## Procurement 101

Erin Mitchell, Purchasing Manager Tuesday, May 24, 2022



## **Agenda**

- Introduction
- Signature Authority
- Contract Routing
- Compliance Documentation
- Risk Mitigation



#### Introduction

Erin Mitchell
Purchasing Manager
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#### **Procurement Coordinators**

Reagan Burnette

**Brian Summers** 

Gabrielle Hazard

Siomara Plasencia



### **Signature Authority**

# Should contracts be signed before or after events/services performed?

We should have a signed agreement in advance per SAO policy and also to protect the Institute.

#### Can I sign an Agreement? How about my Supervisor?

Please refer to the <u>Delegation of Presidential Authority</u> for a list of who is authorized to obligate GT to a contract. In general, only a Contracting Officer in the Purchasing Department can sign Agreements.

Remember: If you or someone in your department signs an Agreement, you can be held personally liable for any charges from the vendor. Only AUTHORIZED individuals can obligate GT funds.



### **Signature Authority**

#### When should I expect a signed agreement back?

Most agreements we review require redlining in order to comply with all of the guidelines set in place by the state.

Typically you will hear back from Procurement within 48 hours regarding your contract. There may be additional questions before an agreement can be signed.

 Keep in mind that there are oftentimes compliance requirements and allow for extra time before your event.



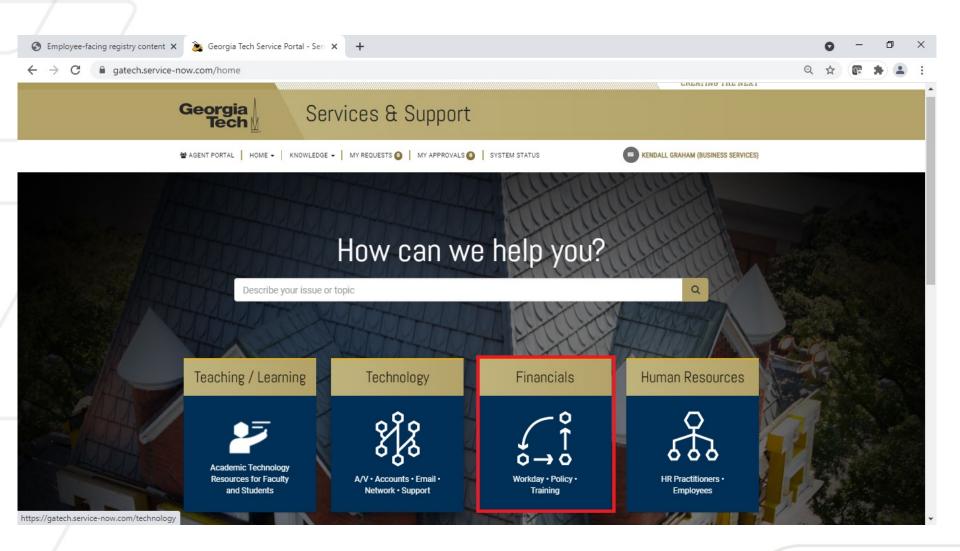
### **Contract Routing**

The department should submit a requisition when the agreement is for an amount \$2500 or greater and the event is taking place in the current fiscal year.

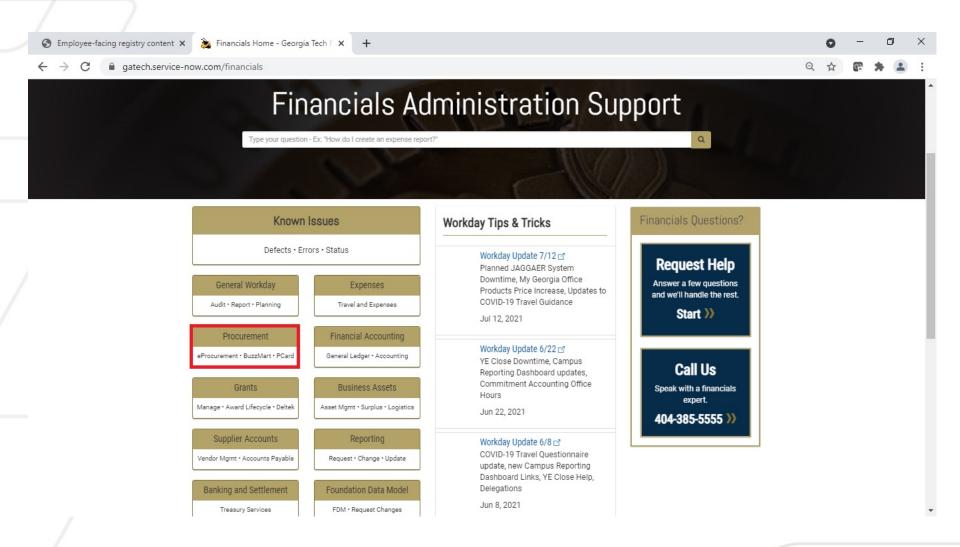
The department should submit a ServiceNow ticket if an agreement falls into any of the following categories:

