

*University of California, Riverside – Local Procedure*

**Contracting-Out for Services**

*December 2023*

**I. Summary**

Local procedures for contracting out for services are to prioritize the use of UC employees to provide covered services prior to contracting workers or services, whenever possible. The information contained in this document will provide guidance to the campus on Regent's Policy 5402 in relation to Contracting Out for Covered Services.

**II. Related Policies and References**

- A. [Regents Policy 5402](#)
- B. [UC Implementation Guidelines](#)
- C. [Article 5 - Collective Bargaining Agreement](#)
- D. [Amendment for Covered Services](#)
- E. [Wage & Benefit Parity Appendix](#)
- F. [AFSCME Article 5 - Notice Template](#)
- G. [Implementation Guidelines Overview webinar](#)
- H. Implementation Guidelines webinar slide deck
- I. Implementation Guidelines webinar FAQ

**III. Definition**

- A. **AFSCME:** American Federation of State, County and Municipal Employees is a labor union that represents two University bargaining units, the Service (SX) unit and the Patient Care Technical (EX) unit. AFSCME represented employees perform the majority Covered Services.
- B. **AgileOne Integrated Qualified Individual Workforce Solution:** AgileOne is a system that manages Qualified Individual's life cycle which includes onboarding, time tracking, auditing, FTE conversion and offboarding processes.
- C. **Bargaining Unit:** A defined group of employees who are represented by a single labor union (their exclusive representative) for purposes of collective bargaining and representation in the grievance process. For this local procedure, this refers to the AFSCME SX and EX bargaining units, however changes in law may expand the defined groups from time to time.
- D. **Carve Outs:** Are the circumstances listed in Section B of the Regents Policy and Article 5 Section C of the AFSCME Collective Bargaining Agreement where contracting for Covered Services is allowed.
- E. **Covered Services:** Work customarily performed by bargaining unit employees at the University, whether in whole or in part, including but not necessarily limited to the following services: cleaning, custodial, janitorial, or housekeeping services; food services; laundry services; grounds keeping; building maintenance (excluding skilled crafts); transportation and parking services; security services, billing and coding services, sterile processing, hospital or nursing assistant services, and medical imaging or other medical technician services.
- F. **Enterprise Access Control System (EACS):** Provides the University of California, Riverside System Access Administrators (SAAs) a single tool to securely control access to a wide variety of campus systems within their scope of responsibility in a completely

paperless, automated environment. EACS contrains reports that allow SAAs to view their accountability structure grouped by application or by UCR NetID.

- G. Justification Request:** Is used to request one of the six carve outs from Article 5. The justification request provides the details and approval to utilize an outside vendor to provide the required service.
- H. Qualified Individual (QI):** an individual worker who works for an outside contractor performing the same services at the same UC location and works for 1000 hours in rolling twelve (12) month period, or 35% time over a rolling thirty-six (36) month period, the worker will be deemed a “qualified individual” (QI) for conversion to UC employment.
- I. Service Department:** A department or unit at UCR or at one of its’ leased facilities who would under most circumstances provide AFSCME covered services to the campus.

#### IV. Policy

In alignment with the Regents Policy 5402: Regents Policy Generally Prohibiting Contracting for Services, that was approved by the Regents on November 14, 2019, this local procedure provides guidance on prioritizing the use of UC Riverside (UCR) employees over contract workers. Whenever possible, contracting for covered services should be used sparingly and treated as an option of last resort to address specified operational needs, not as a means to replace UCR employees with lower-wage contract workers.

While this procedure provides guidance, Article 5 of the AFSCME Collective Bargaining Agreements (CBAs) take precedence over the Regents Policy 5402: Regents Policy Generally Prohibiting Contracting for Services. If UCR determines that it needs to contract for Covered Services, then the suppliers providing such services must pay their employees rates equivalent to the total compensation received by Bargaining Unit employees performing the same work.

#### V. Procedures and Roles

##### A. Contracting for Services

1. Departments identify a need to contract for services with a non-UCR employee.
2. Verifies if the proposed contract is an AFSCME type service as listed in the definition of Covered Services (refer to section III. Definition).

