DCA Virtual Workshop
AGENDA
January 26, 2023

• Welcome and Introduction of the CnP team – Casilda (Casi) Clarich
• Workshop Objectives - Susanna Olivarez
• Module 1 – Understanding the Basic Procurement Cycle, Vanessa Aguilar
• Module 2 – DCA roles and responsibilities - Susanna Olivarez and Erica Haynes
• Module 3 – CCARS refresher and Peoplesoft - Ben Kalenak and Taylor Naiser
• Q & A
THE TEAM

Casilda (Casi) Clarich, Director

Susanna Olivarez, Associate Director

Ben Kalenak, Assistant Director

Erica Haynes, Contract Administrator II

Vanessa Aguilar, Contract Administrator II

Stephen Mikolaitis, Contract Administrator

Taylor Naiser, Purchasing Coordinator

Patrick Condra, Purchasing Coordinator
DCA Workshop Objectives
The Five W’s

• What we are trying to accomplish
• Who this is intended for
• Why the need for a workshop
• When will this be offered again
• Where will the resources be located

Type questions on the chat and we will answer throughout if we haven't answered it already.
Taylor will monitor chat and ask the question when appropriate.
This presentation will be recorded for future views as needed.
Module 1: Procurement Cycle

A General Overview

Vanessa Aguilar
The Procurement Cycle - General Overview

1. Procurement Planning
2. Method Determination
3. Vendor Selection
4. Contract Award
5. Contract Management
Step 1: Procurement Planning

• Goal: To define your business need and establish the procurement objectives.

• Procurement planning entails:
  – Market research
  – Historical spending analysis
  – Benchmarking
  – Informal budgetary quotes

• Informs the second step in the cycle
Step 2: Procurement Method Determination

• Goal: *To determine which procurement method would best achieve the identified business requirements and procurement objectives.*

• Texas law mandates that contract awards may only be made to vendors that provide the Best Value.

• Procurement method options consider these factors:
  – Value, Exclusivity (i.e., competition), and Complexity.
Procurement Methods: At-a-Glance

- Direct Purchase
- Informal Bid
- Formal Solicitation (ITB, RFI, RFQ, RFP)
- Existing Contract
- Exclusive Acquisition Justification (EAJ)

<table>
<thead>
<tr>
<th>Dollar Range</th>
<th>Solicitation Process</th>
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<tr>
<td>$0</td>
<td>$14,999.99</td>
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<tr>
<td></td>
<td>Competitive quotations are encouraged, but not required. Departments can solicit quotations from suppliers</td>
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<td>$15,000</td>
<td>$50,000</td>
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<td></td>
<td>A minimum of three (3) quotations are required. Quotations must be received in writing (mail, email, fax). A good-faith effort must be made to include at least one (1) quote each from a minority-owned or woman-owned business. Departments can solicit quotations in most situations (some exceptions exist for State contracts and Group Purchasing Organization contracts). An Exclusive Acquisition Justification (EAJ) may be used in situations where the good or service may be proprietary or only one (1) supplier is capable of meeting the requirement.</td>
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<tr>
<td>$50,001</td>
<td>+</td>
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<td>Consult with Office of Contracts and Procurement to determine the most appropriate procurement method. A formal solicitation process may be required. Other procurement methods include the use of existing State contracts, Group Purchasing contracts or local contract. An Exclusive Acquisition Justification may be used in situations where the good or service may be proprietary or only one supplier is capable of meeting the requirement.</td>
</tr>
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Step 3: Vendor Selection

• Goal: *Fairly and objectively select the vendor that provides the Best Value.*

• Dependent on procurement method:
  – Bid Tabulation Process used for Informal bids and ITBs
  – Evaluation of Responses used for Formal Solicitations and requires an evaluation committee
  – Obtaining quotes (as applicable) if procuring service via a certified Group Purchasing Organization (GPO)
Step 4: Contract Formation and Award

• Goal: Ensure that the awarded contract complies with applicable procurement law and contains the appropriate provisions.

