

**RULES
OF
THE UNIVERSITY OF TENNESSEE
(ALL CAMPUSES)**

**CHAPTER 1720-1-4
POLICIES AND PROCEDURE FOR PERSONAL SERVICE, PROFESSIONAL SERVICE, AND
CONSULTANT SERVICE CONTRACTS**

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1720-1-4-.01 BIDDABLE AND NON-BIDDABLE SERVICES

- (1) Campus/unit Purchasing Departments should procure the following services through the normal requisitioning and purchase order process.
 - (a) Services that are amenable to bidding and subject to uniform and impersonal criteria to ensure the proper evaluation of bids.
 - (b) Items that are combinations of goods and services whose end product is more significant than the service that leads to production or delivery and when the vendor has little control in determining the product's actual content or form.

Examples of biddable services include printing brochures, developing film, or providing sound equipment for a performance.

- (2) Non-biddable services include those that involve highly skilled judgment or training, artistic ability, or other attributes and whose quality depends on an individual's characteristics and knowledge.

Examples of non-biddable services include designing a brochure, creating works of art, and writing or editing reports.

- (3) Departments should contact campus/unit Purchasing Departments if there are questions regarding whether services can be bid.
- (4) Before contracts are approved, departments may be required to justify their decision not to bid services. See Appendix A.

Authority: T.C.A. 49-9-209, "Public Acts of Tennessee, 1839-1840", Chapter 98, Section 5 and "Public Acts of Tennessee, 1807", Chapter 64. **Administrative History:** Original rule filed March 29, 1978; effective June 14, 1978. Repeal and new rule filed May 27, 1986; effective August 12, 1986. Amendment filed September 20, 1999; effective January 28, 2000.

1720-1-4-.02 GENERAL POLICIES

- (1) These policies apply to contracts for personal, professional, and consultant services except the following: (i) purchasing contracts for biddable services; (ii) contracts that must be approved by the

(Rule 1720-1-4-.02, continued)

State Building Commission; (iii) contracts for legal services; (iv) agreements with Tennessee Board of Regents' institutions and other State agencies.

- (a) Each contract should contain the University's standard terms and conditions as listed on the back of the standard contract form (see Appendix B). Standard contract forms are available from campus/unit Business Offices.
- (b) Contracts shall be made on a competitive basis whenever possible (see 1720-1-4-.05).
- (c) It shall be determined that the services are necessary and cannot be satisfactorily and economically performed or rendered by internal University sources.
- (d) Contracts shall only be entered into with independent contractors. Independent contractors are individuals or firms that (1) are engaged to perform specific services for a stated fee or contracted amount, (2) provide services to the public, and (3) are subject to University control only as to the end results, and not the methods of obtaining them. Individuals who are not independent contractors should be placed on the University's payroll. If necessary, departments may contact the Treasurer's Office for assistance. (See Appendix C for guidelines.)
- (e) Under ordinary circumstances, contracts shall not be executed for longer than one year; however, longer-term contracts of five years or less may be executed when substantial savings can result or when a special project requires continuing a particular contractor's services for a longer term. In addition, contracts exceeding five years may be executed if the contract is with an agency of the State of Tennessee or other governmental unit, if the contract requires no expenditure of funds by the University, or if any statutes or regulations specifically authorize a longer term contract in a particular case.
- (f) Employees or State officials may not receive, directly or indirectly, any amount of the contract as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant relative to the contract.
- (g) Contracts with current University of Tennessee, Board of Regents, or other State of Tennessee employees are prohibited. Contracts with former employees are also prohibited for six months after termination. For the purposes of applying this policy, individuals will be considered employees until all salary, termination pay, and payments representing annual leave have been made. However, this restriction does not apply to individuals who have an active honorary, volunteer, clinical, non-clinical, affiliated, or special appointment on the University's payroll system and who have not been paid in the last six months.
- (h) Contracts with a company or corporation in which employee(s) of the University, Board of Regents or other agency of the State of Tennessee holds a controlling interest are prohibited during such employment and for six months beyond termination. (An individual with controlling interest owns or controls the largest number of outstanding shares owned by a single individual or corporation, TCA 12-4-101.)
- (i) Contracts are prohibited with a firm, company, or corporation in which a University employee, his or her spouse, or dependent children has more than a five percent financial interest (excluding stocks or bonds in a publicly held corporation) and when the employee may directly or indirectly influence vendor selection.
- (j) The University department that receives services from a contract executed under these provisions must adequately review the services being rendered and maintain adequate records of

(Rule 1720-1-4-.02, continued)

these services. After determining that services have been satisfactorily performed, the authorized departmental official will approve and forward a request for payment through normal channels to the Treasurer's Office. Final payment will not be authorized until the contractor has fulfilled his or her contractual obligations.

