

Personal Service Agreement (PSA) or Honoraria Late Justification Requirements

Issuing a PSA/Contract/Agreement after work has commenced or a product or service has been received is a violation of State Policies and Procedures.¹ Likewise, requesting approval for a Contract/Agreement after the start date even when the term of the Contract/Agreement continues beyond that date, may cause an audit finding.

Although there are no true Exceptions to the Contracting Policies there are two (2) types of procurements that require additional documentation and approvals in order to process.

1) Emergency Orders

§ 10a-151b(c) of the Connecticut General Statutes states that purchases may be made without competitive bidding “whenever an emergency exists by reason of extraordinary conditions or contingencies that could not reasonably be foreseen and guarded against, or because of unusual trade or market conditions.” Each requisition for an emergency purchase shall be signed by the procurement manager and identified therein as an “emergency purchase”. A written statement documenting the nature of the emergency justifying the purchase and identifying the official authorizing the purchase shall be attached to the file copy of the purchase order at the time the order is placed.

2) Late Justification PSA/Contract

Whenever paperwork is submitted and sufficient time has not been allowed to process and obtain all approvals needed, a Late Justification is required.

PSA/Honoraria Procedure

It is extremely important that departments forward Personal Service Agreements (PSAs) and/or Honoraria to the Purchasing Department for approval before the start of the contract.

- PSAs valued at \$5,000 or more must be submitted to the Purchasing Department at least **21 business days** prior to the start date of the contract.
- PSAs and/or Honoraria valued at \$5,000 or less must be submitted to the Purchasing Department at least **10 business days** prior to the start date of the contract.
- The “PSA/Honoraria Justification Form” on file with the Purchasing Department must accompany all PSAs that do not conform to the deadlines noted above.
- The person who is directly responsible for the lateness is the individual who is responsible for writing the justification.
- The written justification must be authorized by the proper authority (Project Director and VP).

¹ Payment for services must be against a written document so that the stated funds will be encumbered in a PO. (CGS 4-69). There is no direct statute requiring a written contract or agreement but 110a-151b (a) require quotes to be obtained prior to the service being rendered.



Date: _____

PSA/Honoraria Late Justification Form

Please Note:

Approving a contract after its start date is a clear violation of current State Policies and Procedures. During audit reviews, the University can be cited for such violations. Therefore, it is extremely important that departments forward Personal Service Agreements (PSAs) and/or Honoraria to the Procurement Services Department for approval before the start of the contract.

- **PSAs** valued at \$5,000 or more must be submitted to Procurement at least **21 business days** prior to the start date of the contract.
- **PSAs and/or Honoraria** at \$5,000 or less must be submitted to Procurement at least **10 business days** prior to the start date of the contract.

This form must accompany all PSAs and/or Honoraria that do not conform to the deadlines noted above.

This form must be filled out completely and **BOTH** the Project Director and the appropriate Vice President must sign the form.

Document Type: Honorarium PSA **Dept:** _____

Contractor Name/Business Name: _____ **Project Monitor/Requestor:** _____

Why is this document submitted late?

What procedures have you established to prevent future late submittals?

President or VP (as appropriate)

Date

Director/Project Director

Date