UNIVERSITY of HOUSTON
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Legal Affairs
AREA: Contract Administration
SUBJECT: Contracting - General
NUMBER: 15.01.01

I. PURPOSE AND SCOPE

A. This Manual of Administrative Policies and Procedures ("MAPP") sets forth requirements applicable to all contracts entered into on behalf of the University for the purchase, sale or other exchange of goods, services and property except as otherwise set forth in this MAPP. This MAPP was created to comply with Board Policy 55.01, System Administrative Memorandum 01.D.07 and applicable federal and state laws, regulations, agency advisory opinions and judicial and administrative determinations.

B. This MAPP does not apply to: (i) contracts for the procurement of goods, materials and supplies that are normally procured by the University Purchasing Department in accordance with MAPP 04.01.01, or delegated to other departments in accordance with University policies; or (ii) contracts pertaining to Sponsored Research and/or intellectual property which are funded by grants or other external funding sources (these are processed by the University of Houston Office of Contracts and Grants (OCG) department in accordance with MAPP 08.01.01).

II. POLICY

A. No person has the authority to bind the University contractually, except in accordance with this MAPP. Any person who executes a contract on behalf of the University without authority to do so or otherwise in violation of this MAPP may be personally liable for damages related to the contract.

B. The Board must approve certain contracts in accordance with Board Policy 55.01 and Board Bylaws (see Section V of this MAPP). The Board has delegated to the Chancellor the authority to negotiate, execute and administer all other contracts or to further delegate such authority.

C. Except as otherwise set forth in this MAPP, all contracts must be reviewed and approved by Contract Administration prior to execution by the University.
D. All applicable administrative and legal reviews must be completed prior to execution of a contract and prior to commencement of any duties/actions by the parties pursuant to the contract.

III. DEFINITIONS

A. **Alternative Dispute Resolution (ADR) Clause.** A form required when the University enters into non-standard contracts involving the acquisition of goods, services and certain types of building/construction projects, all as set forth in Texas Government Code Chapter 2260.

B. **Best Value.** Pursuant to Texas Education Code §51.9335, the University must generally make purchases based on the method that provides “Best Value” to the University. The factors to consider when evaluating Best Value are set forth in Section IV(D) of this MAPP. The Originating Unit shall utilize the Recommendation for Award form or similar documentation to demonstrate that Best Value has been obtained related to each contract. Questions about establishing Best Value pursuant to this MAPP should be directed to Contract Administration prior to entering into a contract.

C. **Board.** The University of Houston System Board of Regents.


E. **Consultant.** A person that provides or proposes to provide a Consulting Service. The term includes a political subdivision, but does not include the federal government, a state agency or a state governmental entity (Texas Government Code §2254.021(3)).

F. **Consulting Service.** The service of studying or advising a state agency under a contract that does not involve the traditional relationship of employer and employee (Texas Government Code §2254.021(1)). To “study” means to consider some aspect of the agency in detail, such as its financial status or its method of performing an administrative function, and to present that information to the agency. To “advise” means to provide a recommendation or identify options with respect to some course of action. Generally, a “consultant” delivers information or provides assistance that enables the state agency to take some course of action. When a contract involves both Consulting Services and other services, it is considered a consulting contract if Consulting Services are the primary objective of the contract (Texas Government Code §2254.038). Questions about whether a particular contract involves Consulting Services should be directed to Contract Administration.
G. **Contract or Agreement.** An agreement between two or more parties that creates in each party an obligation to do or refrain from doing something and a remedy for such party’s failure to fulfill the obligation. As used in this MAPP, references to “contracts” or “agreements” include, but are not limited to, agreements, terms and conditions, amendments, letters of agreement, letters of intent, statements of intent, memoranda of understanding, leases, interlocal agreements, interagency agreements and any other contract-related documents.

H. **Contract Administration.** The University of Houston Office of Contract Administration (a division of the University of Houston System Office of General Counsel).

I. **Contract Cover Sheet.** A form containing various details and acknowledgments of responsibility related to a particular contract request submitted to Contract Administration (as further described in Section VII of this MAPP). The Contract Cover Sheet can be obtained from the Contract Administration website at [www.uh.edu/contractadmin](http://www.uh.edu/contractadmin).

