



Purchasing Department  
 Lucas Administrative Center 617  
 Nunn Drive  
 Highland Heights, KY 41099  
 (859) 572-5265  
 FAX (859) 572-6995

# PROOF OF NECESSITY

for  
**PERSONAL SERVICES CONTRACT**  
 and  
**MEMORANDUM OF AGREEMENT**

<b>Name and Address of Contractor</b>	<b>Proposal No. RFP-NS</b>	<b>Contract No. PS-NKU</b>
	State \$	<b>NEW                  RENEWAL</b>
	T & A \$	<b>Contract Amt. \$</b>
	Reg. Fees \$	
	Federal \$	<b>Effective:</b>
Grant #	<b>Expiration:</b>	
CFDA #		
<b>Social Security or Fed. I.D. No.</b>	<b>PAYMENT: Basis</b>	<b>PAYMENT: Method &amp; Frequency</b>
<b>If contract is with a firm or corporate entity, attach complete list of names &amp; Soc. Sec. No's. of all officers &amp; employees performing work directly related to this contract.</b>	Hourly \$ /Hr	<input type="checkbox"/> Straight Disbursement
	Per Diem \$ /Day	<input type="checkbox"/> Inter Account
	Fee \$ /Svc	<input type="checkbox"/> Upon Completion
<b>NOTE: All questions on this form must be answered fully, including those on the second page, when applicable. If space is insufficient, attach additional information on a separate page.</b>	<b>Other-Explain:</b>	<input type="checkbox"/> Other-Explain:

1. Explain work to be performed:
  
2. Justification for contracting with an outside provider:
  
3. Describe in detail how the projected cost of the contract was derived:
  
4. Basis for selection of proposed contractor:
  
5. List names and addresses of other providers to perform this service on the second page of this form:
6. Explain on the second page of this form if the contract is to be renewed next fiscal year:
7. If the contract was not included in the original Budget Request, explain on the second page of this form:

<b>Contract Prepared By</b>	Approved:
<b>&amp; To Be Monitored By:</b> _____	_____/_____
Signature	Supervisor                  Procurement Representative
<b>Type Name &amp; Title:</b>	
<b>Building &amp; Room No.:</b>	<b>Telephone No.:</b>

## Proof of Necessity Continuation

**NOTE: Only complete this form if Contract exceeds \$10,000.00.**

1. **Explain work to be performed** - This should be a brief but specific description of the project, types of services to be delivered, reports or products to be prepared, reason for duration of the contract, etc.
2. **Justification** for contracting with an outside provider to perform this service.  
The following questions should be addressed at a minimum:  
What in-house method(s) were considered and why were potential in-house method(s) rejected? Is the work of such nature that: it should be done independently of the agency to avoid a conflict of interest; it requires unique or special expertise/qualifications; and/or legal or other special circumstances require use of an outside provider? If services are needed on a continuing basis, describe efforts made to secure services through regular state employment channels? Will agency personnel provide staff support services to the contractor?
3. **Describe how cost of Contract was derived.** (Attach proposed budget when applicable.)i.e., Fees negotiated with contractor; usual and customary fees for similar engagements; fees submitted as part of RFP, etc
4. **Basis for selection of Proposed Contractor:** Explain process used in making decision, i.e., solicitation of proposals, bids, references, evaluation criteria applied, etc.
5. **List names and address of other providers** considered to perform this service. If none, single source justification should be explained in your response to Question 5 on the front of this form or by attached justification letter.

(1)

(2)

(3)

6. If this contract will possibly be extended into next fiscal year, explain below.

7. Explain below if this contract was not included in the original budget.

If this Proof of Necessity form and accompanying Contract are being submitted on or after the date upon which work commences, a "DECLARATION of EMERGENCY" must be attached. Various Kentucky Revised Statutes recognize an emergency as a situation which creates a threat or impending threat to public health, welfare or safety such as may arise by reason of fires, floods, tornadoes, epidemics, riots, equipment failure, legislative mandates or similar events. The existence of the emergency condition creates an immediate and serious need for services, construction, or items of tangible personal property that cannot be met through normal procurement methods and the lack of which would seriously threaten the functioning of government, the preservation of protection of property, or the health or safety of any person." **In summary, lack of planning, resulting in inadequate lead-time to effect a contract does not constitute an emergency.**

This Contract provides for 30 days or less cancellation by the university upon written notice to the contractor.

If contractor is an individual, the contractor will not be considered an employee of this agency for FICA purposes.

The individual signing this form under "Contract Prepared by" will be responsible for the planned supervision and monitoring of all work under this contract. Individual will authorize various phases of work to commence, supervise and review all work, receive reports, coordinate communications with other university officers and audit all invoices, including authorized expenses, for accuracy prior to submittal to Purchasing for payment. Furthermore, individual will prepare any necessary amendments/extensions, should the nature or scope of the work change or the time frame appear inadequate. Amendments/extensions will be submitted prior to additional work, or extension of contract being required.