Welcome and thank you for joining! This session will begin shortly.

- Please minimize distractions and stay muted unless called on during the presentation.
- This is a traditional Zoom meeting and others can see you if your camera is on.
- Use the chat feature to ask a question or share a comment.
- Please feel free to ask questions in the chat box during the presentation or wait until the Q&A portion of the presentation.
- All questions will be answered at the end.

Visit procurement.uci.edu for the recording.
Robust training guides are available on the Procurement website and can be accessed from the top of our website.
In addition to our guides and micro-learnings, you can request a **one-on-one session** conducted via Zoom for a more personalized learning experience.

Please contact procurement@uci.edu.
As an employee of a public university, it is your responsibility to comply with all procurement laws, rules, regulations, executive orders, policies and procedures concerning the purchase of goods and services:

- UCOP BUS-43
- UCI 707-10
- UCI 701-23
- California Public Contract Code
- Uniform Guidance
- Small Business First
- Covered Services

You are **not authorized to sign on behalf of the University or to bind the University in any manner.**

It is a violation of federal and state law and UC policy to procure a service or commodity without acquiring the necessary approvals and documents in advance.

If you do, you may be held **personally responsible for the cost** of the products or services purchased.
Today’s Agenda

- Welcome
- Buying Software and IT Services
- Resources
- Q & A
How to Navigate to the New Webpage
New Webpage

Buying Software/IT Services

Information Technology (IT) services include electronic storage, processing or transmitting of data or information, as well as the data or information itself. IT services include, but are not limited to: software, cloud-based software, electronic mail, cloud-based telecommunication services, database, digital information, platforms (mobile iOS, Android, Windows), virtualization platforms as a service (IaaS), web-based subscriptions, website hosting, etc.

IT services (as compared to general services) involves the supply of a software or deliverables being the granting of a license or subscription to use a data, software or cloud solution, application or access a website for a set period of time. When the primary objective of a purchase is to obtain access to a software, this is likely a general service and not an IT service, even if the software involves technology or computing.

For example, purchasing a new cloud software solution is an IT service. If you hire that same company to provide implementation services, it would still be an IT service because the primary purpose is distribution of the software.

However, hiring a separate company for implementation services alone would be a general service purchase since the main deliverable of that purchase is their labor.

When purchasing IT services, departments must address a few key issues prior to submission of the requisition such as competitive bidding, data security, privacy, and insurance requirements.

Click here to view process for New to return to overview and each subject matter area.

IT Service Purchases Process Steps

- Contracted Suppliers
- Data Security
- Privacy
- Agreement & Terms
- Cyber Liability Insurance
- Making Your Purchase
- Making Your Purchase Using a PA Card

Need personalized assistance?

https://www.procurement.uci.edu/procurement/buying-software-it-services.php
Risk Services – BUS-63 Requirements

- Risk Management Offices ensure BUS-63 requirements have been met BEFORE the effective date of a contract, purchase order, or other agreement.

- All agreements between Suppliers and the University must include, as part of the contract:
  - A requirement that the Supplier provides a Certificate of Insurance (COI) showing evidence of compliance with the established minimum insurance requirements.
    - Not providing the COI can delay Risk's analysis and approval.
  - A requirement that the Supplier maintains minimum levels of insurance.
    - Cyber Insurance: this is based on the protection level and number of records.
  - A requirement that the Supplier adds the University as an Additional Insured (AI).
  - Indemnification: A provision to defend, indemnify and hold harmless the University from loss, injury or damage caused by or as a result of the Supplier's negligent or intentional acts arising out of the performance of the contract.
Risk Services – Common Issues

Risk review OIT Security Review:
- Include invaluable information on data protection levels, privacy concerns.
- May include valuable information on system setup: Environmental factors like setup and encryption.
- Provide the basis for minimum Cyber insurance levels and Risk approvals.

Certificates of Insurance:
- Risk denials for inadequate Cyber Insurance.
  - Cyber vs Excess Cyber: Excess Cyber to get to the minimum insurance is ok in some situations.
  - Jurisdictional issues.
  - Request AI status for Cyber – if Supplier denies, move forward.

Indemnity & Limitation of Liability:
"The amount of fees paid is not an accurate measure of the contract's Risk" - Wise Person, Richmon1.
- LOL must be read with any Indemnity provisions.
  - Sometimes LOL carved out completely: 'Except for Indemnity obligations...'.
  - Sometimes LOL carved out and "super"-capped: 'Indemnity obligations will not exceed 5 times the fees paid'.
  - Compared to Minimum Insurance reqs: may be pennies on the dollar.
Indemnification means that one party assumes financial responsibility in the event of a specified loss. The language of an indemnification clause should only hold the University liable for the culpable acts or omissions of its own employees, officers, agents, students, invitees or guests.

One way indemnification; Mutual indemnification. Indemnification includes covered events which are subject to negotiation: In IT Contracts, most important Risks should be included (1) Data Breaches and (2) 3rd Party Infringement.

Recoverable Damages: All claims, liability, loss, expense (including reasonable attorneys' fees). Exceptions: Negligence and Gross Negligence: "but only in proportion to and to the extent ... caused by or result from the negligent or intentional acts or omissions of THE REGENTS OF THE UNIVERSITY OF CALIFORNIA, its officers, employees or agents."

Limitation of Liability: Limits the amount recovered.
Resources

- Procurement Services
- Buying Software/IT Services webpage
- BUS-63
- Regents’ Standing Order 100.4(dd)(9)
- Software and Hardware Resources
Survey

Questions
Thank You