

Professional Services Supplemental Policy

1. POLICY

Issued: June 30, 2025

Last Revised: N/A

Last Reviewed: N/A

Applies to: *Faculty (including part-time, adjunct and visiting faculty), postdoctoral scholars, staff and students (including graduate/undergraduate student workers and graduate assistants) employed by University of Southern California (“USC” or the “University”) and including those working for the University’s health system (“USC Employees”). This policy continues to apply to individuals who are on sabbatical or other leaves, or who are visiting other institutions.*

Background

In response to the announcement from the President’s Office dated March 24, 2025, the University is implementing additional measures to limit and reduce institutional expenditures. This policy is a direct step toward aligning operational decisions with the University’s long-term goals of financial stewardship and academic excellence.

2. Policy Purpose

This supplemental policy introduces new governance measures over the procurement and use of professional services at the University. The purpose is to ensure responsible fiscal management and reinforce the University’s commitment to protecting its financial sustainability and academic mission.

3. Scope and Application

This policy applies to all university employees. It governs the use of external professional services provided by individuals and organizations, including but not limited to:

- Sole proprietors
- Small to large consulting firms
- Corporations and specialized professional entities

Examples of Professional Services can be found at [Buying Services – USC Business Services](#)

4. Definitions

N/A

5. Policy Details

The university permits the use of professional services only under limited and specific circumstances. Requests will be considered only when they clearly meet one or more of the following criteria:

- Regulatory or Legal Compliance – Engagement is necessary to avoid penalties or legal liability due to non-compliance.
- Specialized Expertise Not Available Internally – Services require unique qualifications or certifications not held by university employees (e.g., architectural engineering).
- Grant or Donor Funded Requirements – The services are required or explicitly allowed by the terms of external funding.
- Cost Saving or Revenue Generating Initiatives – The engagement is expected to yield a clear, measurable return on investment (e.g., fundraising strategy consultants, energy-efficiency planning).

In some cases, justification may be required to demonstrate that the engagement will result in a net financial benefit or significant cost savings

Governance and Approvals

All professional service engagements must comply with the following governance requirements:

- Pre-Approval Required - All engagements must be reviewed and approved in advance by the appropriate Dean or Senior Vice President. Engagements with a total cost of \$50,000 or more must also receive prior approval from the Senior Vice President Finance & Chief Financial Officer.
- Competitive Bidding - A competitive bidding process is required for all professional service engagements with a total cost of \$50,000 or more.

Additionally, all approved engagements must be conducted in full compliance with the University's Procurement Policy. [Suppliers and Competition - Policies and Policy Governance](#)

6. Procedures

N/A

7. Forms

N/A

8. Responsibilities

University schools and departments are responsible for ensuring compliance with this policy.

9. Related Information

N/A

10. Contacts

If you have any questions or need further clarification, please contact Business Services at procurement@usc.edu or call (213) 740-2281.