J. **Major Consulting Services Contract.** As it relates to an institution of higher education, a Consulting Services Contract for which it is reasonably foreseeable that the value of the contract will exceed $25,000 (Texas Government Code §2254.021(2)).

K. **Major Information System.** (i) One or more computers that, in the aggregate, cost more than $100,000; (ii) A service related to computers, including computer software, that costs more than $100,000; or (iii) telecommunications apparatus or device that serves as a voice, data, or video communications network for transmitting, switching, routing, multiplexing, modulating, amplifying, or receiving signals on the network and costs more than $100,000.

L. **Originating Unit.** The University department or representative that initiates a contract request and/or otherwise has responsibility for such contract.

M. **Professional Services.** Services directly related to the professional licensed practices such as accounting, architecture, landscape architecture, land surveying, medicine, optometry, professional engineering, real estate appraising, or professional nursing (Texas Government Code §2254.002(2)). Services provided by professionals outside the scope of their profession, e.g., management-consulting services provided by accounting firms, are not considered Professional Services for purposes of this MAPP.

N. **Recommendation for Award form.** A form showing the basis by which an Originating Unit recommends the award of a particular contract to the other party identified in the form (as further described in Section IV(D)(2) of this MAPP). The Recommendation for Award Form can be obtained from the Contract Administration website at [www.uh.edu/contractadmin](http://www.uh.edu/contractadmin).
O. **Sponsored Research.** Includes research and development projects that usually involve the preparation of specialized contracts such as grants, sub-recipient agreements or sub-contract agreements with other entities. The University of Houston Office of Contracts and Grants (OCG) is responsible for administering contracts related to Sponsored Research.

P. **Standard form agreement.** Contracts and other documents that have been previously reviewed and approved by Contract Administration for proper form and legality, including compliance with applicable state laws, constitutional requirements and Board and System policies. Standard form agreements are denoted by a contract number such as the following example: “OGC-S-2010-01.”

Q. **Substantive change.** A change that modifies the legal terms of a particular document. Any substantive change to a standard form agreement will render it non-standard. Examples of non-substantive changes include modifications to: party names, description of goods or services, dollar amount to be paid or received, effective date and term length. Questions about whether a particular modification constitutes a substantive change should be directed to Contract Administration.

R. **System.** The University of Houston System.

S. **University.** The University of Houston.

IV. **GENERAL PROVISIONS**

A. **Contract Management.**

1. **Office of Contract Administration.** Except as otherwise set forth in this MAPP, Contract Administration shall: (i) review and maintain all standard and non-standard contracts; (ii) provide training to University departments in order to facilitate compliance with this MAPP; (iii) provide required notices on a timely basis to the Legislative Budget Board (“LBB”) and other required state reporting offices; and (iv) advise and assist the Originating Unit and other University representatives regarding appropriate selection and usage of contract forms and other contract-related issues. Except as otherwise set forth in this MAPP, all non-standard contracts must be forwarded to Contract Administration for legal review and approval prior to execution.

2. **Record Retention.** The Originating Unit shall retain a fully-executed, legible copy of every contract it executes in accordance with the University’s record retention policies and timeframes. Contract Administration shall also retain a fully-executed, legible copy of every contract it processes. Unless otherwise specified in the particular contract,
this MAPP or in other University policies, legible facsimile contracts and signatures are acceptable for meeting these requirements.

3. **Contract Numbering.** Contract Administration shall develop and implement a contract numbering system that will provide a unique identification number for each contract it processes. The Originating Unit shall develop and implement such a contract numbering system for all contracts not processed by Contract Administration.

4. **Payment on Contracts.** Payments subject to this MAPP require a fully executed contract before payment can be issued by Accounts Payable, regardless of payment amount. All payments or reimbursements for contractor expenses must be authorized by the contract. The Originating Unit is responsible for providing all pertinent documents and information required by the Accounts Payable Department. For additional information and requirements related to vouchers, see MAPP 04.01.03.

