

CONTRACTS FOR PROFESSIONAL SERVICES (CFPS) REFERENCE SHEET

Form Purpose:

The Contract For Professional Services (CFPS) form documents contractual relationships with an individual, partnership or corporation to provide a professional service.

Professional Services are defined as customized services consisting of specialized or creative expertise based on personal skills or ideas of an individual(s) that are provided for a fee, which may be determined individually with each customer for each service contract.

Examples: artistic design, editorial services, executive search services, audit services, consulting services.

(Standard Services are services that are routinely provided to a large number of customers usually at published rates without significant customizing.

- Examples are dry cleaning, extermination services, equipment maintenance, laboratory testing services, lawn care, courier services.
- Use an RX or POT for standard services.)

Since this form is to document a contractual agreement, the Contract for Professional Service form must be completed and approved before the work may begin. Other forms may be required.

Contract Administrators, as well as contractors must be familiar with the terms and conditions on the reverse of the CFPS form. Alterations to any terms **MUST** be reviewed by Purchasing Services or the Office of the General Counsel.

<u>FORM FIELDS</u>	<u>FIELD DEFINITIONS</u>
Contract Number	The Contract Number is a document number preprinted on the CFPS form. A blank is provided to include the department's area number.
Section A: Tax Information	<ol style="list-style-type: none"> 1. Individual or Sole Proprietor: If either box is checked, also include their Social Security Number. For Individual Contractors, also complete Section C3 - Qualifications. 2. Partnership: For partnerships, also include their Federal ID number. 3. Corporation: For corporations, also include their Federal ID number.

Section B:
Accounting
Information

1. Encumber Yes/No

Check "yes" to encumber funds in CUFS. If "no" is checked, funds will not be encumbered. If neither is checked, funds will not be encumbered.

2. ILOC Code

This is required if the CFPS is encumbered.

The ILOC code identifies a set of shipping and billing addresses maintained in CUFS.

To view existing ILOC Codes in CUFS, use the ILOC table and scan for a specific area number.

To add a new ILOC code or update an existing ILOC code, call (612) 624-2828 or view the ILOC instructions and print the ILOC form in our Web site for Forms.

3. Vendor Number

If funds are encumbered, vendor number is required. CUFS VENA and VEN1 tables display existing vendor numbers. Call Vendor Maintenance (612) 624-9889 if a vendor number is not listed.

4. Sponsored/Non-Sponsored

Check one box to identify if the funds for the CFPS expenses are from Sponsored (grant) or Non-Sponsored type funds.

5. Account Number

The **Fund code** indicates individual or cumulative sources of funds as well as the campus location controlling them. Some funds may be restricted; they can be identified by a specific numbering sequence. If the donor places restrictions on how the funds are to be used, the funds are *restricted* to that use. Fund codes are four characters long.

Fund codes answer the question, "Who are the funds coming from?"

The Fund code is the first part of both an account number and an account string. The most current list of funds is available online, in CUFS, on the FUND table.

AREA - The Area number identifies a department or unit within a college or school. It is defined as the highest level of fiscal responsibility below or including the dean or equivalent (or anyone with fiscal authority above that level directly responsible for resource management, e.g. Provosts, Chancellors, Vice

Presidents, etc. who will have an Area code to identify their offices).

Area codes are 3 characters long and are required on most CUFS documents.

Area numbers answer the question, "Who is responsible for these resources?"

Org - The Organization number identifies a specific project or program within an Area. Each program has the authority to use money for an approved purpose and requires a budget.

For example, an Area may set up an Organization (Org) to track revenues and costs associated with its newsletter.

The Organization code is four characters long and is required on most CUFS documents.

Sub Org - The Sub Organization number is used by Area Managers for more detailed tracking of revenues and expenses than the Organization code alone provides.

This code may be optionally used. Budgeting cannot be done at the sub org level.

Object - The Object code identifies a type of expenditure.

For example, expenses for travel and operating supplies expenses are identified separately by different object codes.

Object codes answer the question, "What did we pay for?" For example, did we pay for a consultant or a computer?

Object codes are four characters long and are required on most CUFS documents.

7200 and 7201 are the only object codes that apply to Professional Services.

Sub Obj - The Sub Object code further defines the type of expenditure within the Object Code.

This code is two characters long and is usually required for CUFS documents.

Amount - This is the amount of funds identified for each account listed. If there is only one account, it also represents the total dollar amount agreed to with the vendor.

Dept.
Contact/Phone

The Department Contact/Phone identifies the department representative to contact if there are questions regarding the Contract for Professional Services form.