- (k) A request for payment should be made by submitting the contractor's invoice(s) or Form T-27, Request for Special Payment (see Appendix C). The following information should be included on Form T-27 or the invoice:
 - 1. Date and amount of request.
 - 2. Contractor's name, professional title, and home address.
 - 3. Name and address of contractor's present employer.
 - 4. Contractor's social security number or federal employer ID number.
 - 5. Description and dates of services performed.
 - 6. Unit of time and rate of pay on which the requested compensation is based.
 - 7. Name and number of account to be charged.
 - 8. Signatures showing the required campus/unit approvals.
 - 9. University contract tracking number.
- (l) All contracts must require that periodic (monthly or quarterly) progress reports be submitted to the University, except that contracts in which the term is three months or less need not require such reports. When required, progress reports shall be examined by the University and the work found adequate before the next payment is authorized.
- (m) The University may require the contractor to furnish a performance bond or other proof of insurance coverage.
- (n) For contracts with corporations, the University may require either or both of the following documentation before approval of the contract:
 - 1. Proper authorization to conduct business as a corporation, including a copy of the corporate charter.
 - 2. Appropriate evidence that the individual signing on behalf of the corporation has authority to bind the corporation.
- (o) Unless otherwise indicated, contracts that provide for reimbursement for travel, meals, or lodging will be authorized and reimbursement paid in accordance with University travel policy, unless payment is to be made from grant or contract funds to which other travel regulations apply.
- (p) Any verbal negotiations which may take place shall be conducted in a manner so as not to disclose any information from a competitor's proposed terms that would unfairly enable another proposer to improve his proposal as a result. No other information shall be given to a proposer that would provide an unfair advantage over others.

Authority: T.C.A. 49-9-209, "Public Acts of Tennessee, 1839-1840", Chapter 98, Section 5 and "Public Acts of Tennessee, 1807", Chapter 64. **Administrative History:** Original rule filed March 29, 1978; effective June 14, 1978. Repeal and new rule filed May 27, 1986; effective August 12, 1986. Amendment filed September 20, 1999; effective January 28, 2000.

1720-1-4-.03 CONTRACTS FOR AUDITING, FISCAL MANAGEMENT, OR ACCOUNTING SERVICES

- (1) The Audit Division of the State Comptroller's Office is staffed to service most of the University's needs and requirements for independent audits. However, when federal grants and contracts require an independent audit or other needs exist for auditing or specialized accounting services by firms, the Chief Business Officer should furnish the Executive Vice President and Vice President for Business and Finance or the Treasurer a detailed summary of requirements to present to the State Comptroller's Office to determine if the State Audit Division can handle these needs or requirements.
- (2) If these needs cannot be serviced by the State Audit Division, a contract with an independent firm will be negotiated in accordance with the rules and procedures in this policy. In addition to the other requirements, such contracts require prior approval of the State Comptroller and must include the following provision:

"All audit (or accounting or financial analysis) work papers shall be made available for review by the State Comptroller, or his representatives, upon request during normal working hours either while the analysis is in progress or subsequent to the completion of this contract."

Authority: T.C.A. 49-9-209, "Public Acts of Tennessee, 1839-1840", Chapter 98, Section 5 and "Public Acts of Tennessee, 1807", Chapter 64. **Administrative History:** Original rule filed March 29, 1978; effective June 14, 1978. Repeal and new rule filed May 27, 1986; effective August 12, 1986. Amendment filed September 20, 1999; effective January 28, 2000.

1720-1-4-.04 EXCEPTIONS TO POLICIES

- (1) Certain conditions exist for which the general policies do not apply, including:
 - (a) Any conflict with applicable law, federal regulations or provisions governing the use of federal grant or contract funds, or other binding contractual commitments.
 - (b) In certain cases, the Executive Vice President and Vice President for Business and Finance may make exceptions to the rules and procedures in this policy and may direct or approve alternate forms of negotiations for service contracts, provided a statement of the reasons is submitted with the executed contract and maintained in the permanent document files.