5. **Contract Compliance.**

   a. **Originating Unit Responsibilities.** The Originating Unit assumes primary responsibility for the contract, from inception to completion of the transaction. Prior to submitting the contract to Contract Administration, the Originating Unit is responsible for reading the contract in its entirety and notifying Contract Administration in writing of any concerns or suggested modifications, including but not limited to, provisions relating to: payment obligations, scope or description of services, insurance requirements and duration. After execution of the contract, the Originating Unit is responsible for monitoring and assuring performance in accordance with provisions of the contract and for reporting non-compliance to the College/Division Business Administrator and, as appropriate, to the Originating Unit’s Vice President. Contract Administration will provide assistance as requested.

   b. **College/Division Business Administrator Responsibilities.** The College/Division Business Administrator supporting the Originating Unit must:

      (i) Review the contract documents for accuracy, completeness, appropriateness, benefit to the University, availability of funds and compliance with University policy.

      (ii) Certify approval of the contract and underlying transaction by signing the Contract Cover Sheet and
providing a copy of it to Contract Administration and maintaining a copy in the department’s contract file.

(iii) Work with the Originating Unit to: (i) obtain any necessary documents related to the contract, such as proof of insurance, exhibits or attachments; and (ii) as appropriate, forward such documents to Contract Administration prior to execution.

(iv) Develop and maintain a contract management system to ensure that the terms and conditions of each contract are monitored and that each party complies with its contractual obligations.

B. Standard Form Agreements.

1. Contract Administration may designate standard form agreements and related processes whereby further review and approval by Contract Administration is not necessary prior to execution so long as: (i) there have been no substantive changes made to the standard form agreement; and (ii) the contract does not require Contract Administration review pursuant to any of the special contracting requirements set forth elsewhere in this MAPP. Requests for a document to be designated as a standard form agreement should be directed to Contract Administration. In order to expedite a transaction, Originating Units are encouraged to use standard form agreements when available for the particular transaction.

2. Standard Addendum. Contract Administration may develop standard addendums and related processes whereby review and approval by Contract Administration of certain non-standard contracts is not required provided that the parties execute the standard addendum form and attach it to the non-standard contract.

C. Contract Amendments.

1. Submission of a contract amendment to the proper contracting office must include the proposed amendment and a copy of the original contract together with any prior amendments.

2. In instances where the original contract was approved by the Board and the amount of the requested amendment is not greater than the amount set forth in Section V(A)(6) of this MAPP, the Chancellor is authorized to execute the amendment without further action by the Board. The Chancellor shall provide the Board Chairman a report of any such actions at the next regularly scheduled Board meeting following the action.
3. Proper signature authority for an amendment is determined by adding the total value of the original agreement plus all subsequent amendments.

D. Competitive Procurement Requirements (Best Value).

1. Pursuant to Texas Education Code §51.9335, the University may acquire goods or services by the method that provides the Best Value to the University, including:
   - competitive bidding;
   - competitive sealed proposals;
   - catalog purchase;
   - group purchasing program; or
   - open market contract.

The following criteria must be considered in determining Best Value:
   - purchase price;
   - reputation of the vendor and of the vendor’s goods or services;
   - quality of the vendor’s goods or services;
   - extent to which the goods or services meet the University’s needs;
   - vendor’s past relationship with the University;
   - impact on the ability of the University to comply with laws and rules relating to historically underutilized businesses and to the procurement of goods and services from persons with disabilities;
   - total long-term cost to the University of acquiring the vendor’s goods or services;
   - any other relevant factor that a private business entity would consider in selecting a vendor; and
   - use of material in construction or repair to real property that is not proprietary to a single vendor unless the University provides written justification in the request for bids for use of the unique material specified.

2. Recommendation for Award Form. All contracts must be supported with a completed Recommendation for Award form demonstrating the basis on which an award is recommended. The Recommendation for Award form must provide information pertinent to each of the following: which procurement method was used in selecting the particular vendor; price tabulations outlining the price acquisition process; price quotes obtained; basis for establishing Best Value to the University; and name of the preferred vendor.

