

WELCOME

CSUMB Finance

Business Operations Forum

November 9, 2016

Contracts and Vendor Data Records



AGENDA

- Introductions and Sponsors
- Contracts, MOUs, Service Agreements
- Contract Elements
- Common Pitfalls to Avoid
- Vendor Data Records
 - Domestic
 - International
 - Preliminary Assessment
- Q and hopefully, A; *No Guarantees*



Introductions and Sponsors

- Finance, of Finance and Administration
 - John Fitzgibbon, Associate Vice President, Finance
- Business and Support Services, BSS
 - Art Evjen, Director
 - Reyola Carlisle, Sr. Contracts Analyst, Purchasing
 - Michael Phillips, Contracts Analyst, BSS
 - Eva Salas, Buyer III, Purchasing
 - Richard Arredondo, Property Clerk, Property
 - Miguel Silva, Office Coordinator, Procurement Asst., Property Asst., etc...



Upcoming Business Operations Forums

- Dec 14th – TMA / Facilities Services & Ops.
- Jan 18th – Travel Workshop (“Travel 101+”)
- Feb 15th – Information Security
- Mar 15th – Year End Workshop
- Apr 12th – University Corporation
- May 10th – TBD (*but, You could help determine*)



Jan 18th – Travel Workshop (“Travel 101+”)

- We will discuss items that have been recurring issues for travelers in booking travel and processing travel expense claims. We will also clarify the hospitality policy.
- Please send in your questions regarding travel to accounts_payable@csumb.edu by December 9, 2016 so that we can talk about this on the January 18, 2017 BOF.



BOF SURVEYS

- Email from ASM (Administration Systems Mgmt.)
- Soon after the BOF
- Fairly short due date
- Valued input from each of you:
 - Content
 - Delivery
- Requests for Future Topics



BOF PRESENTATIONS

Business Operations Forum Presentations are saved on Google Drive and available on the

“[About the Forums](#)” section of the [Business Operations Forums](#) web page found under “Finance Training” on the Finance home page.

<https://csumb.edu/finance/business-operations-forums-0>

They are sorted by “[subject](#)” and by “[year](#)”.

Today’s presentation will be included as soon as any changes suggested by you, are considered.



CONTRACTS



CONTRACTS

- Contracts, MOUs, MOAs, Service Agreements
- “Same Thing”
- True MOUs and MOAs can be Softer
- Critical Elements
 - See Templates and General Provisions

CONTRACT ELEMENTS

- Parties Identified
- Official Address
- Non-Resident Alien Question
- Duration
- Scope of Work
- Rights in Work Product
- Vendor Data Record Required
- Tax Withholding

CONTRACT ELEMENTS

- Points of Contact
- Termination for Convenience
- General Provisions Invoked (*Most current!*)
- Insurance Requirements
 - Endorsement and Certificate of Insurance
 - Request to Modify or Waive
- Indemnification
- Signatures



CONTRACT ELEMENTS

Link to Templates:

<https://csumb.edu/finance/procurement#forms>



GENERAL PROVISIONS

- General Provisions (all updated 2014)
 - Services
 - Goods / Commodities
 - Information Technology
 - Always Consider Sec. 508, Accessibility
 - Public Works / Facilities Maintenance



GENERAL PROVISIONS

About Sec. 508, Accessibility

- VPAT – Voluntary Product Accessibility Template
- VPAT Guide and Template
- Vendor Information on Sec 508 Compliance
- VPAT Content Guidelines
- <https://csumb.edu/finance/procurement>



GENERAL PROVISIONS

- Link to General Provisions

<http://www.calstate.edu/CSP/crl/GP/GP.shtml>

- **NEW:** Sensitive Data (Information Assets)

- Special Supplemental Provisions

- <https://csumb.edu/finance/procurement#general-provisions-university>



CONTRACT APPROVAL FLOW

- CSUMB template document (minor changes):
 - Vendor signature first, then route internal
 - May need Dept. Head, Chair, Dean, AVP, VP
 - Must have University Agent signature
- Vendor's Contract Form/Language:
 - Vendor usually signs last
 - Must be reviewed and ok'd for signature flow
 - May require negotiations/modifications
 - Must have University Agent signature



UNIVERSITY AGENTS

CSUMB University Agents:

- President
- Vice President, Administration & Finance
- Associate Vice President, Finance
- Director, Business & Support Services
- Procurement Buyer/Contract Coordinator
for Purchase Orders



DOCUMENT FLOW PROCESS

- Fully executed document (All parties signed)
- Scanned and pdf sent to CSUMB parties
- Primary Contact sends pdf to Contactor
- Primary Contact Notifies Contractor to Proceed



CONTRACTS - TIMING

Payments

- General Provisions 45 days
- Accounts Payable does 30 days
- Any special payment arrangements must be specified in contract
- Allow sufficient time for processing



PITFALLS



PITFALLS TO AVOID

- Timing (Late Agreements, ***After*** the event!)
- Not using current templates
- Missing/Unclear content or Scope of Work
- Bad/Missing termination provision (*not Breach*)
- No limits on lodging/airfare/transport./food
- Binding arbitration
- Misalignment of Identities – Payable Name
 - VDR, Contract, Invoice; Vendor, dba



CONTRACTS - TIMING

PRIOR TO!