Authority: T.C.A. 49-9-209, "Public Acts of Tennessee, 1839-1840", Chapter 98, Section 5 and "Public Acts of Tennessee, 1807", Chapter 64. **Administrative History:** Original rule filed March 29, 1978; effective June 14, 1978. Repeal and new rule filed May 27, 1986; effective August 12, 1986. Amendment filed September 20, 1999; effective January 28, 2000.

1720-1-4-.05 COMPETITIVE METHODS OF CONTRACTING

- (1) Competitive contracting methods must be used unless justification exists for non-competitive methods or informal agreements under 1720-1-4.06. Competitive methods are proposal solicitation and verbal negotiation. In both cases, when the vendor (firm) has been selected, a standard contract should be used whenever possible (see Appendix B).
 - (a) Soliciting Proposals. When soliciting formal, written proposals from potential vendors (firms), the following procedures should be followed.
 1. A Request for Proposal (see Appendix D) should be prepared by the requesting department and should contain:

(Rule 1720-1-4-.05, continued)

- (i) A description of the technical requirements for the service to be procured. The proposal should not contain features that unduly restrict competition and should be sufficiently detailed for vendors.
 - (ii) A request that the cost and noncost sections of the proposal be submitted as separate items.
 - (iii) The time and place to deliver proposals.
- (Note: The request for proposal should provide a reasonable amount of time for vendors to consider the evaluation factors prior to the deadline for submission.)
- (iv) The time that proposals will be opened.
 - (v) A statement that the University reserves the right to reject any and all proposals and/or to negotiate further with any or all potential vendors after proposals are received.
 - (vi) The University's standard terms and conditions.
 - (vii) A statement of factors to be considered in proposal evaluations, including:
 - (I) Prior experience;
 - (II) Sufficient resources to perform the work adequately;
 - (III) Qualifications of staff to be assigned to the work, determined from resumes submitted (education, position in firm, and years and types of experience will be considered);
 - (IV) Vendor's understanding of work to be performed, determined by evaluating the time estimates for performing each step in the total services proposed;
 - (V) Price per unit of service; and
 - (VI) Vendor's terms and conditions.
 - (viii) A statement specifying any points that may be assigned and/or evaluation instructions that may be used for evaluating the factors listed above. (Note: The appropriate Chief Business Officer [or campus contract officer] must approve the use and type of any formula, model, or criteria that may be used in evaluating cost proposals.)
2. The appropriate Chief Business Officer (or campus contract officer) should send the completed Request for Proposal to all known potential vendors (not more than 15 different vendors are required). A record must be maintained of the vendors who are sent requests.
 3. Noncost sections of proposals for each contract will be opened at the time specified in the Request for Proposal. Cost sections will not be opened until the evaluation of the noncost sections of the proposals has been completed. Proposals will be available for public inspection during reasonable hours on working days after the completion of evaluation by the University.
 4. Appropriate University personnel will analyze proposals and conduct verbal negotiations if considered advisable. The University may conduct as many negotiation sessions as considered necessary.

(Rule 1720-1-4-.05, continued)

Proposals will be analyzed on the basis of factors pertinent to the service in question. Contracts will be awarded to the vendor (firm) who offers the best terms, and neither price nor technical factor should be the sole criterion.

5. A vendor (firm) is selected, and an appropriate contract is drafted.
- (b) Verbal Negotiation. When two or more sources can provide the desired services, verbal negotiation of the terms of a contract is permitted in any of the following cases:
1. Urgent need for the services prevents formal advertising;
 2. Total value of the desired services does not exceed \$3,000.00;
 3. Rates payable for the services are regulated by law; or
 4. No acceptable proposals have been received.

The originating department must provide the campus/unit contract office with sufficient documentation to justify the verbal negotiation method as part of the review process. The campus/unit contract office will certify that the contract meets the criteria for verbal negotiation before it is executed on behalf of the University.

Authority: T.C.A. 49-9-209, "Public Acts of Tennessee, 1839-1840", Chapter 98, Section 5 and "Public Acts of Tennessee, 1807", Chapter 64. **Administrative History:** Original rule filed March 29, 1978; effective June 14, 1978. Repeal and new rule filed May 27, 1986; effective August 12, 1986. Amendment filed September 20, 1999; effective January 28, 2000.