E. Duration/Term Length. The duration (term length) of any contract, including any renewals or extensions, should not extend beyond a cumulative period of five (5) consecutive years, unless otherwise approved in writing by a University official with appropriate authority.
V. CONTRACTS REQUIRING BOARD APPROVAL

A. Board approval must be obtained in an open meeting for the following contracts (refer to Board Policy 55.01.1):

1. contracts for the purchase, gift or acquisition of real property;

2. contracts for the sale of real property or conveyance of any rights in real property;

3. as lessee, all real estate leases, lease renewals and extensions, if the obligation of the lease is equal to or greater than the submittal threshold requiring Texas Higher Education Coordinating Board action;

4. banking agreements;

5. any single procurement contract for any equipment, goods and services, not specified above, that is expected to exceed $1,000,000 in a fiscal year with the exception of contracts that fall within and are a part of approved construction projects set forth in Section 53.04 of the Board policy or investment agreements;

6. any extension, modification, or renewal of an existing contract that is expected to exceed $1,000,000 in a fiscal year with the exception of investment agreements;

7. any series of contracts initiated in the same department for the same goods or services with the same party within a fiscal year, that, if combined in one contract, would require Board approval or reporting; and

8. any other contract the Board might designate as having significant importance to require Board approval.

B. Procedures and requirements for contracts requiring Board approval.

1. Submittal Process. The Board holds four regularly scheduled meetings per year. The meeting schedule is available at: www.uhsa.uh.edu/regents/board_meetings. With the exception of contracts handled by the Division of Research and Intellectual Property, in order to submit a contract for Board approval, the Originating Unit must send the contract and a completed Board of Regents’ Agenda Cover Sheet to the Office of the Executive Vice Chancellor for Administration and Finance at least sixty (60) calendar days prior to the date of the Board meeting at which approval will be sought.
2. **Contract Administration Review.** All contracts requiring Board approval must be reviewed and approved by Contract Administration before execution.

3. **Delegation to the Chancellor.** The Chancellor shall execute all contracts approved by the Board.

4. **Delegation by the Chancellor.** All delegations of contracting authority must be made in writing, approved by the Chancellor and filed with the Board. Such delegations can be viewed on the Chancellor’s Delegations of Authority.

5. **Emergencies.** In the event of a bona fide emergency, as declared by the Chairman of the Board upon consultation with the Chancellor, the Chancellor may enter into a contract that would otherwise require Board approval under this MAPP prior to receiving such approval, provided that the Chancellor submits such contract to the Board for ratification at the next regular meeting of the Board.

C. **Construction Projects.**

1. The Executive Vice Chancellor for Administration and Finance shall present for approval to the Board projects for new construction or major repair and rehabilitation of buildings and facilities when the total cost is equal to or greater than the submittal threshold requiring Texas Higher Education Coordinating Board action. In such cases, the Board will be presented with the project, budget, schedule and, if applicable, a program and schematic design. Once a project is approved, the Chancellor is authorized to negotiate and execute all appropriate contracts and easements required to accomplish the project, provided it is within the approved scope and budget of the project.

2. Each component university shall ensure that all plans, specifications and bidding documents are reviewed for compliance with applicable state laws governing their areas of responsibility prior to being released for bidding. When requested by the Executive Vice Chancellor for Administration and Finance, the System Facilities Planning and Construction Department shall assist in the coordination and management of all project activities, including the review of all plans, specifications and bidding documents for compliance with applicable state laws prior to being released for bidding.

VI. **DELEGATION OF AUTHORITY FOR CONTRACTS NOT REQUIRING BOARD APPROVAL**
A. The Chancellor may negotiate, execute, and administer all contracts and related necessary legal documents and instruments not requiring Board approval.

B. The Chancellor may delegate such authority to System administration officers or the presidents according to their areas of responsibilities (for a list of such delegations, see the Chancellor’s Delegations of Authority). As permitted by this MAPP and the Chancellor’s Delegations of Authority, these signature authorities may be further delegated by University officers or presidents by using the Delegation of Authority Memorandum available from the Contract Administration website at www.uh.edu/contractadmin.

