



## Instructions for the Use of Low Cost Service Agreements (LCSA)

Low Cost Service Agreements are used for **one-time** services that meet the following criteria:

- Less than \$5,000
- Less than 3 months duration
- Less than 3 invoices

Examples of services that can be used for LCSA: DJ's, orchestra conductors, magicians, entertainers

**\*It is up to the discretion of the Procurement Department to determine if the LCSA template is suitable for the service request.**

General insurance requirements must be met.

Low Cost Service Agreements **cannot** be used in the following cases:

- If the service provider is to be used on a continuous or reoccurring basis
- If the quote contains vendor terms and conditions
- Prohibited services include, among others, repairs, maintenance, installations, alterations

This expedited way of contracting does not require a requisition. Payments are made via direct-pay. Once the LCSA has been signed off, it is considered a pre-approved direct pay.

Please do not add a Vendor 204 form to the LCSA. Vendor 204 forms need to be sent to Fiscal Affairs.

### How to use the LCSA:

1. Requesting Department sends the filled out LCSA and the scope of work or quote by email to [procurement@sfsu.edu](mailto:procurement@sfsu.edu)
2. Procurement approves [or rejects] use and informs the Requesting Department of the decision
3. If approved, Requesting Department sends approved LCSA draft to partner for signature
4. Once the agreement has been signed by the partner, the Requesting Department sends the partially executed LCSA to [procurement@sfsu.edu](mailto:procurement@sfsu.edu).
5. Procurement countersigns and returns the fully executed agreement to the Requesting Department which is responsible for forwarding the agreement to the partner.
6. Invoices are paid via direct-pay with the LCSA attached to the request



## **FAQs**

### **What if the Service Provide cannot provide proof of insurance as required by the University?**

Please contact Enterprise Risk Management and fill out the Service Provider Waiver Request Form.

### **Can a LCSA-Contractor be considered an Independent Contractor (IC)?**

Given the short-term nature of the work, service providers do not need to be subjected to the IC test.

**LOW COST SERVICE AGREEMENT**

AGREEMENT NUMBER L _____	AMENDMENT NO. —
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THIS AGREEMENT, made and entered into this \_\_\_\_\_, in the State of California, by and between the Trustees of the California State University, which is the State of California acting in a higher education capacity, through its duly appointed and acting officer, hereinafter called CSU and San Francisco State University and

CONTRACTOR'S NAME \_\_\_\_\_, hereafter called "Contractor"

WITNESSETH: That the Contractor for and in consideration of the covenants, conditions, agreements, and stipulation of the University hereinafter expressed, does hereby agree to furnish " \_\_\_\_\_ " to the University.

The following Riders are hereby incorporated into this Agreement:

RIDER A - General Provisions of Low Cost Service Agreements

RIDER B - Scope of Work/Quote \_\_\_\_\_

In the event of a conflict between the documents comprising this Agreement, the documents shall govern in the order of precedence as ranked above, unless otherwise explicitly stated herein.

The term of this Agreement shall be \_\_\_\_\_, starting on \_\_\_\_\_ and ending on \_\_\_\_\_.

Total payments under this Agreement shall not exceed \$ \_\_\_\_\_.

The University contact for this Agreement is \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_.

Phone: \_\_\_\_\_, E-mail: \_\_\_\_\_@sfsu.edu.

The Service Provider shall submit all invoices to San Francisco State University, Document Control, 1600 Holloway Avenue, ADM 358, ATTN: Fiscal Services, San Francisco, CA 94132 or [fcalsvcs@sfsu.edu](mailto:fcalsvcs@sfsu.edu) for approval. All invoices shall refer to the contract number/ PO number. Payment will be made within thirty (30) days of receipt of an approved invoice.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto, upon the date first above written.

UNIVERSITY		CONTRACTOR	
<b>Trustees of the California State University</b>			
BY (AUTHORIZED SIGNATURE)	DATE	BY (AUTHORIZED SIGNATURE)	DATE
➤		➤	
PRINTED NAME AND TITLE OF PERSON SIGNING		PRINTED NAME AND TITLE OF PERSON SIGNING	
DEPT.		ADDRESS	
AMOUNT ENCUMBERED BY THIS DOCUMENT			
\$			
TOTAL AMOUNT ENCUMBERED TO DATE			
\$			

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**RIDER A - General Provisions of Low Cost Service Agreements**

CSU agrees to pay for the services and materials to be furnished by contractor as provided by this Agreement. Payment in arrears shall be made upon contractor's completion of the services required by this Agreement to the satisfaction of CSU and upon contractor's submission of billings as shall be prescribed by the Trustees.