1720-1-4-.06 NON-COMPETITIVE CONTRACTING (SOLE-SOURCE NEGOTIATION) WITH VENDORS OR INDIVIDUALS

- (1) Non-competitive (sole source) contracting is the negotiation of a contract or agreement with a single vendor (firm) or individual for specialized services when competitive methods would not be feasible or practical.
 - (a) Vendor or Firm. The University can enter into a non-competitive contract with a vendor or firm when one or more of the following conditions are met:
 1. Competitive methods are not feasible or practical, as in the following situations:
 - (i) When only one product or service can meet the specific need and is available from only one source.
 - (ii) Urgent need prevents competitive methods.
 - (iii) Compatibility or consistency with past acquisitions of products or services is essential (e.g., for maintaining continuity of research or avoiding additional costs by changing the supplier of product or service).
 2. The contract is for services from another governmental unit, such as a Federal agency, or from another university.

(Rule 1720-1-4-.06, continued)

3. A subcontractor is identified in the prime contract and the subcontract is therefore approved by the funding source. However, a non-competitive subcontract cannot be justified on this basis when another State agency is the proposed funding source (unless 2. above applies).

The originating department must provide the campus/unit contract office with sufficient documentation to justify sole-source negotiation as part of the contract review process. The campus/unit contract office will certify that the contract meets the criteria for sole-source selection before it is executed for the University. (See Appendix A) The campus/unit Purchasing Department must also approve the justification presented for sole-source selection if the contract amount exceeds \$50,000. Quarterly, the campus/unit Contract Office (or the Purchasing Department) must send copies of all forms for non-competitive contracts approved by their office to UWA Audit and Management Services for review.

Note: A formal contract is not required when the cost of the services to be provided is \$2,000 or less. However, departments must comply with purchasing requirements for biddable services and may not request multiple invoices for the same service to stay within the \$2,000 limit.

- (b) Individuals. When a need exists for short-term services from independent contractors, consultants, musicians, entertainers, or professional and academic personnel (visiting lecturers, participants in graduate seminars and colloquia, speakers for special functions, consultants on special projects, etc.), departments may negotiate with appropriate individuals for the desired services in accordance with the following guidelines.
 1. A contract is required when the cost of the services to the department exceeds \$1,000 per day or \$12,000 in a calendar year. An informal written agreement may be entered into and maintained in the department when the cost of the services to the department does not exceed \$1,000 per day or \$12,000 in a calendar year.
 2. Rates of compensation must be in line with prevailing compensation levels for such services, considering academic rank, professional reputation, and advance preparation required. These rates are subject to the approval of the dean of the College or the appropriate administrator and the appropriate Vice Chancellor.
 3. The individual may not be an employee of the University of Tennessee, the Board of Regents, or other agency of the State of Tennessee.
- (2) When a contract is required to secure services from a vendor or individual, the department obtaining the services should use the University's standard contract form (see Appendix B), which contains all required terms and conditions.
- (3) An invoice from a vendor or individual approved by the department head or a Request for Special Payment (Form T-27 - see Appendix C) prepared by the department must be used to initiate payment for services procured through contracts or informal agreements. Invoices or T-27s should be forwarded to the Treasurer's Office for payment. (Consult campus/unit procedures statements for required approvals and submission procedures.)

Authority: T.C.A. 49-9-209, "Public Acts of Tennessee, 1839-1840", Chapter 98, Section 5 and "Public Acts of Tennessee, 1807", Chapter 64. **Administrative History:** Original rule filed March 29, 1978; effective June 14, 1978. Repeal and new rule filed May 27, 1986; effective August 12, 1986. Amendment filed September 20, 1999; effective January 28, 2000.

1720-1-4-.07 APPENDIX A JUSTIFICATION FOR NON-COMPETITIVE CONTRACTS - FORM

The purpose of this justification form is to show that competitive bidding is impractical because only one vendor or contractor can meet a specific need. Purchase requisitions and proposed contracts for goods or services exceeding \$2,000 to be obtained non-competitively must be accompanied by this form. The purchasing department or contract office, as appropriate, will determine whether the bid process should be waived on a case-by-case basis. For more information on the University's purchasing and contracting policies, see Fiscal Policy Sections 050 and 130, respectively.

