information about how to complete documents via KFS can be found at <http://afs.ucdavis.edu/systems/kuali/>. Hints to expedite a request:

1. Be sure to select the correct Agreement Type:
 - a. Purchase Agreement (PA):
 - No Cost – An agreement in which no money will be exchanged between the parties. Examples include confidentiality agreements and MOUs.
 - Revenue – An agreement under which the university will receive money. Revenue does not equate to making a profit. Examples of revenue agreements include reimbursement agreements, services agreements, and university sales agreements.
 - Blanket agreement – Agreements for which the total amount payable is not known, though there must be a not-to-exceed cap a rate or other defined basis for payment.
 - Catering/Lodging/Event Agreement – An agreement requiring a signature. Expenses are paid on DV or Corporate Card.
 - Facility Use Agreements 30 days/less – A facility use agreement requiring signature that includes food/catering. (Facility use agreement not involving entertainment should be processed on a requisition.)
 - Facility Use Agreement over 30 days
 - b. Requisition documents submitted as a contract request are intended to be used for specific agreements only, which is when the total dollar amount to be paid is known (versus an estimate or a not-to-exceed amount). A requisition becomes a purchase order (PO) once approved. Approval of a requisition document does not mean that the agreement is complete; the PO is approved once a contract has been signed, indicating the contracting process is complete.
2. Select the correct commodity code. Commodity code information can be viewed at http://afs.ucdavis.edu/our_services/contracting-services/commodities-help/index.html.
3. Include a detailed scope of work. It may be best to include an abbreviated version on the actual KFS request with a note that a detailed version is attached. For help in identifying a complete scope of work, please refer to Section VIII below, “Basic Requirements of a Scope of Work”, for suggested components to consider when writing or reviewing a scope of work.
4. Include detailed payment information. For example, if a revenue agreement is requested, please specify the rate(s) and include the rate approval letter(s), which must list the rate and reference the service being provided. If the university is paying for a service, include rate(s) and/or budget, along with price justification (why the department feels the rate is reasonable, what was the basis for making that

determination). It is recommended that a price justification include at least three informal quotes.

5. If work has already begun, a confirming letter must be attached to the KFS request. The confirming letter approving the unauthorized purchase must be signed by the department's dean/vice chancellor or designee and must explain a) why work began without a contract and b) what will be done in the future to avoid such an occurrence.
 6. Complete all necessary forms. All required forms are available at http://afs.ucdavis.edu/our_services/contracting-services/business-contracts/index.html or http://afs.ucdavis.edu/our_services/contracting-services/buying-services/index.html. Please refer to Section IX below, "Checklist for Submittals", for information about specific forms and under which circumstances each is required.
 7. Attach all supporting documents [including, but not limited to, a detailed scope of work, rate information/approvals, a confirming letter, the contractor's agreement (if provided) and necessary forms] directly to the KFS document. Do not submit the attachments to a specific analyst unless instructed to do so.
- B. To initiate an amendment, submit amendment request against the original agreement in KFS by viewing the final agreement or purchase order and clicking on the "amend" button at the bottom of the screen. Note:
1. Do not delete existing line items. Existing line items should not be modified. New line items may be added as necessary.
 2. All changes to dollar amounts and dates should be made directly to and throughout the KFS document.
 3. A note must always be added to explain why the change is necessary. For example, why is an extension necessary - is it because services were not used during the initial term? Why does the price need to increase - is it because the rate has changed or are additional hours required? Has the scope of work changes? There are a myriad of other possibilities.
 4. An agreement cannot be amended to extend the term if work has not been ongoing. If services were completed and a new project with the same scope of work is to commence, a new agreement is required.

