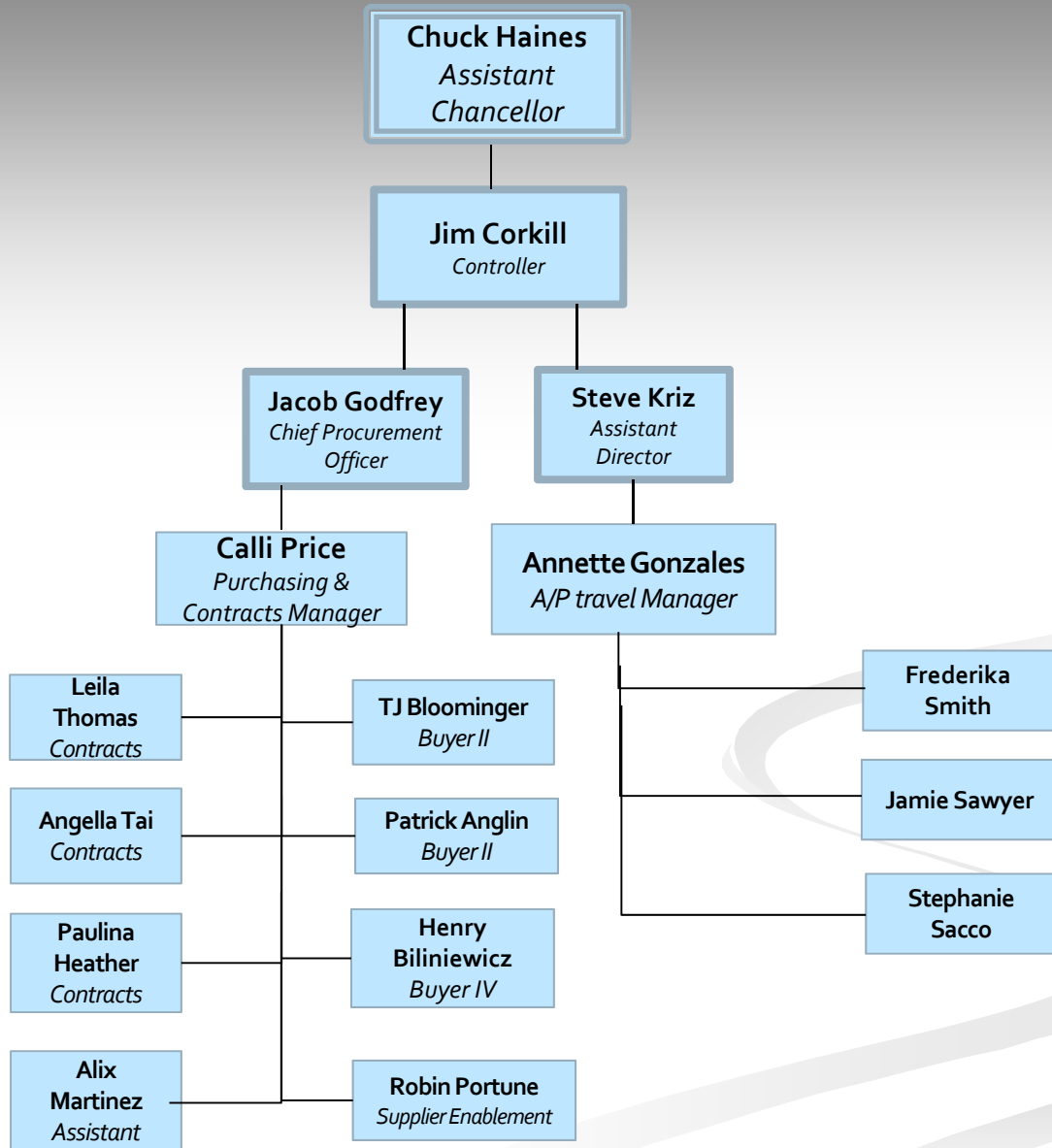




**UCSB Contracts, Purchasing & Disbursements**  
**Business & Financial Services**  
**November 2022**

UNIVERSITY  
OF  
CALIFORNIA



<b>Procurement</b>	<b>Accounts Payable/Disbursements</b>
Goods/Supplies	Honoraria
Inventorial Equipment	Reimbursements
Software/Service Agreements	Travel payments
Equipment loan Agreements	Entertainment payments (incl. meals/catering)
Moving of UC-owned items	Relocations
Hotel/Catering Agreements	
Facilities Use Agreements	
<b>Gateway</b>	<b>Concur</b>

