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V-11.10 Purchases Requiring Regent Approval or Special Handling

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(Amended 1/03; 10/11; 4/16; 11/16; 7/18)

Effective July 2018, this policy has been revised. For the most current version without redlining, return to [V-11 Purchasing](#).

For policy on moving expenses (formerly paragraph b below), see <https://hr.uiowa.edu/dept-comp-class/relocation>.

a. Professional service contracts.

(1) Professional service agreements are contracts for unique, technical, and/or infrequent functions performed by an independent contractor qualified by education, experience, and/or technical ability to provide services. In most cases these services are of a specific project nature, and are not a continuing, ongoing responsibility of the institution. The services rendered are predominately intellectual in character even though the contractor may not be required to be licensed. Professional service agreements may be with partnerships, firms, or corporations, as well as with individuals.

(2) Selection of a provider. Professional service agreements for greater than ~~\$25,000~~ **\$50,000** must be selected through a competitive Request for Proposal (RFP) process unless the service is a sole source purchase that is appropriately documented **and approved by the Chief Operating Officer, Board of Regents, State of Iowa**. The ~~\$25,000~~ **\$50,000** threshold is not based on a one-time cost, but rather on a cumulative cost for ongoing services under the terms of the project engagement. Professional service agreements which are less than ~~\$25,000~~ **\$50,000** over the course of service may be entered into without using the required competitive bidding process. Total payment to a professional services provider for services provided to any one University department may not exceed ~~\$25,000~~ **\$50,000** in a fiscal year, unless subject to competitive bidding or review and approval by the institutional purchasing department. Selection of a professional service provider shall be based on a variety of criteria including, but not limited to, demonstrated competence, knowledge, references, and unique qualifications to perform the services, in addition to offering a fair and reasonable price that is consistent with current market conditions. Additional criteria may be used as appropriate to the circumstances.

(3) Provider accountability. Work requirements should clearly define all performance objectives, work expectations, and project milestones, and hold the contractor accountable for successful completion of the resultant agreement. Requirements may include, but not be limited to, reports, training sessions, assessments, evaluations, or other tangible services.

(4) Provisions of professional service agreements. The following terms and conditions must be addressed:

(a) Performance requirements. Performance requirements should be precise and written in such a way that it can easily be determined if and when the contractor has successfully fulfilled his or her obligations under the agreement. Consequences for noncompliance such as non-payment and/or termination of the contract must also be defined. Scheduled due dates that specify milestone targets must be clearly identified and may include, but not be limited to, regular meetings scheduled to evaluate progress, identification of problem areas to determine actions to be taken to resolve any concerns, dates for formal written reports, required oral progress reports, and contract monitoring requirements.

(b) Period of performance. The resultant agreement must specify a start date and a completion date. While there may be exceptions, in most circumstances an end date to the agreement will be required. If an end date cannot be determined, a maximum time limit or maximum number of hours must be stated. Agreements with organizations are typically written for a specific term of successive years. In some instances, these agreements are annually renewable. Other provisions of an agreement may include a renewal clause beyond the original term of the agreement. Extended term agreements for individuals are discouraged.

(c) Compensation and payment. Compensation and payment terms include elements relating to cost and payment, such as maximum cost (i.e., not to exceed cost), cost per deliverable, hourly rates for individuals providing services, number of hours required, allowable expenses and total authorized-for expenses, and payment and invoicing procedures. Compensation and payment terms should also include a statement as to whether the Regent institution will pay expenses incurred by the contractor and, if so, which ones. Such expenses may include, but not be limited to, airfare (economy or coach class), lodging and subsistence necessary during periods of required travel, expenses incurred during travel for telephone, copying and postage, and private vehicle mileage. If other types of expenses are allowed, they must be clearly defined.

(d) Performance monitoring. The institution shall monitor the compliance with the terms and conditions of the agreement and applicable laws and regulations.

(e) Provision of liability. The provider may be required to show proof of insurance coverage and Workers' Compensation in compliance with statutory requirements, in the form specified by the institution.

b. ~~Moving expenses.~~
~~(Amended 3/05; 10/11; 4/16; 10/16)~~

This policy has been removed due to a January 2018 change in federal law.
See <https://hr.uiowa.edu/dept-comp-class/relocation>.

~~Department heads or designees may authorize payment of moving expenses for new faculty and staff members from available departmental funds if these funds have been prioritized for such use. Authorization for payment of moving expenses above \$3,500 requires approval from the appropriate dean/vice president (or designee). Eligibility and requirements follow: (See also III-9 Hiring and Appointments; BRPM 2.1.4Q.)~~

(1) ~~Eligible:~~

(a) ~~Employment:~~

- ~~(i) Minimum rank of assistant professor, or comparable staff ranking (P&S pay level 5 and above).~~
- ~~(ii) Persons expected to be employed full time and on a continuing basis.~~

~~(b) Requests for eligibility exceptions should be directed to the Purchasing, Accounts Payable and Travel prior to committing to reimburse moving expenses to the prospective employee.~~

(c) ~~Expense:~~

- ~~(i) Payment is for moving household goods only. Payment of certain packing, unpacking, and insurance costs from the former residence to the new local residence is also allowed. To initiate the process the department notifies Purchasing, Accounts Payable and Travel by submitting the Moving Authorization Form.
 - ~~(A) Reimbursement for rental trucks as an alternative to contracting with a moving company is permissible.~~
 - ~~(B) Incoming faculty and staff may utilize other moving companies only after consultation with Purchasing, Accounts Payable and Travel in order to review the current moving company contracts.~~~~
- ~~(ii) Guidance in regards to other related expenses such as house hunting trips and personal travel as the result of the move are found in the Travel Manual.~~

(2) ~~Ineligible:~~

~~(a) Payment is limited to charges for moving household goods. Charges for moving animals, plants, vehicles, boats (including canoes, kayaks, etc.), or firewood are not allowable.~~

- ~~(b) Storage charges are not reimbursable.~~
- ~~(c) Local moves (less than 50 miles) for current employees or employees new to the University are ineligible.~~
- ~~(d) Inquiries regarding questionable items should be directed to Purchasing, Accounts Payable and Travel prior to arranging the move.~~
- ~~(e) This policy does not apply to the moving of laboratory and/or office equipment moving. Contact the University Purchasing Department for these policies and procedures.~~

c. Other special purchases. For information on the following, see the Board of Regents Policy Manual 2.2.6C.v:

(1) Moveable and fixed equipment: ~~with a unit cost greater than \$250,000 or a total purchase cost of \$500,000;~~

- ~~(a) Equipment with a unit cost of less than \$1,000,000 will be purchased by the University's Director of Purchasing;~~
- ~~(b) Equipment with a unit cost greater than \$1,000,000 and less than \$2,000,000 will be submitted to the Chief Operating Officer (COO), Board of Regents, State of Iowa, for approval;~~
- ~~(c) Equipment costing more than \$2,000,000 will be submitted to the Board of Regents COO for approval. At the discretion of the Board of Regents COO, the equipment purchase may be submitted to the Board of Regents for approval;~~

~~The Board of Regents COO will provide a summary of all equipment purchases of \$1,000,000 or more to the Board of Regents on a quarterly basis.~~

- (2) Iowa state industries;
- (3) Iowa products and labor;
- (4) Targeted small business.