If the service can be performed by a UC employee the requesting department will need to identify who the servicing department is and confirm the work cannot be performed by a UCR employee.

3. Talent Acquisition (TA) will conduct the initial review via the HRMS module and determine if a:
  - a. request is a proposed contract for AFSCME-type services that cannot be met with current UC employees.
  - b. contract may potentially qualify under the carve-out provisions
    - i. Article 5 of the CBA has a limited number of carve-outs where contracting for covered services is allowed. They may include (refer to the Implementation Guidelines or Regents Policy Generally Prohibiting Contracting for Services for indepth guidance):
      - An actual emergency
      - Insufficient quantity, level of expertise, technical or specialized nature, equipment
      - Services are incidental to purchase/lease of property

- Urgent, temporary or occasional, UCRs regular or ordinary hiring process or difficulties in utilizing UCR employees would frustrate UCR goals
- Registry personnel staffing needs – Student Health Services (SHS)
- Required by law, federal contract or court order

If the TA representative is unclear on the reason for the request, they will work with the department, CHR Workforce Compliance analyst and if necessary, Employee & Labor Relations (ELR) to further clarify the need and determine the process to proceed with the request or deny the request.

## B. Completing the Request

1. The requesting department manager will submit a proposal to contract for AFSCME-type services with a current UCR employee via the HRMS module.

The assigned department HR representative will:

- work with the requesting department manager to identify a UCR employee and assign the AFSCME-type services;
- if the assigned department HR representative is unable to provide the requested service utilizing a UCR employee, the department HR representative will inform the requesting department manager and submit the justification explaining why the service cannot be performed with a current UCR employee, thereby giving preliminary permission to move forward with the request to contract-out for services.

2. The requesting department will submit the documentation via the HRMS Contracting Out Module. The entry must include a copy of the supplier's quote for services and the supplier's wage-parity information.

The Class and Compensation Unit (CCU) will be responsible to:

- review the wage-parity appendix (refer to **Appendix A**) for compliance with AFSCME-type services;
- provide wage-parity for each AFSCME-type position; and
- provide the necessary information for the requesting department to proceed with the process to contract-out for services via the HRMS module.

3. The requesting department manager is responsible to provide the justification for contracting out and submitting the information via the HRMS Contracting Out module.

4. CHR Workforce Compliance Analyst will review all concept approvals for contracting-out for covered services.

- a. Contracts Under \$100k

- Requires approval by the CHR Workforce Compliance analyst for tracking purposes.

- b. Contracts Over a \$100k

- Requires final approval via the HRMS Contracting Out module by the following individuals:
  - ELR
  - Associate Vice Chancellor of HR
  - Vice Chancellor of Planning, Budget and Administration

- c. CHR Workforce Compliance Analyst is responsible for sending AFSCME a notice of the request.
  - AFSCME will have 14 days from the notice date to request a meet and confer. If necessary, ELR will coordinate the meeting and represent the requesting department in discussions.
  - UC has an obligation to respond within 45 days of the meet and confer request or AFSCME written response. If necessary, UCR central HR ELR will assist UC with coordinating a response.
  - At the end of the notice process, a grievance may be filed. If a grievance is filed, it may delay the request. The department should consider this possibility, if a meet and confer is required, and take steps to mitigate the impact of grievances.
  - ELR will be responsible for closing out the request and notifying HR, the department and procurement of the outcomes.
5. Procurement
  - a. Approver of the final request.
  - b. Responsible for attaching the final contract and Purchase Order (PO)
  - c. Vendor is registered in AgileOne
  - d. If asked by audit, by request from the a Union, or by random Procurement spot checks, obtain proof of wage and benefit parity payment compliance from the supplier. Obtain a signed Wage Benefit Parity (WBP) Appendix (**Appendix A**) as verification of supplier's commitment to pay WBP
  - e. Procurement will ensure the appropriate documentation is submitted and attached to the purchase order for the covered services.