This form is not required in the following circumstances: (1) services obtained from an individual not exceeding \$1,000 per day nor \$12,000 in a calendar year, (2) services from speakers, entertainers, or artists for any amount, (3) purchases from existing State or University contracts, (4) contracts for real property acquisition and disposition, (5) real property leases, (6) contracts requiring State Building Commission approval, (7) contracts for legal services, and (8) agreements with Board of Regents institutions and other State agencies.

Note: Properly documented emergency purchases may be excluded from competitive bidding under certain conditions. The purchasing department or contract office should be called as soon as possible to expedite the process. Departments should then complete this form to confirm the emergency.

Please check each applicable item to justify the non-competitive purchase of a product or service and provide detailed explanations in the space provided below.

- () Only one product or service can meet the specific need and the product or service is available from only one source. Describe the unique features and circumstances below.
- () Urgent need or an emergency situation prevents competitive methods. Explain below why competition is/was not feasible.
- () Compatibility or consistency with past acquisitions of products or services is essential (e.g., for maintaining continuity of research or avoiding additional costs by changing the supplier of the product or service). Explain below.
- () The contract is for services from another governmental unit, such as a Federal agency, or from another university. Specify below.
- () A subcontractor is identified in the prime contract; therefore, the subcontract is approved by the funding source. However, a non-competitive subcontract cannot be justified on this basis when another State agency is the proposed funding source (unless the subcontractor is another governmental unit or university). Specify subcontractor below.

Provide a full description to support the justification(s) checked above. Attach additional pages as needed.

Department Head
(or person responsible for the account)

Date

Requisition Number,
if applicable

Approvals

Approved

Denied

(Rule 1720-1-4-.07, continued)

Purchasing Requisitions

() () _____
Purchasing Director Date

() () _____
Chief Business Officer Date
(or designee)

Contracts Between \$2,000 and \$50,000*

() () _____
Contract Officer Date

Contracts Over \$50,000*

() () _____
Contract Officer Date

() () _____
Purchasing Director Date

* Copies of these justification forms must be sent quarterly to UWA Audit and Management Services for review.

Authority: T.C.A. 49-9-209, "Public Acts of Tennessee, 1839-1840", Chapter 98, Section 5 and "Public Acts of Tennessee, 1807", Chapter 64. **Administrative History:** Original rule filed March 29, 1978; effective June 14, 1978. Repeal and new rule filed May 27, 1986; effective August 12, 1986. Amendment filed September 20, 1999; effective January 28, 2000.

1720-1-4.08 APPENDIX B STANDARD CONTRACT FORM

The University of Tennessee

Contract

- (1) This Contract, made and entered into on _____, documents the agreement between The University of Tennessee (hereinafter University) and _____ (hereinafter Contractor).
- (2) This Contract consists of this cover page, the University's Standard Terms and Conditions (on reverse), and ____ additional pages. Terms contained on this cover page and the University's Standard Terms and Conditions shall prevail over those of any attachment unless otherwise stated under "Other terms" below.
- (3) Contractor will provide the following:

(Rule 1720-1-4-.08, continued)

- (4) The period of performance under this contract is from _____ through _____. However, the University may terminate this Contract by giving the Contractor at least thirty (30) days written notice before the effective termination date, in which event the Contractor shall be entitled to receive equitable compensation for satisfactory authorized work completed as of the termination date.
- (5) The University will compensate the Contractor \$_____ per _____.
- (6) Other payment terms:
- (7) The University's maximum liability under this Contract is \$_____.
- (8) Other terms (N/A if none):
- (9) In witness of their acceptance of the terms of this agreement, the parties have had this Contract executed by their duly authorized representatives.

FOR CONTRACTOR:

FOR UNIVERSITY:

Name

Department Name

Title

Responsible Account
(If applicable)

Address

Administrative Signature
(Optional)

Telephone Number

Authorized Official

SSN or Fed. Id. No.

Standard Terms and Conditions

- (1) The University is not bound by this Contract until it is approved by the appropriate University official(s) indicated on the signature page of this Contract.
- (2) This Contract may be modified only by a written amendment which has been executed and approved by the appropriate parties as indicated on the signature page of this Contract.
- (3) The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the University.