• Process:
  – Determine contract form (PO or Services Agreement)
  – Engage in negotiations
  – Finalize the terms and conditions
  – Perform compliance verifications (e.g., vendor checks, TX-RAMP certification, HSP, ISO, Privacy, Insurance, etc.)
  – Execution/PO Acceptance
Step 5: Contract Management

• Goal: Administer and enforce the terms of the contract.
• Prevents/minimizes the potential for claims or disputes
• Effective contract management includes:
  – Monitoring of contractor progress/performance
  – Documenting contract changes (i.e., contract modifications/amendments, renewals, etc.)
  – Verifying accuracy of invoices
  – Tracking contract spend
  – Contract closeout
Module 2 – DCA Roles and Responsibilities

Susanna Olivarez and Erica Haynes
Contract and Procurement Support

• CnP is guided by the State of Texas – Procurement and Contract Management Guide

• The Contracts and Procurement Team supports over 30 departments at The University of Texas System

• Each department should have an individual(s) that is responsible for specific duties related to their contracts
In some departments, these duties are overlapping

CnP works with the individual who submitted the request
Stakeholders in the CnP Process

Vendor(s)
Legislative TX-RAMP, LBB
Office of General Counsel

Department
Office of Risk/Mngt

System Info Services
ISO, Privacy

Group Purchasing Organizations
BOR

HUB
<table>
<thead>
<tr>
<th>Did you Know.....# of Days/Weeks</th>
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<tbody>
<tr>
<td>Average # of new weekly requests</td>
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<tr>
<td>Average Weekly Total # of Requests Being Worked On</td>
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<td>Average time for an RFP</td>
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<td>Week 1 # of weeks work</td>
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<td>Current Active RFPs</td>
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<tr>
<td># of Requests completed since 9/1</td>
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<tr>
<td>Avg. # of stakeholders in the CnP process</td>
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<tr>
<td>Current # of weeks work</td>
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</tbody>
</table>
Departmental Duties

**Solicitation/Procurement**
- Provide a list of solicitations needed for the year in September.
- Engage CnP 4-6 months prior to it needing to be posted.
- CnP facilitates the RFP/solicitation and the department provides a lead, evaluators, SME, and information needed for the solicitation.

**New or Modified Contracts**
- Engage with CnP via CCARS as soon as you start working on the request (Draft Status).
- If you need to consult prior to making a request, send us an email.

**Contract Management**
- Starts as soon as contract is signed until end of contract.
- Ongoing management of the vendor/contract.
The Departmental Contract Administrator Role

• A full list of the DCA’s responsibilities can be found at:
  • [CNP Contracting Procedures Sec. 3.7 – Departmental Contract Administrator Responsibilities](#)
  • Excerpt from the list

  • A role assigned to an individual in a UT System Administration Department who has responsibilities for managing aspects of a specific contract or portfolio of contracts
  • Serving as the University’s official point of contact for the contractor upon execution of the contract
  • Monitoring budgeting and accounting processes to assure sufficient funds are available to pay contractor, including verifying accuracy of invoices and authorizing payments consistent with contract terms
The Departmental Contract Administrator Role

The DCA **does not have the authority** to:

- Instruct contractor to start work before the contract is fully executed
- Change the terms or scope of the contract without a formal amendment.
- Direct contractor to perform work that is not specifically described in the SOW and funded by the contract.
- Enter into project addenda that add terms & conditions not found in the master agreement.
- Extend the term of the contract without a formal written amendment.
- Allow contractor to incur costs in excess of the cap or limit set by the contract.
DCA Role and Responsibilities