- If a requisition was already entered for less than \$2,500
- If the agreement is for Hotel and Event bookings for future year events
- It is a hotel room block, where the entire fee will be paid by the individuals booking the rooms an does not commit any GT funds
- It is being paid directly by the GT Foundation

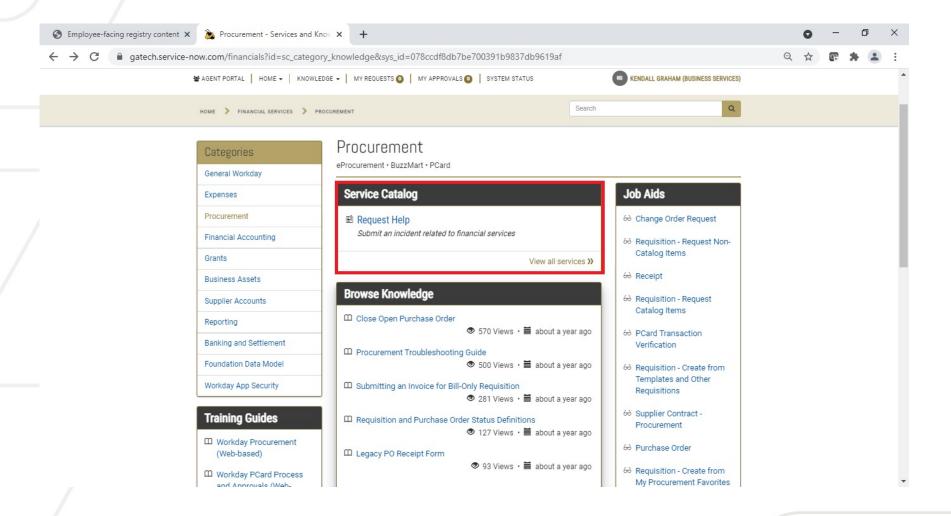




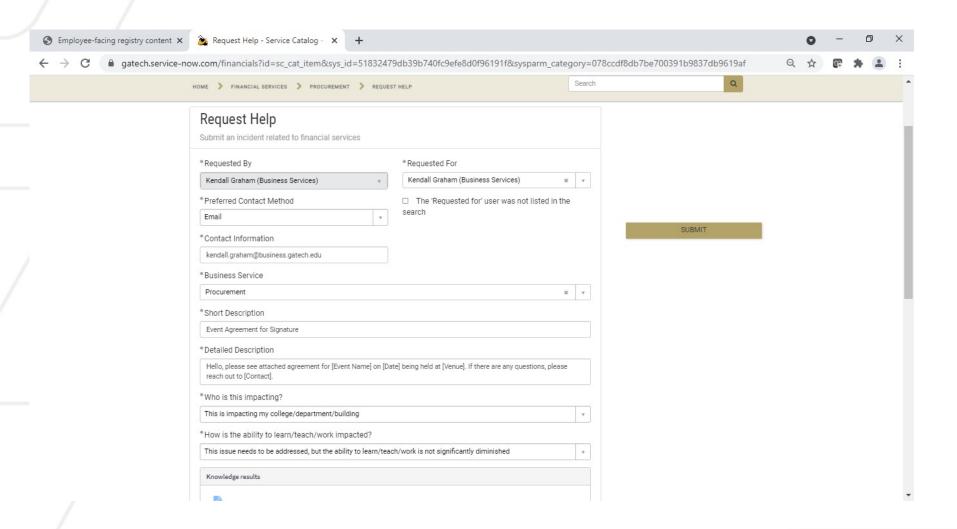




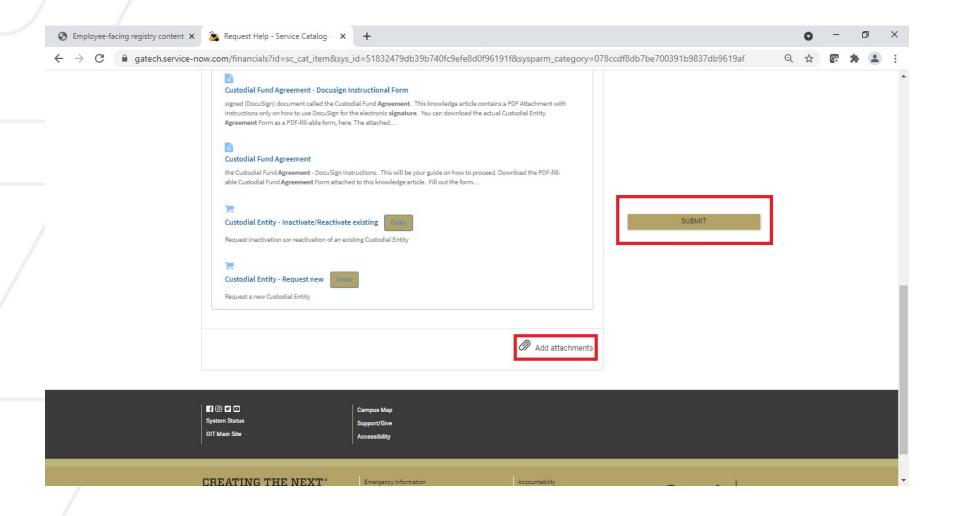














### **Compliance Documentation**

Before signing off on the event agreement, the following documentation may be needed:

- E-Verify Affidavit
- Certificate of Insurance
- Certification of Funding Form
- Food & Group Meal Form
- Off-Campus Exception Form



### **E-Verify Affidavit**

Who's Responsible for This: Procurement

Who Completes This: The Vendor

Where You Can Find It: You can find this form & related information on Procurement's <u>website</u>



### **E-Verify Affidavit**

In order to comply with a State regulation, Georgia Tech requires a fully completed, signed and notarized <u>E-verify affidavit</u> from any vendor that provides labor or services in an amount that <u>exceeds</u> \$2,499.

It is the responsibility of Procurement to obtain this document, however we have found that the request is expedited when the vendor is made aware of the request from their primary point of contact.



#### **Certificate of Insurance**

Who Responsible for This: Procurement

Who Completes This: The Vendor

Vendor may need to furnish to GIT a certificate of insurance indicating that the following coverage is in effect and naming officers, agents and employees of the Board of Regents as additional insured.



## **Insurance Requirements**

Type of Insurance	<u>Coverages</u>	
Commercial General Liability Occurrence (1996 ISO Occurrence Forms or Equivalent)	Premises & Operations	\$1,000,000/occurrence
	Products & Completed Operations	\$1,000,000/occurrence
	Personal & Advertising Injury	\$1,000,000/occurrence
	Contractual Liability	\$1,000,000/occurrence
	General Aggregate	\$2,000,000
2. Business Automobile Liability		\$1,000,000 CSL
3. Commercial Umbrella Liability		\$2,000,000/occurrence
4. Worker's Compensation (Employer's Liability)	a. Bodily Injury by Accident	a. \$1,000,000/accident
	b. Bodily Injury by Disease	b. \$1,000,000/employee
5. Professional (errors & omissions) Liability		\$3,000,000/occurrence; \$3,000,000 annual aggregate



### **Certification of Funding Form**

Who Completes This: The Department

Where You Can Find It: You can find this form & related information on Procurement's <u>website</u>.



#### **Certification of Funding Form**

Due to COVID-19, we had most of our planned events for 2020 & 2021 cancelled due to state & federal regulations.

To mitigate risk, we created the <u>Certificate of Funding for Reservation</u> form to ensure that the liquidated costs owed to the venue in the event of cancellation are available.

This is needed if the liability is over \$25K or Procurement needs assurance that the department has funds available.



### Food & Group Meal Form

Who Completes This: The Department

Where You Can Find It: You can find this form & related information on Procurement's <u>website</u>.



### Food & Group Meal Form

The <u>Food & Group Meal Form</u> is required for all events where food is being provided on or off campus.

Meal per diem limits are imposed for most state-funded events.



#### **Off-Campus Exception Form**

Who Requests This: Procurement

Who Completes This: The Department

Where You Can Find It: You can find this form & related information on the Special Events website.



#### **Alcohol**

Georgia Tech funds cannot be used to pay for alcohol & must be paid for by the Georgia Tech Foundation.

Taxes must be included in any purchases made with Georgia Tech Foundation funds.

#### **Two Payment Options**:

- (1) All through GT Foundation
- (2) You will need two separate invoices: one for the catering/reservation to be paid via Georgia Tech Funds & one for the alcohol to be paid by the Foundation



#### **Risk Mitigation**

All agreements are reviewed to ensure that the terms of the agreement align with our standard terms & that we mitigate any risk that could fall on the institution.

#### Three strategies to mitigate risk:

- Adding our revised "Force Majeure" language into the vendor agreement.
- The possibility of entering a purchase order for any liquidated damages
- Obtaining Event Cancellation insurance



#### **Force Majeure**

#### Sample of Force Majeure language

"Force Majeure" shall mean Acts of God, storms, inclement weather conditions, strike, disaster, civil disturbance, war, riot, acts of public enemy, explosion, epidemic, pandemic, curtailment of transportation facilities, insufficient registrations as reasonably determined by Georgia Tech/Insert proper identifier, or any law, order, rule, regulation, state of emergency, act of or restraint by any governmental body of authority, including federal, state or local authorities and agencies, which by exercise of due diligence such party is unable to avoid, or any other occurrence beyond either party's control. In the event either party's performance hereunder is rendered impossible, hazardous, or is otherwise prevented or impaired by a Force Majeure event, both parties shall be excused from their obligations hereunder, neither party shall be liable to the other in connection therewith, and any and all deposits and payments paid to the Hotel/Vendor/Insert proper identifier shall promptly refunded to Georgia Tech/Insert proper identifier."



## Questions