(Rule 1720-1-4-.08, continued)

- (4) Unless otherwise indicated on the reverse, if this Contract provides for reimbursement for travel, meals or lodging, such reimbursement must be made in accordance with University travel policies.
- (5) The Contractor warrants that no part of the total Contract amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor, or consultant to Contractor in connection with any work contemplated or performed relative to this Contract, and that no employee or official of the State of Tennessee holds a controlling interest in the Contractor. If the Contractor is an individual, the Contractor certifies that he/she is not presently employed by the University or any other agency or institution of the State of Tennessee; that he/she has not retired from or terminated such employment within the past six months; and that he/she will not be so employed during the term of this Contract.
- (6) The Contractor shall maintain documentation for all charges against the University under this Contract. The books, records and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment, and shall be subject to audit, at any reasonable time and upon reasonable notice, by the University or the Comptroller of the Treasury, or their duly appointed representatives. These records shall be maintained in accordance with generally accepted accounting principles.
- (7) No person on the grounds of disability, age, race, color, religion, sex, national origin, veteran status or any other classification protected by Federal and/or Tennessee State constitutional and/or statutory law shall be excluded from participation in, or be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract. The Contractor shall, upon request, show proof of such non-discrimination, and shall post in conspicuous places, available to all employees and applicants, notice of non-discrimination.
- (8) The Contractor, being an independent contractor, agrees to carry adequate public liability and other appropriate forms of insurance, and to pay all taxes incident to this Contract. The University shall have no liability except as specifically provided in this Contract.
- (9) The Contractor shall comply with all applicable Federal and State laws and regulations in the performance of this Contract.
- (10) This Contract shall be governed by the laws of the State of Tennessee, which provide that the University has liability coverage solely under the terms and limits of the Tennessee Claims Commission Act.
- (11) The Contractor shall avoid at all times any conflict of interests between his/her duties and responsibilities as a Contractor and his/her interests outside the scope of any current or future Contracts. The following principles define the general parameters of a conflict of interests prohibited by the University:
 - (a) A Contractor's outside interests shall not interfere with or compromise his/her judgment and objectivity with respect to his/her duties and responsibilities to the University.
 - (b) A Contractor shall not make or influence University decisions or use University resources in a manner that results in:
 1. Financial gain outside any current or future Contracts for either the Contractor or his/her relatives or
 2. Unfair advantage to or favored treatment for a third party outside the University.

(Rule 1720-1-4-.08, continued)

- (c) A Contractor's outside financial interests shall not affect the design, conduct, or reporting of research.

The Contractor certifies that he/she has no conflicts of interests and has disclosed in writing the following:

- (a) Any partners or employees of the Contractor who are also employees of the University.
 - (b) Any relatives of the Contractor's partners or employees who work for the University.
 - (c) Any outside interest that may interfere with or compromise his/her judgment and objectivity with respect to his/her responsibilities to the University.
- (12) If the Contractor fails to perform properly its obligations under this Contract or violates any term of this Contract, the University shall have the right to terminate this Contract immediately and withhold payments in excess of fair compensation for completed services. The Contractor shall not be relieved of liability to the University for damages sustained by breach of this Contract by the Contractor.
- (13) It is understood by the Contractor that the University will possess all rights to any creations, inventions, other intellectual property, and materials, including copyright or patents in the same, which arise out of, are prepared by, or are developed in the course of the Contractor's performance under this Contract. The Contractor and the University acknowledge and agree that the Contractor's work under this Contract shall belong to the University as "work-made-for-hire" (as such term is defined in U.S. Copyright Law).
- (14) The Contractor shall submit progress reports to the University at least quarterly, unless the term of this Contract is three months or less.

Authority: T.C.A. 49-9-209, "Public Acts of Tennessee, 1839-1840", Chapter 98, Section 5 and "Public Acts of Tennessee, 1807", Chapter 64. **Administrative History:** Original rule filed March 29, 1978; effective June 14, 1978. Repeal and new rule filed May 27, 1986; effective August 12, 1986. Amendment filed September 20, 1999; effective January 28, 2000.

1720-1-4-.09 APPENDIX C FORM T-27 REQUEST FOR SPECIAL PAYMENT

The University of Tennessee

Request for Special Payment

Independent Contractor
 Employee
 Company

Name _____ Date _____
(Last, First, MI or Company Name)

Address _____

Note: Checks and other information will be mailed to this address.