IV. Helpful Hints

- A. Be sure to use the correct commodity code – routing an agreement to the wrong team can delay processing, sometimes by several days.
- B. The beginning and end dates for services must be provided.
- C. An e-mail address for the contractor must be provided. A contact name for the contractor is extremely helpful and should be included if possible.
- D. The technical contact should be the departmental representative to whom questions will be directed and a copy of fully executed agreement will be sent.
- E. Ensure that each KFS request includes a complete scope of work. If the scope of work is not complete, the request will be routed back to the Purchasing Control Desk, which delays assignment until a complete scope of work is received.
- F. A note must be added to each amendment request explaining why modification(s) is/are needed. For example, why do we need to extend the agreement, why is the cost increasing? Where applicable, changes should be reflected on the “Items” and “Agreement” screens. Do not delete existing line items.
- G. If services have already begun or have been completed, a confirming letter is required. Failure to provide a confirming letter will also result in the KFS request being held at the Purchasing Control Desk until the letter is received, resulting in a delayed assignment.
- H. If the agreement will be with an individual or a company owned and operated by an individual, a pre-hire worksheet is required. If the proposed contractor is a current or former university employee or previously performed work for the university, a conflict of interest form is required (please refer to Section VII, “Successor Agreements, Employee Vendors/Conflict of Interest”). Both forms can be located on the Contracting Services website.
- I. Ensure that all attachments and internal forms are included. For example, if the other party provides a contract, ensure all exhibits are included. Be sure to attach a pre-hire worksheet, conflict of interest form, rate approval letter, proposal information, scope of work, etc. where applicable.
- J. Buyers and analysts will add notes directly to the KFS request on an as-needed basis with the latest status. Please be sure to check the KFS request document for notes, as all status information should be on the document. Any questions about the notes or lack thereof should be directed to the assigned contract analyst.
- K. When contracting with the state or federal governments, note that the vast majority of the time it is requested that UC Davis sign state governmental contract documents. Please attach a copy of the government’s contract to the KFS request.

V. Brief Overview of Business Contract and Services Process

- A. The KFS request is received by the Purchasing Control Desk and reviewed for completeness, including receipt of all required attachments/documents. If the request appears to be complete, it is routed to a team lead/supervisor/manager based on the agreement type and commodity code used.
- B. The team lead/supervisor/manager will review the KFS request and will either return the request to the Purchasing Control Desk for additional information (most often scope of work, pre-hire worksheet, or confirming letter) or assign it to an analyst for completion.
- C. The buyer or analyst will review the KFS request in detail and draft an agreement (or alternatively and less likely, review and modify the agreement provided by the other party).
- D. If a business contract, the agreement will be e-mailed to the other party for signature with a copy to the department's business contact. If a service, the PO will be emailed to the contractor/vendor. No signature is necessary from the contractor/vendor.
- E. If necessary, the buyer/analyst will engage in negotiations with the other party.
- F. Business & Revenue Contracts only: Once the agreement has been signed by the other party, it is returned to Business & Revenue Contracts for final signature.
- G. Once the agreement has been fully executed or a PO has been issued, a copy of the agreement is attached to the KFS request document.
- H. The KFS request is completed and approved. Neither Business & Revenue Contracts nor Services is involved in the payment process.

VI. Competitive Bid Requirements

As a public institution, UC encourages competitive bidding whenever possible because it is a tool in obtaining services at the lowest possible cost. Anytime a competitive bid requirement is waived, the appropriate sole source forms must be approved and on file. Competitive bid requirements are as follows:

- A. **Professional Services.** Contracts for professional services are not legally required to be competitively bid so long as the price is justifiable (the price must be proven to be fair and reasonable). However, competitive bidding is strongly encouraged where possible.
- B. **Independent Consultants.** Current law requires any consulting agreement over \$100,000 be competitively bid, though the University strongly encourages consulting contracts in excess of \$50,000 be bid. Note that the \$100,000 threshold is the total contract amount, not just the cost for the first phase. It is imperative to develop a total project budget to ensure that all phases can be completed within the no-bid threshold. If they cannot, the project must be bid at its inception. NOTE – Section 10515 of the California Public Contract Code strictly limits a consultant’s ability to perform services, procure goods or supplies, or take any action related to Consultant’s findings and recommendations pursuant to this agreement. If you believe the consultant should complete specific tasks that may result from the outcome of their review, please inform Business & Revenue Contracts when your original request for an RFP and/or agreement is submitted.
- C. **Independent Contractor and Vendor Agreements.** As with Independent Consultants, current law requires any independent contractor agreements and agreements with vendors over \$100,000 be competitively bid. Note that the \$100,000 threshold is the total contract amount, not just the cost for the first phase. It is imperative to develop a total project budget to ensure that all phases can be completed within the no-bid threshold. Any service agreement between \$50K and 100K do not need to be competitively bid so long as the price is justifiable – typically by obtaining three quotes.
- D. **Revenue Agreements -** If the university will be receiving a commission or payment based on the presence of or an activity of a contractor, the contractor will be financially benefitting from the university. So long as the financial benefit is substantial and exclusive only to one contractor, a competitive bid should be held to allow all interested parties to have the opportunity to bid on the partnership.