### C. Contracting Out Module

The Contract Out Module is UCR's online repository of contracts initiated for contracts. Based on an individual's Enterprise Access Control System (EACS) role(s), using the Contract Out Module you may be able to initiate, edit, approve, view, and search contract actions.

- a. Initiate New Contract: This allows the user to initiate a new contract (only for Departmental Coordinator role)
- b. My WIP Contracts: This allows the user to see all contracts initiated in their queue.
- c. All Open Contracts: This allows users to see all "open" contracts with their account structure.
- d. Completed Contracts: This allows the user to see all contracts which are approved or denied by procurement and also which are cancelled.
- e. Contract Out Search Engine: This allows all users (Requesting Dept., Coordinator, Service Dept., Coordinator, Labor Relations, Compensation, Procurement, Central HR, Dept., CAO/CFAO, Dept., Chair/Head/Dean, Talent Acquisition, and Planning and Budget) to search contracts and run reports.

## VI. HRMS Contract Out EACS Roles

### A. Requesting Department Coordinator

Responsible for:

- a. initiating the request for services within their accountability structure to be performed with current UCR employees.
- b. ensuring the request has been discussed with Central Human Resources (CHR) Workforce Compliance Analyst prior to initiating the request in HRMS.
- c. completing the information located on the Justification, Supplier and Service Information tabs.
- d. checking out the request for approval prior to submitting to the service department for review and approval.
- e. ensuring proper procedures for review and approval at the department level are met.
- f. canceling request while in their queue, whenever necessary to keep the information and request accurate and current.
- g. entering comments and adding attachments.

#### **B. Department HR Representative**

Responsible for:

- a. reviewing the requests within their accountability structure and determining if contract services can be performed with current UCR employees within the requested time period.
- b. answering the questions located on the Service Department Response tab.
- c. checking out the request and returning the request to the Requesting Department as needed.
- d. accepting or rejecting contracting out requests.
- e. entering comments and adding attachments.

#### **C. HR Classification Analyst**

Responsible for:

- a. reviewing each request and ensuring the correct classification is assigned to the request.
- b. completing the information located on the Wage Parity tab.
- c. accepting or rejecting contract out request.
- d. checking out and returning request to requesting department coordinators, as need.
- e. entering comments and adding attachments, as needed.

#### **D. Department CAO/CFAO**

Responsible for:

- a. reviewing each request and approving each contract out request within their accountability structure.
- b. accepting or rejecting contract out request.
- c. checking out and returning request to requestors, as needed.
- d. entering comments and adding attachments, as needed.

Note: Contracting out requests that are categorized as emergency are not routed to this role for approval; this role is copied on the notification to HR Labor Relations.

**E. Department Chair/Head/Dean**

Responsible for:

- a. reviewing each request and approving each contract out request within their accountability structure.
- b. accepting or rejecting contract out request.
- c. checking out and returning request to requestors as needed.
- d. entering comments and adding attachments, as needed.

Note: Contracting out requests that are categorized as emergency are not routed to this role for approval; this role is copied on the notification to HR Labor Relations.

**F. CHR Workforce Compliance Analyst – for concept approval only**

Responsible for:

- a. reviewing each request and approving each contracting out request within their accountability structure.
- b. accepting or rejecting contract out request.
- c. checking out and returning request to requestors as needed.
- d. entering comments and adding attachments, as needed.
- e. Validating justification, wage and parity, and ensuring vendor has been registered in AgileOne:
  - 1) Evaluating each transaction in AgileOne to ensure the request does not go over \$100k, which would trigger a notification to the union.

**G. HR Talent Acquisition**

Responsible for:

- a. reviewing each request and approving each contracting out request where the request is categorized as non-emergency.
- b. accepting or rejecting contracting out requests.
- c. checking out and returning requests to requestors as needed.
- d. entering comments and adding attachments, as needed.

Note: Contracting out requests that are categorized as emergency are not routed to this role for approval.

**H. Central HR (AVC) or Designee**

Responsible for:

- a. reviewing each request and approving each contracting out request where the request is categorized as non-emergency.
- b. accepting or rejecting contracting out requests.
- c. checking out and returning requests to requestors as needed.
- d. entering comments and adding attachments, as needed.

