

FAQ's - Personal Services Agreements and Honoraria

Q. When do I need a Personal Service Agreement (PSA)?

A. A PSA is a contract for professional or technical services (i.e speakers, lecturers, entertainers, consultants) between the University and individuals, partnerships or corporations. These contractors are not employees of the State, but are hired for a fee to provide services that are infrequent, unique, and primarily noncompetitive in nature. A PSA must be used for this type of service which will cost the University more than \$3,000; also, the PSA is utilized if a contractor has been paid \$3,000 during a calendar year.

Q. When can the Honorarium form be used?

A. The Honorarium form (formally referred to as the "Personal Services Agreement and Honorarium Request Form" can be used for those personal services costing less than \$3,000.00. The latest version of the Honorarium form can be found on the Procurement website at <http://www.wcsu.edu/purchasing>. The Honorarium form is available in excel and pdf formats.

Q. I submitted an Honorarium for review and approval three weeks ago. How do I find out the status of that contract?

A. First check with the originating Department and ask them to go through the proper chain to locate your Honorarium. The Dean or Department Director must sign the form prior to submitting to Administrative Services. If it is concluded that the originating department has cleared the honoraria in terms of signatures and budget authority, please contact the Administrative Services department at 7-8657.

Q. Which contracts must be submitted for approval to the Office of the Attorney General?

A. All personal service agreements over \$3,000 must first be reviewed by the Office of the Attorney General.

Q. May I direct a contractor to perform services prior to contract approval?

A. No – Contractors may not begin service prior to receiving a fully executed contract which has been approved by the University and (in the case of personal service agreements over \$3,000.00) the Office of the Attorney General as warranted.

Q. What if a contractor requests that terms and conditions on the State PSA form be altered?

A. Contact WCSU's Administrative Services Office as soon as possible. Please note that requests to alter terms and conditions can be timely and will delay the start of contracted services. All requests for deviation from State Contract language require prior approval by the Office of the Attorney General.

Q. How do I know who can sign a contract when several parties are involved?

A. Sometimes there are agents and managers and performers all involved in the same contract. Only those with current written authority to sign on behalf of the contractor may do so.

Q. What do I need "Corporate Resolutions" for and which ones are appropriate?

A. You need resolutions or signing authority for all contractors who are part of a corporation or a limited liability company. Remember, the purpose of the corporate resolution is to provide proof that the individual who signed the PSA is authorized to do so. Please contact the Administrative Services Department at 7-8657 for clarifications or samples concerning corporate resolutions.

Q. Can my Department Head or Dean sign as the "Agency Authorized Official" on the Personal Services Agreement or Honorarium forms?

A. Department Heads and Deans are not authorized to sign contracts for Western Connecticut State University. Contract signing authority is designated by the Board of Trustees and the President. "Agency Authorized Official" signature will be obtained by the Administrative Services Department.

Q. What are some of the liability or insurance issues I should be concerned about?

A. Be concerned when any contractor asks to revise or delete any State mandated language on the terms and conditions. As a State agency, the University is "self-insured", which means that any claim against the University must be authorized by the State of Connecticut's Claims Commissioner. The basic premise of indemnification in State contracts is that the contractor holds the State harmless from liability. If someone asks you to delete any of the standard terms language, revise it, or add liability or insurance language of their own, refer their concerns to the Administrative Services Department for consideration.

Q. For personal service agreements, if we have previously done business with a vendor and their information is on file, do they need a new corporate resolution?

A. A new original corporate resolution must accompany every PSA and be dated the same date or later than the date the PSA is signed by the contractor.

Q. I do tell the contractor not to begin services before everything is in place, but I don't know if they adhere to that policy. Would a cover letter with that statement in it be helpful?

A. The University's Personal Services Agreement and Honorarium form states that no services should begin until the contract is fully approved. For this and other reasons, it is very important to use the University's current electronic PSA and honorarium forms and note the information that has been placed on it.

Q. Are we looking at the way other states are processing these types of agreements?

A. As an agency of the State of Connecticut, we have to comply with Connecticut's contracting laws.

Q. What if I have other questions or recommendations for process improvements?

A. The Personal Services Agreement/Honorarium process can be complex. We welcome any other questions or suggestions you may have. In the event you have questions or suggestions, please feel free to contact the Administrative Services Department at 7-8657.