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SSN/FED ID: _____

Citizen 1 US Citizen

POLICIES AND PROCEDURE FOR PERSONAL SERVICE, PROFESSIONAL SERVICE, AND CONSULTANT SERVICE CONTRACTS

(Rule 1720-1-4-.09, continued)

Status 2 Resident Alien
 3 Non-Resident Alien
Visa Type: _____
Visa Expiration Date: _____
Country of Citizenship: _____

For Employees Only:

Sex 1 Male 2 Female
Marital Status M Married S Single
Birthdate _____/_____/_____
Mo Day Year
Race 1 Caucasian
 2 American Indian or Alaskan Native
 3 Black
 4 Hispanic
 5 Asian or Pacific Islander

Description of Services Performed _____

Dates of Service _____

Contract Date From _____ To _____

Contract Tracking No.: _____

Hour/Day/Week _____ xRate _____ =Amount to Pay _____

Check Stub Information

Description of Services _____
Amount _____
Account No. to be Charged _____
Object Code: _____
Amount: _____

APPROVALS: I hereby certify that, to the best of my knowledge, the above described services have been rendered and it is proper for the University to make payment.

Signature _____
Date _____

Department Head's Certification: I hereby certify that the individual identified on the front of this form meets all the conditions stated above and is properly classified as an independent contractor.

Authorization Signature Date

(1) Employee or Independent Contractor?

(Rule 1720-1-4-.09, continued)

- (a) The T-27 form will continue to be used to request special payments for goods or services that fall within the guidelines of Fiscal Policy Statement 05, Section 130, Part 03(C).
 - (b) Individuals who provide a service to the University must be classified as either an Independent Contractor or an Employee. To determine if a worker is an employee or independent contractor, the University must apply the Internal Revenue common law test of control. Under this test, if the University has the right to control and direct what a worker does and how he/she does it, an employee relationship exists. If there is no control, the worker can be classified as an independent contractor.
- (2) Individuals Classified as Independent Contractors:
- (a) If an individual meets all of the following conditions, he/she may be classified as an independent contractor:
 - 1. The University controls only the results of the work, not how it gets done.
 - 2. The individual assumes a business risk (assumes all expenses for personnel, equipment and materials) as a result of this association with the University.
 - 3. The individual is responsible for paying and reporting applicable self-employment tax.
 - 4. The individual is free to complete the assigned task without control or direction from the University.
 - 5. The individual's association with the University normally ceases upon completion of a specified project.
 - 6. The individual is free to work for other entities.
 - 7. The individual has declared himself/herself to be an independent contractor when providing similar services to the general public.
 - (b) Department Head's Certification:
 - 1. I hereby certify that the individual identified on the front of this form meets all the conditions stated above and is properly classified as an independent contractor.
- _____
- Authorization Signature Date
- (c) If an independent contractor is not a U.S. citizen, a copy (front and back) of his/her I-94 or I-20 form must be obtained and attached to the T-27 form. Non-U.S. citizens are required by the U.S. Federal government to have these documents in their possession.
- (3) Individuals Classified as Employees
- (a) If the individual does not meet the guidelines shown above, he/she must be classified as an employee. The W-4 form provided on the T-27 form must be completed and signed by the individual. Additionally, an I-9 form must be completed and submitted with the T-27 form. If the individual is a non-resident alien, a copy (front and back) of his/her I-94 or I-20 form must accompany the T-27 form. If a non-resident alien qualifies for exemption under a tax treaty, an IRS form 8233 must accompany the T-27 form. Non-resident aliens claiming "resident"

(Rule 1720-1-4-.09, continued)

status must complete an IRS form 1078. Forms and further explanation regarding non-residents are available at the Payroll Office.

Authority: T.C.A. 49-9-209, "Public Acts of Tennessee, 1839-1840", Chapter 98, Section 5 and "Public Acts of Tennessee, 1807", Chapter 64. **Administrative History:** Original rule filed March 29, 1978; effective June 14, 1978. Repeal and new rule filed May 27, 1986; effective August 12, 1986. Amendment filed September 20, 1999; effective January 28, 2000.

1720-1-4-.10 APPENDIX D REQUEST FOR PROPOSAL

The University of Tennessee
(Campus or Unit)

Request for proposal

Date _____

(1) General Requirements

(a) Issuing Office

1. This RFP is issued by (name, address and telephone number of University department), which shall be the sole point of contact for purposes of information concerning this RFP.