Section C: Contract Information	<p>University Department - This identifies the department entering into the contract with the referenced individual or corporation.</p> <p>University Address - This identifies the address for the University department entering into this contract.</p> <p>Name - This identifies the name of the individual or corporation entering into this contract with the University.</p>
1. a - Name	The Name here, identifies the name or corporation entering into this contract with the University.
1. b - Phone	The Phone number is for the individual or corporation.
1. c - Street Address 1. d - City, State, Zip	These address lines identify the location of the individual or corporation entering into this contract.
2. a - If Foreign National, Country	The Country identifies foreign nationals and their country of origin.
2. b - Visa Type	The Visa type describes what authorizations have been permitted to a foreigner in the U.S.
3. Individual Contractor's	This section identifies the qualifications of an individual. This section is required when box number 1 is checked in Section A.
4a. Description of Contract Check One Box	<p>This contract is for services as requested by the University from ____ (date) to ____ (date) at the following rates: _____. Contract total is an estimate of use. Only services actually provided will be invoiced.</p> <p>This is a firm price contract for a specific well defined project. The Contractor agrees to provide the University with specific deliverables or outcomes for a mutually agreed-upon total price.</p> <p>Other: Please describe:</p>
4b. Contractor's Duties	<p>The contractor's duties are a critical portion of the contract. This area should document all of the agreed upon work. Expectations not included are not contractual. Attach information as necessary.</p> <p>This should include a description of:</p> <ul style="list-style-type: none"> what milestones are expected in the project what deliverables are expected from the contractor what reports are to be submitted <p>What specific work is to be done, for example, meetings to attend, analysis to be documented, or interviews to be completed.</p> <p>A copy of contractor's proposal, if any, should be attached.</p> <p>This section should also include a basis for the cost estimated. For example, if a contractor is charging \$25/hour to interview 40 local research participants, on a short survey. The \$25/hour and 40 participants may be used as the basis for the cost estimate.</p>

4c. For Contracts \$25,000 and Over	<p>These instructions must be followed on all contracts totaling \$25,000 or more. Contracts received without this information will be returned.</p> <p>If competitive proposal was conducted, attach contractor's response and your evaluation criteria. In the absence of a proposal process, attach your basis for contractor selection, and how you know this price is reasonable.</p>
5. Consideration	<p>A. Fee This identifies the contractor's charge for the duties agreed to on this contract. If contract exceeds \$25,000, a basis for contractor selection and documentation proving reasonable cost must be included. If contract exceeds \$250,000, Regents approval must be obtained.</p> <p>B. Expenses This identifies if the University has agreed to reimburse the contractor for expenses incurred in carrying out this contract. Typically, contractors should include expenses in their fees.</p> <p>C. Total This identifies the total dollar amount agreed to by the requesting department and the contractor. This amount must match the total amount listed with the account information in Section B #5.</p> <p>D. Terms of Payment The Terms of Payment identifies the payment arrangements as agreed between the University department. For example, the University may be obligated to pay the contractor's invoices within 10 days of receipt of invoice. Typically, the University pays within 30 days. To meet the payment term obligation as agreed to in the contract, it is important for departments to review and process their invoices as soon as possible.</p>
6. Dates	<p>The Dates identify the starting date and completion date.</p>

7. - 9. Signatures	<p>Section 7b/7c This is the signature of the contractor and the date signed. This signature is required. Forms received without a contractor's signature will be returned.</p> <p>Section 8a This is the contract administrator's or department head signature and the date signed.</p> <p>Section 8b This is the dean, equivalent administrative officer or assistant or associate VP and the date signed. If under \$2,001, the dean or equivalent officer head is approving the contract. If \$2,001 and over, the dean is recommending to Purchasing that the contract be approved for the Regents. 8b must be signed or the form will be returned.</p> <p>Section 9a This is Sponsored Projects Administration's (SPA) approval on contracts with sponsored funds and the date signed.</p> <p>Section 9b This is signed by the Director of Purchasing Services for the Board of Regents for contracts exceeding \$2,000. Contract is effective when the contract has all appropriate approvals or a later agreed upon date. Work may begin any time following approval.</p>
-----------------------	---

Routing/Comments	<p>Routing:</p> <p>Route all 3 copies of CFPS forms to Payroll for review. Payroll reviews for the possibility of an employee/employer relationship and whether it would be more appropriate to hire the individual through Payroll rather than use the CFPS. If Payroll agrees the CFPS is appropriate, non-sponsored CFPS are forwarded to Purchasing Services for approval. CFPS on sponsored funds are forwarded to SPA for review and then forwarded to Purchasing.</p> <p>Once the CFPS is reviewed and approved by Purchasing staff, the copies are distributed. Purchasing forwards the canary copy and the pink copy to the department and retains the white copy in a CFPS file. Department forwards contractor's copy.</p> <p>Form Letters:</p> <p>If information is missing, Purchasing will return the CFPS to the department with a letter stating what information is to be provided.</p> <p>Amendments:</p> <p>Occasionally, department may find it necessary to make a change to an existing Contract for Professional Services (CFPS).</p> <p>Any changes in a CFPS that require documentation should be done on a "Contract for Professional Services Amendment" form. Departments should be aware that completing a new CFPS rather than amending a standing contract is incorrect, and that this practice was a significant finding in the 1998 Internal Audit.</p> <p>Invoice Payments:</p> <p>When the contractor submits an invoice for partial or final payment, the department reviews the invoice for appropriate charges. If the invoice is accurate, the department applies a green label to the invoice and forwards the invoice to Disbursement Services with a copy of the signed contract.</p> <p>If the original CFPS was encumbered in CUFS, the department needs to also check the encumbered box on the green label.</p>
------------------	---