Business & Revenue Contracts and Services have a responsibility to substantiate that all payments made to contractors are fair and reasonable. For this reason, if a competitive bid process is not required, the requesting department may be contacted for additional information about pricing and your reason for selection of a particular contractor. Requesting departments should always attach copies of all quotes and proposals received from other service providers to their KFS request.

VII. Successor Agreements, Employee Vendors/Conflict of Interest

In 2002, the Governor signed SB 1467 that made changes in state contracting law in the wake of the Oracle scandal. SB 1467, which became effective on July 1, 2003, adds Article 4 to Chapter 2.5 of Part 2, Sections 10515 through 10524, of the Public Contract Code. It applies standard California state agency conflict of interest and penalty provisions to procurements by the UC system. Before the passage of SB 1467, UC was exempt from those provisions.

The language of the statute results in new restrictions to the way UC does business with consultants, employees, former employees and independent contractors. It primarily impacts the following business practices of Business & Revenue Contracts and Services:

- * Awarding successor contracts or follow-on agreements to entities providing consulting to the University.
- * Hiring university employees to provide services or goods to UC under agreements as contractors.
- * Hiring former UC employees as contractors to perform work related to contracts that were planned, negotiated, executed or involving policy created by the employee before the employee's separation from UC.

SUCCESSOR AGREEMENTS

The statute requires that any person or business entity awarded a consulting services agreement by UC shall not bid on or be awarded a successor contract after July 1, 2003 to provide goods or services required, suggested, or otherwise deemed appropriate in the end product of the original consulting services agreement. In simple terms, consultants who have performed work for the University cannot participate in subsequent projects relating to the consultant's findings.

If a multi-phase project is contemplated, such as a pilot or prototype to be followed by full implementation, any agreement should cover all potential phases of the project with appropriate language reserving final cost figures and the University's sole discretion to proceed (or not) with full implementation.

EMPLOYEE VENDORS/CONFLICT OF INTEREST

The statute prohibits current university employees, except those identified below, from contracting as individuals with any university department to provide goods or services as a contractor. In addition, the statute prohibits employees from engaging in any employment,

activity or enterprise from which the employee receives compensation, or in which he or she has a financial interest, and which is sponsored or funded, in whole or in part, through a contract with the University. NOTE: UC employees with teaching or research responsibilities or those who are students, are exempted from this provision of the statute but are still subject to University guidelines for employee-vendors. Please refer to UCD Policy & Procedure Manual, Section 350-90.

The statute contains two restrictions on contracting with former employees:

- * A former university employee cannot enter into a contract, for two years from the date of separation, to perform work related to contracts that were planned, negotiated, or executed by that employee.
- * A former university employee cannot enter into a contract, for one year from the date of separation, to perform work on a contract if he or she was employed by that department in a policymaking position in the same general subject area as that contract.

VIII. Basic Requirements of a Scope of Work

A scope of work sets forth requirements for performance to achieve project objectives. It should be clear, concise, accurate and complete. Please consider that while the following questions may not apply to all types of services, they are often present in a good scope of work and should be considered when reviewing any scope of work for completeness. Departments should answer each of the questions below that are applicable to the proposed contract.