Contract Processing Checklist

- **Now** - the request form in CCARS is essentially your checklist
- Pre-CCARS - Historically, CnP has required that all contracts and contract modifications be submitted with the contract processing checklist
- But now, your CCARS request is your checklist
  - You will be asked to answer the same questions
  - You will find that some of the questions allow for more collaboration between the DCA and CnP
- If you are missing any required items, the CCARS submitted request will be returned to you to upload the required item.
- Items required in the request will be covered more in depth in the next module that walks through CCARS
Contract Execution and Required Reporting

- After the DCA submits the request in CCARS, CnP will review and assign the contract request, perform a quality check for all required items and arrange for authorized UT System signature
  - Contractor should sign before UT System signs
- CnP will upload the final contract in CCARS
- DCA is responsible for providing a fully-signed contract to the contractor
- CnP manages all reporting responsibilities (e.g. LBB and logging the contract in the transparency reporting)
Contract Documentation

• The DCA and CnP must ensure that all contract-related documentation is maintained in CCARS:
  • Master Agreements, amendments, addenda, order forms, etc.
  • If applicable, specifications, drawings, manuals, and other reference materials
  • Procurement Process documentation, which may include an EAJ or Best Value Determination
  • Other Examples:
    • Contractor monitoring plan and close-out forms
    • Nepotism disclosure forms
    • Form 1295 and COI (Certificates of Insurance)
    • HSP (HUB Subcontracting Plan)
    • EIR exception (Electronic Information Resource exception)
DCA Roles and Responsibilities: Contract Monitoring Plan and Closeout

- A contract monitoring plan and close-out form is required for all contracts over $250,000.
- The CnP Risk Assessment form determines what level of a monitoring plan and close-out form is required (routine-suggested, routine-required, enhanced-required)
- Examples of routine items:
  - Vendor Kick-off meeting
  - Review/Approve invoices prior to submittal to accounts payable
  - Maintain file of key communications with vendor
Module 3: Purchase Orders

Taylor Naiser
Purchase Order Route

When determining if you should go the contract or purchase order route there are some questions to ask:

• What are you procuring- Goods or Services
• What is the spend amount-
• Is this a low or high-risk procurement-
• How is it being procured-
• Will the vendor accept a Purchase Order and agree to our Terms & Conditions-
Purchase Order Guidelines

• **Under $15K:** Each Department is responsible for keeping the following documentation on all orders under $15K:
  – Copy of the signed Purchase Order
  – Vendor Quote
  – Applicable email correspondence with the vendor

• **Above $15K:** Purchasing will require that you forward via email to CnP@utsystem.edu with the following: (suggest PO over $15K on title)
  – All Vendor Quotes with Valid Dates
  – Applicable email or written correspondence with Vendor(s).
  – Completed and signed *Exclusive Acquisition Justification* form, if applicable
  – ISO, Privacy, Tx Ramp, HSP and all other relevant documentation
Examples of POs:

- Office Supplies
- Land Services
- Computer Parts
- License Renewals
- Marketing Services
- Photography / Videography
- Repair to maintenance of building
- Research Services
- Cleaning Services
- Vehicles
PS Requisition Workflow

Requisition Created
  Requester

Requisition Approved
  Cost Center Approver

Comm. Code Approved
  Commodity Code Approver

Less than $15,000.00
  PO created, approved and dispatched to Vendor by Requester

$15,000.00 or greater
  PO created and routed to Buyer to approve and dispatch to Vendor

(Assets: CPU, Softw, Furn.)
TX-RAMP

To better protect state data from future cybersecurity threats, the state has implemented the Texas Risk and Authorization Management Program (TX-RAMP)

TX-RAMP requires state agencies and institutions to only contract with cloud vendors that comply with TX-RAMP certification standards.

*How do we know if the software we are going to purchase is TX-RAMP compliant?*

- Complete the PSQ and IT will assess and provide a response on the certification level.
Module 3: CCARS

Ben Kalenak
Main Takeaways

DCA Partnership Key Piece
Resources

• UTS Sharepoint Site
• CnP website
  – Job Aids
  – Helpful Links
  – Checklists
  – DCA contact list
  – FAQs