C. All contracts and documents must be executed by an individual(s) with appropriate delegated signature authority.

VII. CONTRACT PREPARATION

A. Contract Documents. When providing a contract to Contract Administration for review, the Originating Unit must include: (i) a completed Contract Cover Sheet; (ii) a completed Recommendation for Award form if applicable; (iii) a completed ADR Clause if applicable; and (iv) unless the documents were provided to Contract Administration electronically, two (2) original contracts, including any exhibits or attachments).

B. Contract Cover Sheet. Prior to submitting the contract for review, the Originating Unit must complete the Contract Cover Sheet and obtain all required signatures.

C. Necessary Information. When submitting a contract for review to Contract Administration, the Originating Unit must provide all information requested on the Contract Cover Sheet described below including, but not limited to:

- the other party’s name, address, phone number, contact person and Federal tax identification number;
- the name and title of the person(s) who will sign on behalf of University;
- the total amount (or best estimate) of money that will be paid or received by University pursuant to the contract;
- identification of the University cost center(s) from which payments will be made or into which revenues will be deposited;
- detailed description of the goods or services that the University will procure or provide;
- the start date on which the term of the contract will commence;
- the end date on which the contract will expire;
- confirmation from the Texas Comptroller that all contracting parties are in good standing with the State of Texas, having no unpaid financial obligations and obtain the Vendor Information required by Section VIII(H) of this MAPP; and
• if applicable as designated by the Originating Unit on the Contract Cover Sheet, a detailed description of any changes the Originating Unit would like to make to the contract draft.

D. **Contract Completion.** An Originating Unit should obtain the appropriate standard form agreement by downloading the electronic file from the Contract Administration website (www.uh.edu/contractadmin) and then completing the contract on a word processor or by typing the information onto a hard copy of the document. Contracts should not contain handwritten information other than the parties’ signatures. Because standard form agreements are updated periodically, the Originating Unit should always obtain the document from the Contract Administration website for each use and should not use a version saved on the person’s computer, network or that might otherwise be outdated.

E. **Small Contracts.** Standard form agreements, or non-standard agreements with a standard addendum attached, that are less than $25,000 and not within any of the special contracting requirements set forth elsewhere in this MAPP should be administered by the Originating Unit in accordance with this MAPP. Review of such contracts by Contract Administration is not required.

F. The Business Administrator for the Originating Unit and the University official with delegated authority to sign the contract is responsible for ensuring that no substantive changes have been made to standard form agreements. If substantive changes have been made, the contract must be forwarded to Contract Administration for legal review and approval.

G. **Effective Date.** The effective date of the contract must be no sooner than the date on which all applicable administrative and legal reviews have been completed and the contract must be signed by all parties prior to commencement of any duties/actions by the parties pursuant to the contract.

H. **Processing Time Frames.** The following timeframes apply to contracts that must be processed by Contract Administration pursuant to this MAPP.

1. **Standard Form Agreements.** Except as otherwise set forth in this MAPP, standard form agreements should be received by Contract Administration at least ten (10) business days before the effective date/start date of the contract.

2. **Non-Standard Agreements.** Except as otherwise set forth in this MAPP, non-standard agreements should be received by Contract Administration at least fifteen (15) business days prior to the effective date/start date of the contract.
3. **Additional Processing Time.** As set forth elsewhere in this MAPP, certain specialized agreements and those requiring public bidding may require longer processing times.

**VIII. SPECIAL CONTRACTING REQUIREMENTS**

**A. Lease of Space.** The Chancellor must approve all leases, lease renewals and extensions, regardless of the funding source, except as delegated in accordance with this MAPP.

1. **State Funds.** State law requires that state agencies afford the Texas Facilities Commission (“TFC”) the opportunity to obtain leased space, if the lease will be paid from state funds. An Originating Unit desiring to lease space with state funds should anticipate working with the System Facilities Planning and Construction Department and Contract Administration which shall coordinate the required activities with the TFC leasing department, after obtaining approval of the Chancellor.

2. **Local Funds.** The TFC has delegated authority to the System to execute lease agreements for which no state funds will be expended. An Originating Unit desiring to lease space under System delegated authority must work with the System Facilities Planning and Construction Department and Contract Administration for assistance in ensuring compliance with all legal and administrative requirements.