**Commencement of Work:** Work shall not commence under the Contract until a fully executed agreement has been received by the Contractor and the Contractor has been given approval to proceed. Any work performed by the Contractor prior to the date of approval shall be considered as having been performed at the Contractor's own risk and as a volunteer.

**Invoices:**

- (A) Invoices shall be submitted, in arrears, to the address stipulated in the Agreement. The Agreement number and Contractor's Social Security or Federal Identification number are to be included on the invoice. Final invoice shall be marked as such. Payment to the Contractor shall be made as promptly as fiscal procedures permit for performance under the Agreement.
- (B) Trustees may issue a written order for extra services with respect to the services to be performed under this Agreement at any time prior to the completion of the services. Trustees shall pay Service Provider an amount for such extra services as provided in this Agreement, or if not so provided, Trustees shall pay Service Provider a reasonable amount, which shall be agreed upon by the parties.
- (C) For work of a continuing nature, the Contractor shall submit invoices in arrears, upon completion of each phase. The consideration to be paid Contractor, as described within the Contract, shall be in full compensation for all of Contractor's expenses incurred in the performance hereof, including travel and per diem, unless otherwise expressly so provided.

**Cancellation:** CSU reserves the right to cancel this Agreement at any time upon thirty (30) days' written notice to the Contractor.

**Independent Status:** The Contractor, in the performance of this Contract, shall act in an independent capacity and not as an officer or employee or agent of the State of California. While Contractor may (or may not) be required under the terms of this Contract to carry Worker's Compensation Insurance, Contractor is not entitled to unemployment or workers' compensation benefits from the CSU.

**Conflict of Interest:**

- (A) Should the Contractor provide services for preparation or development of recommendations for the actions which are required, suggested or otherwise deemed appropriate, and which include the provision, acquisition or delivery of products or service; then the Contractor must provide full disclosure of any financial interest including but not limited to service Agreements, OEM, and/or remarketing Agreement that may foreseeable allow the Contractor to materially benefit from the adoption of such recommendations.
- (B) The CSU requires a Statement of Economic Interests (Form 700) to be filed by any Consultant (or Contractor) who is involved in the making, or participation in the making, of decisions which may foreseeably have a material effect on any CSU financial interest [reference G.C. 82019).

The CSU reserves the right to prohibit participation by the Contractor in bidding to or providing services, goods or supplies or any other related action which is required, suggested or otherwise deemed appropriate in the end product of this Agreement.

**Governing Law:** All contracts and purchase orders shall be construed in accordance with, and their performance governed by, the laws of the State of California. Further, Contractor shall comply with any State or federal law applicable to Contractor's performance under this Contract.

**Assignments:** Service Provider shall not assign benefits or delegate duties under this Agreement in whole or in part without the prior written approval of the Trustees. Thus, Service Provider may not assign any moneys due or to become due hereunder without the written consent of Trustees.

**The Provisions of this Agreement:** Shall extend to and be binding upon and inure to the benefit of the heirs, executors, administrators, successors and assigns to the parties hereto.

**Time:** Time is of the essence of the Contract.

**Contract Alterations & Integration:** No alteration or variation of the terms of the Contract shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated here in shall be binding on any of the parties hereto.

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**General Indemnity:** Contractor agrees to indemnify, defend, and hold harmless the State of California, the Trustees of the California State University, San Francisco State University, and the officers, employees, volunteers, and agents of each of them from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Contractor's work for The CSU, except such loss or damage which was caused by the sole negligence or willful misconduct of The CSU and its officers, employees, volunteers, and agents.

Contractor understands and agrees that the State of California, the Trustees of the California State University, San Francisco State University, San Francisco State University, and the officers, employees, volunteers, and agents of each of them shall not be responsible for any liability or losses related to Contractor's work for The CSU. Furthermore, Contractor assumes all risk in the event of accident, injury, and/or loss and agrees to use its liability and medical insurance as primary coverage.

**Use of Data:** The Contractor shall not utilize any information, not a matter of public record, which is received by reason of this agreement, for pecuniary gain not contemplated by the terms of this agreement, regardless of whether the Contractor is or is not under contract at the time such gain is realized. The report, survey, or other product developed by the Contractor pursuant to this agreement is the property of the CSU, and shall not be used in any manner by the Contractor unless authorized by the CSU.

**Non-Performance by Contractor:** The CSU may terminate the Contract and be relieved of the payment of any consideration to Contractor should Contractor fail to perform the covenants herein contained at the time and in the manner herein provided. In the event of such termination, the CSU may proceed with the work in any manner deemed proper by the CSU. The cost to the CSU shall be deducted from any sum due the Contractor under the Contract, and the balance, if any, shall be paid the Contractor upon demand.

