
EXPENSE CONTRACT REFERENCE GUIDE

Pre-Submission, Submission, and Post-Submission Tasks for New Expense Contracts

A NOTE ABOUT SPECIALIZED COMMITTEES

Some acquisitions need to be reviewed by a specialized committee to obtain approval for the acquisition before proceeding with executing a contract and/or creating a requisition.

Review the sections below to ensure that proper approvals from specialized committees have been obtained, if applicable.

CAPITAL EQUIPMENT AND CAPITAL PROJECTS

Funding for capital equipment and projects is allocated on an annual basis. **CAPITAL EQUIPMENT** Only capital that has been approved and funded may be procured; similarly, expense contracts for capital may only be initiated and executed for capital that has been approved and funded. **CAPITAL PROJECTS** All requests for project estimates and capital projects anticipated to cost over \$15,000 must be submitted to the Capital Budget Committee. For information about capital projects, refer to [UAMS Planning, Design, and Construction](#).

MEDICAL EQUIPMENT

IF the good you are intending to acquire is a new/replacement medical product or device,
THEN the equipment must be reviewed by the Medical Equipment Management Committee (MEMC).

The MEMC is responsible for managing the Medical Equipment Management Plan (MEMP) and will take measures to ensure that a plan for safe and effective use of the equipment is established.

Per UAMS Admin Guide SC.2.05, ICE Directors initiate the MEMC review by submitting a Medical Equipment Procurement (MEP) checklist to the Director of Capital Management.

If the acquisition of the medical equipment is approved, and the requesting department proceeds to the expense contract component of the acquisition, the Contract Initiator (i.e., Ntracts user), must include all MEMC documentation with the contract submission in Ntracts.

DISPOSABLE CLINICAL SUPPLIES

IF the good you are intending to purchase is a new/replacement disposable clinical supply/commodity (commonly referred to as “disposables”),

THEN the product must go through a process called Value Analysis, managed by Value Analysis in Supply Chain.

There are multiple Value Analysis Teams (VAT); the VAT that executes the value analysis process is responsible for evaluating products for safety, quality, cost savings, and value at UAMS.

Per UAMS Admin Guide 1.03, department leaders are responsible for initiating value analysis by coordinating with VAT and the commodity vendor to submit a MedApproved request.

If the disposable is approved, and the requesting department proceeds to the expense contract component of the acquisition, the Contract Initiator (i.e., Ntracts user), must include all VAT documentation with the contract submission in Ntracts.

PRE-SUBMISSION TASKS

When specialized committee approvals have been obtained (as necessary), the Contract Initiator may initiate the submission of a contract by beginning with pre-submission tasks. Read the sections below for instructions on pre-submission tasks.

Source Selection

IF the good/service being purchased has a cost \geq \$20,000,

THEN the good/service may have to go through a process called source selection.

Source Selection is a process by which multiple vendors are compared and the best vendor is chosen to be the supplier for the good/service being procured. There are multiple methods of source selection.

- **Competitive Bid Quote** is a simple method of source selection that is executed by the Contract Initiator and may be completed within 1-2 days.
- **Competitive Sealed Bid** and **Competitive Sealed Proposal** are more complex methods of source selection that are executed by a Senior Procurement Specialist and can take up to two months.

ACTION ITEM

1. Complete the [Source Selection Worksheet](#), available on the Procurement Services website.

The worksheet will help you determine if source selection is required and, if so, which method to use.

SOURCE SELECTION WORKSHEET RESULTS

Is source selection required?

Method of source selection:

If Yes, follow instructions in Source Selection Worksheet to execute source selection.



Source selection leads to a vendor being selected as the vendor that will provide the good/service being procured. Additional pre-submission tasks cannot be performed until source selection is complete and the vendor is determined.

If executing a sealed method of source selection, you may use the table below to track progress on key source selection tasks.

| Task | Date Completed | Notes |
|---|----------------|-------|
| Create Notice Inviting Bids/Proposals, create Invitation for Bid/Request for Proposal, establish evaluation criteria and Evaluation Committee | | |
| Publish bid/proposal announcement | | |
| Evaluate bids/proposals received | | |
| Send award notice | | |
| Save all source selection documents | | |

Questions about Source Selection? Contact procurement@uams.edu or call a [Senior Procurement Specialist](#).

Vendor Set Up, New and Existing Vendors

Vendor set up can be thought of as a background check on the vendor to ensure UAMS works with legitimate businesses. There are various reviews, and sometimes additional processes are initiated during set up based on review findings.

ACTION ITEMS

1. Search for vendor in Workday.

→ If Not Found

Vendor is likely not registered in PaymentWorks. Proceed to action item 1.1.

→ If Found

Check the Supplier Group field under the Summary tab; ensure the supplier group is UAMS Approved Supplier.