- A. What needs to be done? What is the purpose of the work?
- B. Who will do what? What are the roles and responsibilities of each party? Will the contractor's or University's equipment be used?
- C. When should it be done? During what dates and times will the work be completed? There should be a schedule for contractor duties as well as University duties.
- D. Where will the work be performed? Sometimes undeveloped land can only be described with an APN (assessor's parcel number) since no address exists. If a service is being performed on non-university property, include the property or land use agreement # that exists between the property owner and the university.
- E. Will reports or summaries be required by either party? What are the required deliverables? These can include theoretical models, computer software, drawings, documentation, reports or other data.
- F. Are there project milestones? Project milestones are set dates for certain tasks to have been completed.
- G. What is the total cost of the services? You must provide documentation, usually in the form of multiple quotes, showing that the price to be paid is fair and reasonable. Please be aware that any price exceeding \$50,000 *may* require competitive bidding. Once your request has been submitted via KFS, Contracting Services will review all associated documentation and will contact you if competitive bidding is necessary.
- H. What is the payment schedule? For example: monthly in arrears (after that portion of the work has been completed) based on the number of hours worked, payment upon receipt of deliverables, payment upon achieving certain milestones, etc. Pre-payment is generally not allowed. Remember that the payment process cannot be started until the agreement has been signed by both parties (University and Contractor).
- I. Is it anticipated that additional work will result from the outcome of the project? Some types of contracts (e.g. consultant agreements) require future work to be described in the original agreement as there is a California Public Contract Code prohibition against "follow-on work". Good contract management includes forecasting the entire length of a project and its associated costs so as to avoid going over required public bidding thresholds.

- J. Who will own the work product resulting from the service provided? The general rule is that the University owns the work, including any resulting copyright.
- K. Once you have defined a scope, be sure to obtain several informal quotes for the work so that you can provide reasonable cost justification for selection of a particular vendor.
- L. If this project is funded by a grant, the following information is required:
- a. The coversheet of the grant that lists the grant number and funding agency;
 - b. The signature page showing the grant is finalized;
 - c. The portion of the grant that describes the needed service in order to:
 - Ensure the service is not research, which would need to be processed through Sponsored Programs;
 - Identify the person/company being named;
 - Determine if the funding agency is expecting the university to competitively bid the service; and
- M. If it is a sole-source situation in which there is no other known resource, a thorough justification needs to be provided for approval by the Director of Contracting Services or delegate.

IX. Checklist for Submittals

The following components, if applicable to the agreement type, must be included on all KFS documents prior to submittal to Business & Revenue Contracts and Services:

- Beginning and end dates
- E-mail address, correct phone number and contact name (not just from vendor database)
- Complete scope of work
- Commodity code is reflective of service being requested
- Technical contact in campus department, including contact information
- Ensure all applicable documents/forms are attached to the KFS document:
 - Independent Contractor Pre-Hire Information Form: Required if contracting with an individual or company operated and operated by an individual. **Do not include the contractor's federal tax identification number or social security number.**
 - Report of Proposed Transaction Involving Potential Conflict of Interest: Required if contracting with a current or former UC employee or near relative.
 - Confirming letter: Required if work begun or was completed to prior to an agreement being executed (signed by department head up to \$500 and signed by Dean/Vice Chancellor if greater than \$500)
 - Sole Source Forms: To be used only in circumstances where there is only one vendor that can provide the service; the form is documentation and approval that competitive bid requirements are waived. Two forms are necessary: The Sole Source Justification and the Individual Disclosure Statement. Each person involved in the recommendation for sole sourcing must complete the Individual Disclosure Statement.
 - Rate Approval Documentation: If the university will be providing a service to a non-UC entity (revenue agreement), the requesting department must provide documentation showing that the rate(s) to be charged for the service(s) to be provided have been approved by the campus rate committee or their dean or vice chancellor within the last three years.
 - Complete scope of work

X. Contracting Services Resources

- For questions about business agreements, please contact Melanie Brown at mcbrown@ucdavis.edu or (530) 754-1371.
- For questions about the procurement of technology goods and/or services, please contact Alex Martin at aamartin@ucdavis.edu or (530) 754-1382.
- For questions about service agreements, please contact Alex Martin.
- For questions about the commodity purchases, please contact Kelly Gilmore at kngilmore@ucdavis.edu or (530) 754-1374.
- For questions about the Purchasing Card, please go to refer to the Purchasing Card website (http://afs.ucdavis.edu/our_services/contracting-services/p-card/index.html) or e-mail purchasingcard@ucdavis.edu.
- Contracting Services Website: http://afs.ucdavis.edu/our_services/contracting-services/index.html