# Honoraria

# Honoraria

What it is	What it isn't
Recognition of a special service or distinguished achievement	Payments to UC employees, regardless of campus location (UCPATH)
Performing in a concert	Performance fees for speakers sponsored by campus Arts and Lectures Programs or a similar campus nonacademic organization
Participation in a seminar or workshop as a guest speaker or panelist, provided such services are furnished on a short-term basis.	Teaching a course, summer session, Extension, or providing an ongoing workshop/series
Speaking engagement	Payments to companies with an invoice
Appraisal of a manuscript for the University Press or an article submitted to a professional publication	

# Honoraria – Processing

1. Miscellaneous Direct Payment Request
2. Send to [Bfs-direct.bill@ucsb.edu](mailto:Bfs-direct.bill@ucsb.edu)
3. Amounts over \$1500 will require Control Point approval
4. Payments are subject to withholding

03/31/2022

Misc Direct Payment Form UNIVERSITY OF CALIFORNIA, SANTA BARBARA  
BUSINESS & FINANCIAL SERVICES

### Direct Payment Request—Misc. (Non-Payroll)

MAKE PAYABLE TO: OUTSIDE VENDOR NAME, etc.		<input type="checkbox"/> CASH ADVANCE		AMOUNT
		<input type="checkbox"/> FX WIRE/DRAFT		
		Vendor No		LESS
				NET
DEPARTMENT NAME	DATE PREPARED	DEPT Ref No		
PREPARED BY	EXT.			

# Honoraria - Policy

University of California – Policy D-371-35



## Disbursements: Honorarium Payments

<b>Responsible Officer:</b>	EVP - Chief Financial Officer
<b>Responsible Office:</b>	FA - Financial Accounting
<b>Issuance Date:</b>	6/24/2020
<b>Effective Date:</b>	6/24/2020
<b>Last Review Date:</b>	September 30, 2009
<b>Scope:</b>	This Policy applies to payments made by the University campuses and the Lawrence Berkeley National Laboratory (LBNL) to both employees and nonemployees.

<i>I. POLICY SUMMARY</i>	_____	1
<i>II. DEFINITIONS</i>	_____	2
<i>III. POLICY TEXT</i>	_____	2
<i>IV. COMPLIANCE / RESPONSIBILITIES</i>	_____	4

<b>Contact:</b>	John Barrett
<b>Title:</b>	Tax Manager
<b>Email:</b>	John.Barrett@ucop.edu
<b>Phone #:</b>	(510) 987-0903

<https://policy.ucop.edu/doc/3410219>

# Hotels



# Hotel Room Blocks or Event Venue

- If your department's event venue requires a signed contract, please submit via Contract Request Form in Gateway.
- Procurement is responsible for negotiating and signing the contracts for legal terms and conditions

# Hotel Room Blocks or Event Venue

- All rates, including room nights and meals must adhere to the standard **UC's Travel and Entertainment Policy 79**: (<https://policy.ucop.edu/doc/3420364>)
- Note - it is your department's responsibility to work with the vendor to ensure the room nights and meals comport with policy; Procurement's involvement will be focused on the legal terms and conditions of the contract.

# Hotel Room Blocks or Event Venue

- Inflation for food has raised 10% since 2020 – double check rates
- For quotes/contracts – please ask the hotel to break out room rental and Audio Visual fee from per person meal rate
- plan ahead and review policy
- Questions? Please reach out to the T&E team at <https://ucsb.service-now.com/payment>

# Moving vs. Relocations

# Relocations

- Personal moving expenses for faculty/staff hires
- Processed on Removal Voucher to [Bfs-direct.bill@ucsb.edu](mailto:Bfs-direct.bill@ucsb.edu)
- Advances, Reimbursement or Direct Bill allowed
- **Cannot be processed in Gateway, nor can UC sign a contract; UC does not insure personal items**

# Moving

- UC owned items – office or lab items moved across campus, to storage, or to another UC
- Processed through Gateway
- UCSB contracts with:
  - Movegreen
  - Boyd
  - REM
  - King
  - Crown
  - Suddath
  - NCS

# Contracts & Purchase Orders

# What is a Contract?





## UCSB Departments

- **Business & Financial Services**
- **Sponsored Projects**
- **Technology & Industry Alliances**
- **Design & Construction**
- **Executive Vice Chancellor**

# Who Can Sign/Approve a Contract or Quote/Proposal?

- A contract signed by anyone without delegation of authority is void, but the signatory might also be **personally liable for the contract obligations.**

Contracts include:

Performances, hotel room blocks, catering, facility rentals, software, quotes, online agreements, etc.