**Contractor Certification:** The Contractor's signature affixed heron and dated shall constitute a certification under the penalty of perjury under the laws of the State of California that the Contractor has, unless exempted, complied with the nondiscrimination program requirements of Government Code, Section 12990 and Title 2 California Code of Regulations, Section 8103.

**Drug-Free Workplace Certification:** By accepting a contract or purchase order, the Contractor certifies under penalty of perjury under the laws of the State of California that the Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code, Section 8355 et. seq.) and will provide a drug-free workplace by doing all of that which Section 8355 et seq. require.

**Severability:** It is expressly agreed and understood by the parties hereto that if any provision of this Agreement is held to be unconscionable or invalid under any applicable statute or rule of law, it is deemed to that extent to be omitted. However, the balance of the Agreement shall remain in full force and effect.

**Dispute:** Any dispute arising under the terms of this Agreement which is not resolved within a reasonable period of time by authorized representatives of the Contractor and The CSU shall be brought to the attention of the Chief Executive Officer (or designated representative) of the Contractor and the Chief Business Officer (or designee) of The CSU for joint resolution. At the request of either party, The CSU shall provide a forum for discussion of the disputed item(s), at which time the Vice Chancellor, Business and Finance (or designated representative) of The CSU shall be available to assist in the resolution by providing advice to both parties regarding The CSU contracting policies and procedures. If resolution of the dispute through these means is pursued without success, either party may seek resolution employing whatever remedies exist in law or equity beyond this Agreement.

Despite an unresolved dispute, the Contractor shall continue without delay to perform its responsibilities under this Agreement. The Contractor shall keep accurate records of its services in order to adequately document the extent of its services under this Agreement.

**Confidentiality of Data:** All financial, statistical, personal, technical and other data and information relating to The CSU's operations which are designated confidential by The CSU and made available to the Contractor or which become available to the Contractor in order to carry out this Agreement, shall be protected by the Contractor from unauthorized use and disclosure by the observance of the same or more effective procedural requirements as are applicable to The CSU and/or would be used by the Contractor to protect its own most sensitive data and information. The identification of all such confidential data and information shall be provided in writing to the Contractor by the CSU. The Contractor shall not, however, be required, by this paragraph, to keep confidential any data or information which is or becomes publicly available, is already rightfully in the Contractors possession, is independently developed by the Contractor outside the scope of this Agreement, or is rightfully obtained from third parties.

**Rights and Remedies:** The rights and remedies of the CSU provided herein shall not be exclusive and are in addition to any other rights and remedies provided by law.

**Endorsement:** Nothing contained in this Agreement shall be construed as conferring on any party hereto, any right to use the other parties name as an endorsement of product/service or to advertise, promote or otherwise market any product or service without the prior written consent of the other parties. Furthermore nothing in this Agreement shall be construed as endorsement of any commercial product or service by the University, its officers or employees.

**Covenant Against Gratuities:** The Contractor shall warrant that no gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by the Contractor, or any agent or representative of the Contractor, to any officer or employee of the University with a

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view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, the University shall have the right to terminate the Contract, either in whole or in part, and any loss or damages sustained by the University in procuring on the open market any items which the Contractor agreed to supply shall be borne and paid for by the Contractor. The rights and remedies of the University provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided bylaw or under the Contract.

**Examination and Audit:** For contracts in excess of \$10,000, the Contractor shall be subject to the examination and audit of (a) the Office of the University Auditor, and (b) the State Auditor, for a period of three (3) years after final payment under the contract in accordance with Government Code Section 8546.7 and with Education Code Section 89045(c & d), respectively. The examination and audit shall be confined to those matters connected with the performance of the contract, including, but not limited to, the costs of administering the Contract.

**Responsive to Direction from the State Legislature (Public Contract Code Section 10115 et. seq.):** Contractor shall cooperate with the CSU as it seeks to increase the statewide participation goals of minority, women, and disabled veteran business enterprises in contract awards. To this end, Contractor shall inform the CSU of any subcontracting of supplier arrangements with minority, women and/or disabled veteran business enterprises.

**Citizenship and Public Benefits:** If Contractor is a natural person, Contractor certifies in accepting this Contract that s/he is a citizen or national of the United States or otherwise qualified to receive public benefits under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193; 110 STAT.2105, 2268-69).

**Americans With Disabilities Act (ADA) - General Provisions:** Contractor assures the University that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA (42 U.S.C. 12101 et seq.)

**Insurance:** If the requirement for same is incorporated herein, Contractor shall not commence work until it has obtained all the insurance required for this contract, and such insurance has been approved by CSU.

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RIDER B- Scope of Work