Note: Contracting out requests that are categorized as emergency are not routed to this role for approval.

#### **I. Planning, Budget and Administration (VC)**

Responsible for:

- a. reviewing each request and approving each contracting out request where the request is categorized as non-emergency.
- b. accepting or rejecting contracting out request.
- c. checking out and returning requests to requestors as needed.
- d. entering comments and adding attachments, as needed.

Note: Contracting out requests that are categorized as emergency are not routed to this role for approval.

#### **J. Procurement**

Responsible for:

- a. Approver of the final request.
- b. Responsible for attaching the final contract and Purchase Order (PO)
- c. Vendor is registered in AgileOne
- d. If asked by audit, by request from the a Union, or by random Procurement spot checks, obtain proof of wage and benefit parity payment compliance from the supplier. Obtain a signed Wage Benefit Parity (WBP) Appendix (**Appendix A**) as verification of supplier's commitment to pay WBP
- e. Procurement will ensure the appropriate documentation is submitted and attached to the purchase order for the covered services.

#### **K. Threshold Notified**

This role is issued to users who do not have any other role in the HRMS Contract Out module. The user will be:

- a. copied on notifications withing their accountability structure where wage parity dollar amounts => \$100,000.
- b. Given read-only access to all details of Work-in-Progress (WIP), posted, and completed requests, including search functionality.

#### **VII. Agile One Integrated Qualified Individual Workforce Solution**

AgileOne will be responsible for:

- a. Program and Supplier Management
  - 1) Supplier management for all Article 5 covered service contract suppliers of inputting the suppliers into the QI tracking tool and ensuring they are meeting the requirements of the program
  - 2) Point of contact for supplier outreach, Q&A, set-up and training
  - 3) Manager/Analyst and supplier support
- b. Hour Reporting
  - 1) Manage hour reporting requirements for AFSCME Article 5

- 2) Provide covered service suppliers with access to report employee hours worked for covered service contracts on a specified frequency
- 3) Monitor hours entry and former worker status
- c. Policy Compliance
  - 1) Communicate policy and reporting requirements to the suppliers and supplier employees
  - 2) Ensure compliance and timely responses from all suppliers and supplier employees according to Article 5 guidelines
- d. Qualified Individual Management
  - 1) Manage the Qualified Individual lifecycle vetting and onboarding process
  - 2) Review creation of QI requisition
  - 3) Track employee interest acknowledgement and conversion status
- e. Reporting
  - 1) Provide compliance dashboards and reporting for all covered service contracts subject to Article 5
- f. Wage and Benefit Parity
  - 1) Ensure compliance with independent audit requirements with verifying UC policy requirements for independent auditors to verify wage rates.
  - 2) Audit of WBP rates, screening attestations, notice of qualification

## **VIII. UC Employment Conversion Process for Qualified Individuals**

### **A. Summary**

UCR will exercise its best efforts to determine employees who meet the criteria to become qualified individuals. At any time, an employee who believes they meet the requirements to become qualified individual (QI) as defined may request that they be converted to a UC employee. In general, the QI can submit a written request to Central Human Resources.

UCR shall offer the QI a career UC position that the individual is qualified for, though it may not be in the same title and/or the same department as the contracted position the QI worked in. The UC career position shall be at the same location or within ten (10) miles of that location.

### **B. General Process**

1. UCR will use a streamlined version of its standard hiring practices to ensure barriers to UC employment are not imposed.
2. The QI will need to meet the requirements to become a QI and background check.
  - If the QI is disqualified for the initial position, they may be considered for another position at the same location.
3. If the QI is hired into a position performing the same duties they have performed as a contract worker for twelve (12) continuous months, then the QI will receive three (3) months credit toward satisfaction of the standard probationary period.
  - An employee's probationary period may only be extended by mutual agreement.



- Employment time with the outside contractor will not be credited to UC service.