(b) Submitting Proposals

1. The vendor is to deliver this proposal in the form and detail specified in this request to (address of University department) by (date).
2. Proposals will be opened on (date), at ____ AM:PM.
3. The cost and noncost sections of the proposal must be submitted as separate items.

(c) Accepting or Rejecting Proposals

1. The University reserves the right to reject any and all proposals and/or to further negotiate with any potential vendor after proposals are opened.

(d) Terms

1. The University's standard terms and conditions are attached and should be included in the contract. The vendor must also meet federal and other State contractual requirements.

(e) Analyzing Proposals

1. The contract will be awarded to the vendor who submits the proposal most advantageous to the University, considering the following criteria:
 - (i) Prior experience.
 - (ii) Resources to perform the work adequately.

(Rule 1720-1-4-.10, continued)

- (iii) Qualifications of staff to be assigned to the work. This will be determined from resumes submitted. Education, position in firm, and years and types of experience will be considered.
- (iv) Vendor's understanding of work to be performed. This will be determined by evaluation of time estimates for performing each step in the total services proposed.
- (v) Price per unit of service.
- (vi) Vendor's contractual terms and conditions.
- (f) Evaluation Criteria (if applicable)
 - 1. The proposal criteria will be evaluated in the following manner: [describe any applicable instructions, including any points or weighting, to be used to rank proposals].
- (g) Period of contract
 - 1. The contract will cover the term from _____ to _____.
- (h) Terminating a Contract
 - 1. Either party has the right to terminate the contract upon ____ days advance written notice.
 - (i) Maintaining Records
 - 1. For three years, the vendor must maintain documentation for all charges to the University under the contract. These records will be subject to audit.
- (j) Approving a Contract
 - 1. No contract will be binding on the University until approved by the President or a Vice President (or designee by the Vice President for Business and Finance).
- (k) Unit or Hourly Rates
 - 1. The RFP should specify the applicable unit or hourly rate to allow easier comparison of proposals.
- (l) Payments
 - 1. Payments under the contract will be made after an invoice is submitted for performance of the services that each payment represents. The final payment will not be made until after the performance is complete.
- (m) Progress Reports
 - 1. Periodic (monthly or quarterly) progress reports are required by the University for contracts in which the term is longer than three months.
- (n) Subcontracting

(Rule 1720-1-4-.10, continued)

1. If any part of the work is or is to be subcontracted, the vendor's proposal shall provide a description of the subcontracting organization and the contractual arrangements. All subcontractors will be subject to University approval. The successful vendor will also furnish the corporate or company name and the names of the officers or principals of companies proposed as subcontractors by the vendor.
- (2) Proposal Format and Content
- (a) Vendors should prepare proposals simply, clearly, and economically, providing a concise description of their capabilities to satisfy the requirements of the RFP.
 - (b) Organizational Support and Experience
 1. This section shall contain all data relating to the vendor's organization, personnel, and experience to substantiate his or her qualifications and capabilities to perform the services described in Section (3) below. It shall be divided into separate statements of:
 - (i) Work experience.
 - (ii) Resources to perform the work adequately.
 - (iii) Qualifications of staff to be assigned to the work. This shall be in the form of resumes, including education, position in the firm, and experience.
 - (c) Technical Proposal
 1. This section shall describe the vendor's plans for accomplishing the tasks described in Section (3) below. The information presented should be detailed enough so that the University can ascertain the vendor's understanding of the work to be performed and should outline the steps in the total services proposed.
 - (d) Cost Proposal (to be submitted separately)
 1. This section shall contain all information relating to cost, commissions, fees, hourly rates, etc. When appropriate, proposals should contain unit or hourly rates limited by a maximum total obligation of the University.
- (3) Description and Scope of Services Requested
- (a) (Description of Services)

Authority: T.C.A. 49-9-209, "Public Acts of Tennessee, 1839-1840", Chapter 98, Section 5 and "Public Acts of Tennessee, 1807", Chapter 64. **Administrative History:** Original rule filed March 29, 1978; effective June 14, 1978. Repeal and new rule filed May 27, 1986; effective August 12, 1986. Amendment filed September 20, 1999; effective January 28, 2000.

