UCDAVIS Supply Chain Management

Covered Services 2022 Supplier Showcase Lightning Talk

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General Prohibition on Contracting Out

- The University of California is committed to bringing in-house "Covered Services" to the fullest extent possible.
 - November 2019, the UC Board of Regents approved <u>Regents Policy 5402</u>: Generally Prohibiting Contracting for Services.
 - January 31, 2020 UC and American Federation of State, County and Municipal Employees (AFSCME) ratified their Collective Bargaining Agreement, including Article 5 "Contracting Out", which incorporates and strengthens the commitments of Policy 5402.
 - Covered services are work customarily performed by bargaining unit employees (SX or EX units) at the university.

What Services Are Covered Services?

- Cleaning, custodial, janitorial, or housekeeping services
- Food services
- Laundry services
- Groundskeeping
- Building maintenance (excluding skilled crafts)
- Security services
- Printing services

EX and SX Bargaining Unit roles can be found under Compensation resources: <u>https://hr.ucdavis.edu/departments/compensation/salary-scales</u>

Goals of the Policy

To bring services in-house, whenever possible.

- To ensure that workers receive wages and benefits equivalent to what the university provides to its employees, in the rare instances when contracting out is necessary.
- To provide contractors who have performed services to the university on a long-term and continuous basis the opportunity to become university employees.

Justifying Contracting Out: Limited Carve Outs

- There are **very** limited circumstances in which the university can contract out covered services.
- Wage and benefit parity is required when contract for covered services on site. Therefore, reduced cost is not an acceptable justification.
- To request a carve out, start by contacting <u>coveredservices@ucdavis.edu</u> to discuss your request.
- Carve out will require a justification form. Depending on the contract value, the form will route for review and signature starting with your Department Vice Chancellor / Dean and ending with either the Chief Procurement Officer or the Vice Chancellor of FOA.
- The process can take 45 days or more so get started ASAP!



Questions?

