



UF Procurement: Consulting, Service Contracts & Sole Sources

BRAiN Meeting
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Lisa Deal
Asst. Vice President & Chief Procurement Officer
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Vendor vs. Subaward

Subaward

- Appear in the proposal
- Intellectually significant portion of programmatic effort
- Responsible for programmatic decision making

Vendors and Consultants

- Sell goods or services within their normal business operations
- Operates in a competitive environment
- Are not making programmatic decisions
 - No stake in outcome of project
- Fee for Service - based on published price lists or hourly rates

Quote/Bid Thresholds

- Up to \$10,000 – No additional quotes required
(2CFR200 Uniform Guidance micro-purchase threshold)
- \$10,000 - \$74,999 – Three quotes
- \$75,000 and above – public solicitation - sealed
BOG Regulation 18.001 & UF Regulations 6c1-3.020(4)a:
“All contracts for the purchase of commodities or contractual services exceeding \$75,000 shall be awarded pursuant to a competitive solicitation...”

What is in the grant budget at award?

SOLE SOURCE

Sole Source

Sole source: Service is unique and can only be obtained from that supplier
Sole Source Certification Form is on the Procurement Services website

- Vendor Quote
- Reasonable price justification: i.e. historical pricing, cost analysis, or comparable price
- Laymans terms (thorough) explanation: what's unique and how it is relevant to the research

Must be:

- Completed and signed by the Professor/PI
- Publicly posted and open to protest for 72 hours



Uniform Guidance - 2CFR200

- 1) Only available from a single source
- 2) Delay to solicit creates an emergency
- 3) Federal agency expressly authorizes noncompetitive proposals in response to a written request
- 4) Competition is determined inadequate

SERVICE CONTRACTS

Service Contracts/Contractual Services - Contract

- Non-UF employee or Company providing a defined service for fees
- Individuals vs. Company:
Vendor Tax Information Form” (VTIF) required for individuals
(who is not a foreign national providing the service from their home country)
Ensures UF is not paying Vendors as Independent Contractors when the IRS would consider them employees
- PO may serve as the contract, or use the
“Contract for Services” template from Procurement Services website
- Common contract elements:
 - Header (Entity Reference / Recitals)
 - Scope / Statement of Work – *Deliverable*
 - Timeframe for Performance/
Contract Duration - *Dates*
 - Payment Terms - *Rates*
 - General Terms and Conditions
 - Required Signatures



Contractual Services - Contract

- Header (Entity Reference / Recitals)
- Entity Reference
 - “The University of Florida Board of Trustees”
 - Supplier’s legal entity name + Doing Business As (DBA) name
- Recitals
 - Who each entity/party is
 - What is going on
 - Why the contract exists

- Is the language clear?
- Will someone unfamiliar with the transaction understand what the parties have agreed to?
- What is the purpose of the contract?

Contractual Services - Rates

- Rates – What is the rate of payment?

Examples:

Lump sum, hourly, weekly, monthly, per milestone

Clarify the structure, amount of, and any other conditions of payments

- Avoid paying in advance

UF standard is Net 30 after acceptance of deliverables and invoice

UF does not want to pay (in full) when a supplier fails to perform as obligated, but UF must be able to point back to specific elements of the contract to justify non-payment



Contractual Services - Dates



- The contract must have a way to begin and end
What are the beginning & ending dates?
- What are the contract milestone dates?

Contractual Services - Deliverables



- Deliverables – Statement of Work “SOW”
Describes the desired outcomes, expectations, project objectives, specific tasks and purpose of the agreement
Includes as many details as possible
- Is the basis of *performance requirements* and the foundation for conflict resolution in the event of non-compliance or failure to fulfill on agreed-upon timelines for delivery
- Significant milestones are often tied to payment schedule

Deliverables should be included in the SOW and referred to in the timeline.

Complex deliverables can be described in their own section

Contractual Services – after contract execution



Performance Management – 2CFR200 “high degree of oversight”
Department responsibility to manage the contract: supplier & obligations

- Managing Dates and Deliverables
- Monitoring Performance
Metrics to gauge whether or not the supplier is fulfilling its obligations
- Providing pertinent feedback
Meet regularly with suppliers (check-in, phone conferences)
Provide feedback – be honest

If you need help, contact Procurement Services

Other considerations

- Conflict of Interest [UFolio]
- Small Business/HUB Zone
- Gratuities
- Business Associates Agreement
- Automatic escalation clause must be capped/tied to an index (example: PPI or CPI)
- Price Reasonableness

Contractual Services – contract

Things that Procurement reads vendor-provided contracts for:

- Indemnification / Attorney's Fees / Limitation of Liability
- Confidentiality (Public Records)
- Exclusivity – Intellectual Property
- Travel Costs (Fla. Statute 112.061)
- Annual Appropriation
- Privacy (HIPPA / FERPA)
- Legal Process
 - Governing Law (Florida, USA)
 - Venue of Jurisdiction (Alachua County, Florida)
 - Arbitration vs. Mediation vs. Jury Trial (Arbitration)
- UF Identity / reference
- Auto renewals/Termination for Convenience
- Payment Terms
- Sales Tax



Thank you – Questions?