See GP #1



CONTRACTS - TIMING

1. Commencement of Work

Contractor shall not commence work under the Contract until Contractor has received a fully executed Contract and been given written approval to proceed. Any work performed by Contractor prior to the date of approval shall be considered as having been performed at **Contractor's** own risk and as a volunteer.



MORE PITFALLS TO AVOID

- Insurance requirements deleted
- Not removing [Placeholders]
- Projected expenses don't include items claimed
- PO referenced in contract, but not created
- Rate sheet mentioned, but not attached
- Missing contact information (email, phone #)
- Missing legal address of contractor
- One-time template vs. Umbrella template



TEMPLATES

<https://csumb.edu/finance/procurement#forms>

- Service Agreements (6-25-2015)
- Umbrella Service Agreements (6-25-2015)
- Guest Speaker / Guest Artist (6-25-2015)
- Umbrella Guest Speaker (6-25-2015)
- Information Technology (9-29-2016)
- Umbrella Info Technology (10-25-2016)
- UAAPS – University Agency Agreement for Placement of Students (4-21-16)



TEMPLATES

Link to Contract Templates and VDRs, and More!

<https://csumb.edu/finance/procurement>



TEMPLATES

- Word Docs
- Start with Most Current Template
- Add More, But Watch for Contradictions
- Insurance Requirements (*Can't Touch This!*)
- Discuss with Contracts Staff Before any Provision Removals
- Rejecting Older Templates (*Stale Provisions*)
- *New Imbedded Macro to Prompt Update!*



INSURANCE REQUIREMENTS

- Fully referenced in General Provisions
- Endorsement links insurance to contract
- Certificate required, but not enough!
- Insurance = financial backing to indemnification
- May request modification or waiver. **START SOON!**
 - Request for Insurance Waiver or Modification
 - <https://csumb.edu/finance/procurement#forms>
 - Depends on criteria and risk assessment
 - May be denied or rejected.



VENDOR DATA RECORDS



VENDOR DATA RECORDS

- Revised 8-2015 (Get it from the website)
<https://csumb.edu/finance/procurement#forms>
- Must use the CSUMB form (No substitutes!)
- Fillable pdf
- Critical Elements
- Toss the old version on your desktop!
- Rejecting all old versions, effective Jan 1, 2016!
 - Email sent with new revision



VENDOR DATA RECORDS

- Can be submitted anytime prior to start
- Send the VDR Packet (valuable instructions)
- International Vendor – Use International VDR
- Legal Name vs. Payable Name
- Vendor Info Sheet is Optional, but preferred
- Any Small Business or DVBE (Disabled Veterans Business Enterprise) must be certified through DGS for any special considerations.



VENDOR DATA RECORDS

The vendor may already be active within CSUMB

No need to resubmit form, unless changes are needed

How to check if vendor already exists in our CSUMB vendor database:

- CFS Purchasing – Supplier Look Up
- CFS Purchasing – Purchase Req. Search for Vendor

- Contact Miguel Silva, x5058 or msilva@csumb.edu



VENDOR DATA RECORDS

Link to Contract Templates and VDRs, and More!

<https://csumb.edu/finance/procurement>



INTERNATIONAL PROCESS

International Vendors

Considering doing business with someone from another country?

Stop Sign



You must first contact Art Evjen, Director of Business & Support Services for important regulations that **MUST** be satisfied **PRIOR** to making a commitment for goods and/or services from another country.

There are several critical criteria that must be researched and considered, including visa status, treaties, and withholding regulations. Information will be requested from the foreign entity to render a determination as to whether we can proceed and the optimal process under which to proceed.

Art Evjen can be reached at x3394 or at aevjen@csumb.edu

INTERNATIONAL PROCESS

- PRIOR to any Commitment/Agreement
- Preliminary Assessment - Form
- International VDR
- Services provided in the US require add'l forms
- Timing, Add 2 more weeks
- Payment Terms
 - American \$
 - Wires are more difficult and more expensive



INTERNATIONAL PROCESS

- Do Not make any Commitment prior to:
 - An Approved Preliminary Assessment
 - A Completed VDR is Successfully Accepted
 - A Fully Executed Agreement



INTERNATIONAL VDRs

- Revised 08-2015
- Different from Standard VDR
- New Standard VDR Prevents International Use
- New Int'l VDR Captures Data for Compliance
 - Need Box 5, Foreign Taxpayer ID or Birthdate
 - Need Box 6, a person at CSUMB for any additional information; Not the Vendor



INTERNATIONAL VDRs

Link to Contract Templates and VDRs, and More!

<https://csumb.edu/finance/procurement>

<https://csumb.edu/sites/default/files/images/st-block-118-1474663589713-raw-intnlpayeedatarecord09.23.16fillable.pdf>



INDEPENDENT CONTRACTOR VS. EMPLOYEE

- Multiple Criteria
- IRS Penalties Possible
- 20 – 24 Factor Assessment (IRS, EDD)
 - Look for Link on Procurement Website
 - Ask UP or Contracts



INDEPENDENT CONTRACTOR VS. EMPLOYEE

- “Special Consultant” is a CSU Employee
 - Look to HR Forms for Non-Recruited Staffing Forms
- CSU Staff Can NOT be hired as Independent Contractors
- *Exception:* CSU Faculty and Coaches can be hired as Independent Contractors (HR2003-21)
 - Needs a formal Service Agreement



QUESTIONS???



THANK YOU!!!

