

Formal Notice Pursuant to University Guidelines on Contracting for Services

Location or Medical Center:

Brief Description of Services (exceeding \$100,000 per year) to be Contracted Out:

Can University employees provide the services? Why or why not? (Briefly explain)

Date of Informal Notice to UCOP HR&B:

(Attach documentation of informal notice)

RFP Number:

Planned RFP Issuance Date:

(Attach or provide link to RFP)

Protecting the Core Teaching, Research, Service, and Patient Care Functions of the Location or Medical Center:

Describe the anticipated impact – including potential benefits and risks – on the quality and effectiveness of the core University functions of teaching, research, service, and patient care.

Documenting Demonstrated Sound Business Need (Select at least one and provide supporting documentation):

- To respond to budgetary limitations or reductions (attach a **complete financial analysis**, comparing the actual cost of the service when performed by University staff (including all related costs of providing the service required as well as administrative costs such as payroll processing, benefits administration, and other related services) to the cost of contracting for services (including the total cost of the contract plus costs associated with administering the contract).
- The comparison of costs will be considered over the **life of the contract**, and the resulting economic advantage will be clearly articulated.
- To adhere to the **principles of sound business and fiscal management**, such as discontinuing services that have become cost prohibitive as a result of changes in industry standards
- To acquire services **incidental** to the terms of a contract entered into by the University primarily for the purchase or lease of property, such as maintaining work locations or equipment.
- To address **unmet service needs** (attach an assessment of the levels of service to be provided, including the quality and quantity of work to be performed, including the elements necessary to provide the appropriate level of service in support of the University's programs; include a review of whether the special services, expertise, facilities, and/or equipment necessary to achieve the required level of service are readily available internally). See the *Guidelines* for examples.
- Other** (Briefly explain)

Confirm that the Plan Minimizes to the Extent Possible Impact on University Staff:

Summarize eligibility requirements for layoff and preferential rehire, notice requirements, and alternatives to layoff. Also address support services for displaced staff (e.g., availability of training or retraining programs; transfer and reemployment opportunities; job counseling and placement services; and assistance with job applications, resume preparation, and interviewing skills).

- Confirm compliance with applicable requirements of the *Personnel Policies for Staff Members*.
- Confirm compliance with any applicable collective bargaining agreements, or that no represented staff will be impacted.
- Confirm that the proposed contract is consistent with any conditions imposed through the State Budget Act for the year in which the contracting decision is made.

Briefly explain any anticipated impact on the local business community.

Confirm Compliance with Applicable Policies:

- Confirm compliance with applicable Business and Finance Bulletins governing service contracts and professional agreements. See <http://www.ucop.edu/procurement-services/policies-forms/index.html> for relevant policies and forms.
- Confirm compliance with applicable local procedures.

In any consideration to contract out services where University staff would be displaced, the University will support and approve the contracting out of University work only when the decision is consistent with protecting the core teaching, research, service, and patient care functions of the individual location or medical center; is in response to a demonstrated, sound business and financial rationale need; and minimizes to the extent possible the impact on University staff. Such decisions are intended to be consistent with the objectives of maintaining the University's good relationships with the local business community and the quality of the work environment.

The individuals signing below have reviewed this formal notice and any attachments and by signing this form certify that the proposal to contract out is consistent with the above requirements.

Certified and submitted by:

Name: _____ Signature: _____
Title: _____ Date: _____

Reviewed and certified by Office of Systemwide Human Resources:

Name: _____ Signature: _____
Title: _____ Date: _____

Reviewed and certified by Office of the Chief Financial Officer:

Name: _____ Signature: _____
Title: _____ Date: _____

Note: Because consideration must be given both to the requirements and circumstances of the services involved and the overall benefit to the location, these decisions are made by the Chancellor or designated Vice Chancellor, with review by the Office of the President as appropriate and as described in the Guidelines.

For internal use only (UCOP): Once the final decision has been made, a copy of this form must be sent to the location, including the local Procurement office, for their records.