# Delegation

- The Board of Regents delegates to each Chancellor the authority to execute business contracts, who then provides delegation to:

Jim Corkill

Calli Price

Paulina Heather

TJ Bloominger

Jacob Godfrey

Henry Biliniewicz

Leila Thomas

Patrick Anglin

# Purchase Orders

## OFFER & ACCEPTANCE

- Our Purchase Order is a contract:
  - A vendor's quote is an offer
  - Our purchase order is an acceptance
  - Together, these create a Contract
- If your vendor is asking for a signature, please ask them to accept a Purchase Order instead. **It will be faster!**

# Purchase Order

vs.

# Contract

## Purchase Order

- Goods
- Routine Services, such as copier service, water delivery, temp agencies

## Contract

- Facilities Use Permit
- Hotel, Restaurant Group Reservation
- Equipment Loan Agreements
- Confidentiality Agreement
- Property/Lease Agreements

# Purchase Order

vs.

# Contract

## Purchase Order

- Goods
- Routine Services, such as copier service, water delivery, temp agencies

## Contract

- Facilities Use Permit
- Hotel, Restaurant Group Reservation
- Equipment Loan Agreements
- Confidentiality Agreement
- Property/Lease Agreements
- Any vendor agreement **REQUIRING** a signature

# How to enter in Gateway?

## Purchase Order

- Hosted Catalog/Punchout (Dell, Fisher Scientific, CDWG, Office Depot, Amazon)
- Noncatalog Requisition
- Vendor Blanket
- Low risk performances or speakers

Use the Flexcard!

## Contract

- **Contract Request Form**
  - Attach your vendor-provided contract
  - If you want Procurement to write a contract, attach a completed UCSB Form I

# What takes so long?

We have a checklist that includes **over 130 items to consider, and over 50 PO clauses** we hand select for each requisition. Examples include:

Can the vendor accept a PO instead of requiring a signature?	Is it a professional service or consultant? Is it a follow-on agreement?
Will the supplier come onsite?	Do we need to go out for formal bid?
Do we need to collect insurance?	Is it subject to Prevailing wage or Fair Wage?
Are the items restricted?	Will the services include protected/confidential info?
Is the order shipping internationally?	Is the sole source and/or price reasonableness justification valid and legal?
Can we use a UCOP supplier?	Is there an approved Rate & Recharge package?
Is this subject to export control?	Does the quote have terms and conditions?
Are we the correct department?	Will the UC name or logo be used?



# FAQ

- What is a Confirming Order?

This form in Gateway is used when an end user authorizes a transaction with a supplier before a purchase order is approved in Gateway.

The PO is not sent to the vendor, and because this type of transaction violates UC policy, a justification must be included explaining what happened, and how this violation can be prevented in the future.

Alternatively, the Flexcard can be used for this payment.

# FAQ

- When would I use a Walk-In Form?

A handful of local suppliers have agreed to accept a PO in person. Your department would issue a PO using this form, and print out the PO before driving to and walking into the store.

Then, the vendor will give you an invoice or receipt, and your department would submit that into Gateway with the PO # for payment.

# Walk-In Suppliers

Associated Students

SB Printer.com

Costco

Aqua-Flo

Channel City Lumber

Graybar

Crop Production Services

Hayward Lumber

Goleta Building Materials

All Around Landscape

Johnstone Supply

A-OK Power Equipment

Gonzo's Small Engine Repair

West Marine Pro

Miner's Ace & Hardware

Specialty Tool & Bolt

Village Pool Supply

# **Contracting Out & Independent Contractors**

AB5	Contracting Out for Covered Services
California Labor Law	
Applies to services conducted in California, regardless of location	
Individuals and Sole Proprietors only; does <b>not</b> apply to companies with employees	
UCSB Department: Employment & Talent	
<p>Examples:</p> <ul style="list-style-type: none"> <li>photographers, videographers</li> <li>performing artists</li> <li>grant writers</li> <li>freelance writers</li> <li>doctors</li> </ul>	

AB5	Contracting Out for Covered Services
	UC Policy & AFSCME Union Labor Contract
	Work that should be done by UC employees, or has been done by UC employees at any other UC campus
	Companies or Individuals
	UCSB Department: Labor Relations
	<p><b>Examples:</b>  cleaning, custodial, janitorial, or housekeeping services  food services  laundry services  grounds keeping  building maintenance (excluding skilled crafts)  transportation and parking services  security services (guards, not alarm)  billing and coding services  sterile processing  hospital or nursing assistant services  medical imaging or other medical technician services</p>

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UCSB Department: Employment & Talent	UCSB Department: Labor Relations
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Submit for review PRIOR to entering in Gateway:

<https://ucsb.service-now.com/contractingout>

# FAQ

- Is the independent contractor process needed if they are remote?