1.1. Search for vendor in PaymentWorks.

→ If Not Found

Send vendor an invitation to register with PaymentWorks; follow up with vendor to ensure they receive email invitation.

→ If Found

Vendor may be registered in PaymentWorks for work with another institution. Send an invitation to register with PaymentWorks for UAMS.

2. Review vendor set up

Different processes are initiated during vendor set up based on vendor and contract characteristics; ensure all applicable processes were completed.

Contract or vendor characteristic

- If vendor will access or share protected health information (PHI)

Ask yourself

- If IT Security determined a BAA is required, has the BAA between UAMS and the vendor been executed?

Questions about vendor set up? Contact vendorsetup@uams.edu.

IT Set Up

IF Vendor will require IT support to install product, **OR** Vendor product/service requires connection to UAMS network, **OR** Vendor will install software on UAMS equipment,
THEN IT approval is required.

ACTION ITEM

1. Submit a help ticket.

Go to uams.service-now.com/it_services > Click on Request Something > Click on Submit a Help Ticket > Describe proposed vendor activity (e.g., connecting to UAMS network) and indicate that you are seeking IT approval for the vendor activity.

NOTE: Save closed help ticket because it will be included as an attachment in your Ntracts submission as proof of IT approval.

Questions about IT approval? Call the IT Services help line, (501)686-8555 or visit the [IT Services](#) website.

SUBMISSION TASKS

Once pre-submission tasks have been completed, you are ready to submit the contract in Ntracts.

ACTION ITEMS

1. **Organize all documents related to the contract, including documents from pre-submission tasks.**
(e.g., source selection forms, IT ticket, vendor documents, etc.)
2. **Login to Ntracts and complete the Supply Chain New Record workflow, including uploading all contract documents.**
3. **Complete the Timeout exercise.**
(i.e., take a “timeout” to review the contract, supporting documents, and Ntracts forms for accuracy and completion. You can refer to the Expense Contracts & Ntracts Training course for details about the Timeout exercise)
4. **Click Finish to submit the contract documents.** Ntracts saves the submission and a contract record # is generated.

POST SUBMISSION ACTIVITY

Submitting a contract in Ntracts initiates review and approval processes involved in executing an expense contract.

- ① **REVIEW**
The contract is reviewed by appropriate departments. Generally, the more components a contract has, the more reviewers it is subject to.
- ② **NEGOTIATION AND MODIFICATIONS**
Some terms of the contract may need to be negotiated or otherwise modified. When a modification is made, both the vendor and the department must review and accept the modifications. Contract Initiator should monitor Ntracts for notifications.
- ③ **EXECUTION**
Once all contract terms are finalized and all the appropriate approvals are received, the contract is routed to signatories for execution. The expense amount of the contract dictates which UAMS signatory will sign for UAMS.
- ④ **FULLY EXECUTED CONTRACT**
Ntracts saves the fully executed contract and emails the Contract Initiator with instructions to access the executed contract.
- ⑤ **PURCHASING TASKS**
The Contract Initiator may proceed to create a Requisition in Workday. The fully executed contract must be attached to the requisition.

TURNAROUND ESTIMATES

It is best practice to start work for an expense contract two to three months before the good/service being procured is needed.

| Process | Turnaround Range | Factors Affecting Turnaround |
|--|---------------------------|--|
| Source Selection | 1 business day – 2 months | Method of source selection. Sealed methods of source selection take much longer than a simple competitive bid quote. |
| Vendor set up | 3 – 21 business days | Processes initiated during vendor setup. Most vendor setup processes only take 3 business days, but executing a BAA requires more time because terms of the agreement are often negotiated, and each modification must be reviewed and accepted by each party involved. |
| IT set up | 5 – 20 business days | Resources required for installation, project complexity. |
| Contract processing after Ntracts submission | 3 – 14 business days* | Number of reviewers. Generally, the more components a contract has, the more reviewers it will have. Reviewing parties can include Contract Services, Office of General Counsel, Creative Services, HIPAA Compliance. |

*If the vendor and a UAMS reviewer go through multiple rounds of modifications, the turnaround time could be prolonged for as long as modifications take to be accepted by all parties.

SPECIAL NOTICE RE: SIGNING AN EXPENSE CONTRACT ON BEHALF OF UAMS

Per [UAMS Administrative Guide](#) Policy 3.1.52(4), signatory authority for expense contracts is delegated to, based upon contract expense amount, UAMS Agency Procurement Official (APO), Vice Chancellor for Finance and Chief Financial Officer (CFO), UAMS Chancellor, and UA System President.

UAMS employees are not authorized to sign or otherwise commit to an expense contract on behalf of UAMS; violation of this policy will result in disciplinary action, up to termination.