**C. QI Streamlined Conversion Process**

1. The department manager/HR representative and AgileOne will notify the qualified individual (contractor) of their eligibility to convert to a career position in accordance with the Article 5 Policy, UC Employment Conversion process for Qualified Individuals. An email notification is required for documentation of the process.
2. The department manager/HR representative will provide the qualified individual (contractor) with an employment offer for the same job at the same location or at a location within ten miles of the original location. It is recommended that the department provides a complete description of the job title, responsibilities, schedule, compensation, and benefits.
3. The qualified individual (contractor) will have the opportunity to review and provide a response to the employment offer within three (3) business days to the department manager/HR representative. A written response to the offer is the best practice for the purpose of documentation.
4. If the qualified individual (contractor) accepts the employment offer, the department manager/HR representative will open a classified job description for the position within the Human Resources Management System (HRMS).
5. If the qualified individual (contractor) declines the employment offer, the department manager/HR representative is required to document the response in writing.
6. The department manager/HR representative will create an Internal Recruitment waiver (PPSM 20) via DocuSign to document the conversion process for the contractor.
7. The qualified individual (contractor) will have to complete the UC background process following PPSM 21.
8. The UCR QI Streamline Conversion Process must be documented and reported to UCOP quarterly.
9. The department manager/HR representative can confer with the Talent Acquisition Director and the CHR Workforce Compliance Analyst on the UCR QI Streamline Conversion Process

**IX. Contacts**

<b>Contact</b>	<b>E-Mail Address</b>
<b>Employee &amp; Labor Relations</b>	<a href="mailto:employee.relations@ucr.edu">employee.relations@ucr.edu</a>
<b>CHR Workforce Compliance Analyst</b>	<a href="mailto:hrpolicy@ucr.edu">hrpolicy@ucr.edu</a>
<b>Compensation and Classification</b>	<a href="mailto:compensation@ucr.edu">compensation@ucr.edu</a>
<b>Procurement</b>	<a href="mailto:Gae.purvis@ucr.edu">Gae.purvis@ucr.edu</a>
<b>Talent Acquisition</b>	<a href="mailto:sinclair.dickerson@ucr.edu">sinclair.dickerson@ucr.edu</a>

**Appendix A – Sample Wage and Benefit Parity Appendix**



**UNIVERSITY  
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**Wage and Benefit Parity  
Appendix**

This Appendix is entered into between The Regents of the University of California (UC) and Supplier.

Job Title	Location	[2023] Wage and Benefit Parity Pay Rate
Groundskeeper [8133]	Riverside	\$29.55
Tree Trimmer [8083]	Riverside	\$31.92

In connection with the services between Supplier and The Regents of the University of California, Supplier agrees to the UC Contracting for Covered Services Article 39 in the Terms & Conditions. As per this Article, Supplier is required to pay the equivalent of UC wages and benefits to employees providing services to UC under this agreement. By signing this appendix, Supplier agrees to pay the wage and benefit parity rates listed above to Supplier’s employees, and employees of Sub-Suppliers at any tier, performing work at a UC location.

An exception to the Covered Services Article 39 is if the services provided fall under the DIR Prevailing Wage requirements, and Prevailing Wage rate is higher than the Covered Services rate. The DIR Prevailing Wage rate will need to be provided.

I declare that the foregoing statement is true and correct, and I am aware that if I present any material matter as true which I know to be false, the agreement may be subjected to termination.

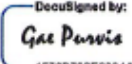
All other terms, conditions and provisions of the Agreement shall remain in full force and effect.

This Amendment is signed by the parties’ duly authorized representatives, and shall be effective as of June 1, 2023.

**LIBERTY LANDSCAPING INC.**

**THE REGENTS OF THE  
UNIVERSITY OF CALIFORNIA  
ON BEHALF OF ITS RIVERSIDE CAMPUS/MEDICAL CENTER**

By: *Elizabeth Zuniga*  
 Name: Elizabeth Zuniga  
 Title: Administrative Assistant  
 Date: 12/8/2023

DocuSigned by:  
  
 15788739E933445  
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 Gae Purvis  
 Procurement Analyst IV  
 12/8/2023 | 8:55 AM PST

Wage and Benefit Parity Appendix Template 2/27/2020