No. If the services are provided on a one-time basis, or very sporadic nature, AB5 is not needed. Regular, ongoing services should be reviewed to ensure we are not violating the spirit of the labor law.



# FAQ

- For Covered Services, what about paying for a food truck?

Because the rental or hiring of a food truck is considered a “food service” under the AFSCME contract, the UC cannot **pay for or host** a food truck without a valid exception from Labor Relations.

Same rule applies with full service catering on UC property.

<https://ucsb.service-now.com/contractingout>

# Conflict of Interest

# Newspaper Test



- We must keep separate an employee's University and private interests, and to safeguard the University of California and its employees from charges of favoritism in the acquisition of goods and services.

# Government Code, Section 87100

When you have a conflict of interest, you cannot:

- Make the decision
- Participate in the decision
  - including meetings, discussions
  - influencing the making of the decision
  - lobby, or talk to other UC employees about the decision

**This is also known as the  
California Political Reform Act – **or** –  
The Disqualification Rule**

# Government Code, Section 87103, 87404

A conflict exists **if the UC decision** affects:

- Personal Finances – of you, your spouse, or immediate family
- Sources of Income to you – including any gifts
- Businesses in which you hold an investment
- Businesses in which you serve as a Director, Partner, Trustee or Employee, or any other Management position
- Real Property that you own or have an interest
- Prospective employers

# Current Employees

## Law:

- No employee of the UC can engage in any activity in which the employee **will receive additional compensation from the UC**
- No employee of the UC shall contract on his or her own behalf as a Vendor with any UC **to provide goods/services**

## Policy:

- No purchase/lease of goods or services to any UC location
- Faculty and Researchers:
  - Procurement determines the goods/services are not available elsewhere
- Policy does not apply to Students on Work Study

# Former Employees

## Law:

- Cannot provide goods/services to the UC for which the employee was engaged in any of the negotiations, decision-making, or planning of the transaction **while** they were a UC employee.
- Cannot provide goods/services to the UC during the 12 months after leaving the UC if the employee was employed in that department in a **polycymaking position**.

## Policy:

- 2 years from separation must pass before they are eligible as a vendor *\*if\** that former employee had not been engaged in any decision making of the transaction *\*while\** still employed by the UC
- 1 year from separation must pass before they are eligible as a vendor if they held a policy-making position in the same general subject as the transaction

# Near Relatives

## Policy:

- Spouse or domestic partner
- Child, Parent, Sibling
- In-Laws and Step relatives in the same relationship

No purchase/lease of goods or services to any UC location, unless **ALL** of the following conditions are met:

- Goods and services are not available within the University's own facilities; and
- The UC employee has no decision-making responsibilities, or influence over the transaction; and
- The UC employee does not have a personal financial interest in the transaction, or does not own more than a 10% interest in the business



# BUS-43, Materiel Management

## In all cases:

No University time, material, equipment, or facilities can be used in connection with the transaction.

# FAQ

- What is the best way to determine if there is a possible conflict of interest with an individual?

Ask them. Or, let the Gateway vendor team ask with their regular onboarding process.

- Does setting up a new vendor clear the question about conflict of interest?

Yes!

# **Small Business First**

# FAQ

- **Elaborate on Small Business First - how does this work?**

UC contracts and purchase orders between \$10,000 and \$250,000 must be awarded to a certified Small Business or Disabled Veteran Business Enterprise unless otherwise exempt.

# FAQ

- **How do we know if current vendors in Gateway are in compliance with this new policy?**

Small businesses and certifications can be found on Supplier.iO (<https://explorer.supplier.io/Company/search>).

# FAQ

- **Is this something that needs to be done every time?**

Yes, all transactions, including change orders and VB revisions, between \$10,000 and \$250,000 are subject to this policy. Federal funds and the use of Strategically Sourced vendors are exempt.

# Waiver

- What are we supposed to be doing with established vendors and now being told we need to start looking for other companies that may or may not offer the same services?

If a specific vendor is required, and not certified, you may fill out and attach an SB First waiver to the requisition.

# Waiver

- Which forms do you need from us - we have seen two versions of the exception form?

The simplified, one page document that can be found on the UCSB BFS website and Gateway is preferred.

SB First Waiver:

<https://drive.google.com/file/d/10Xy4iSYGoqtHpWoEt7LIFtKYRDjn6Vdm/view>





- Accounting Helpdesk

<https://ucsb.service-now.com/payment>

- Procurement Helpdesk

<https://ucsb.service-now.com/procurement>

Email: [contracts@bfs.ucsb.edu](mailto:contracts@bfs.ucsb.edu)

THANK YOU