**B. Consulting Services Contracts.**

1. **Contract Administration Review.** All Consulting Services contracts must be reviewed and approved by Contract Administration before execution, regardless of contract amount.

2. **Funding.** This policy applies to Consulting Services contracts that are funded with money: (i) appropriated by the Texas state legislature; (ii) derived from the exercise of the statutory duties of a state agency; or (iii) received from the federal government, unless a federal law or regulation provides otherwise (Texas Government Code §2254.023).

3. **Requirements.** There are numerous state requirements that must be met before and after entering into consulting contracts (including contract renewals, amendments and extensions for such services). These include but are not limited to: obtaining a finding of fact that Consulting Services are necessary and cannot be adequately performed by the agency or another state government entity, providing public notice of the need for Consulting Services and notices to state government agencies related to the Consulting Services Contract. The Originating Unit must work with Contract Administration to comply with these requirements and
timeframes. Failure to comply with the state requirements will render the associated contract(s) void.

4 Processing Time. Major Consulting Services Contracts must be submitted to Contract Administration at least forty-five (45) business days prior to the contract’s effective date.

5. Additional Information. For more information about which types of services are considered Consulting Services, see the Consultant Contract Guidelines “Explanatory Note” on the State of Texas Governor’s web site at: http://governor.state.tx.us/bpp/guidelines or contact Contract Administration.

6. Reporting. All Consulting Services contracts exceeding $14,000 must be reported to the LBB in accordance with Section IX(B)(1) of this MAPP.

C. Professional Services Contracts. State law requires that selection and award of contracts for Professional Services be based on the professional’s demonstrated competence, the professional’s qualifications for the type of services to be performed and a fair and reasonable price (which may not exceed any maximum price provided by law) - rather than on the basis of competitive bids (Texas Government Code §2254.003). Failure to comply with these requirements will render the associated contract(s) void. All Professional Services contracts exceeding $14,000 must be reported to the LBB in accordance with Section IX(B)(1) of this MAPP.

D. Revenue-Generating Contracts. Except as otherwise directed by the University Tax Department, all contracts that generate revenue for the University, regardless of amount, must be reviewed by Contract Administration, which will notify the University Tax Department about the contract and ensure the contract is executed by the appropriate official. Originating Units are authorized to enter into contracts that generate revenue if the transaction does not create adverse tax implications and is directly related to furthering the University’s educational mission, research, expansion, public service or campus support functions. Questions about potential tax implications of any particular transaction should be directed to the University Tax Department.

E. Contracts for Legal Services. All contracts for legal services must be initiated by the Office of General Counsel after receiving approval from the Office of the Attorney General for the State of Texas (refer to System Administrative Memorandum 01.D.02, Employment of Outside Legal Counsel).

F. Contracts for Major Information Systems. Pursuant to Texas Government Code §2054.008, the University must provide written notice to the LBB after entering into a contract for a Major Information System in accordance with Section IX(B)(1) of this MAPP.
G. **Research Contracts.** Except as limited by the Chancellor’s Delegations of Authority, the President has, or may delegate, the authority to negotiate, execute and administer all contracts and grants pertaining to Sponsored Research contracts, including externally-funded research contracts, cooperative agreements, joint research projects and similar agreements. The President must report all such contracts to the Board. For more information about contracts related to Sponsored Research, see [www.research.uh.edu/OCG/Guide/Post-Award_Section/Service_Contracts.html](http://www.research.uh.edu/OCG/Guide/Post-Award_Section/Service_Contracts.html).

H. **Vendor Identification.** The University must report to the Texas Office of the Comptroller each vendor who is indebted to the State or has a tax delinquency. The report must contain required information and be submitted in a manner and frequency required by the Comptroller’s Office. For more information, see [http://ecpa.cpa.state.tx.us/vendor/tpsearch1.html](http://ecpa.cpa.state.tx.us/vendor/tpsearch1.html) or contact Contract Administration.

I. **Agreements with State and Local Government Entities.** The University may generally contract with another state agency or other government entity for the acquisition or provision of necessary and authorized services and resources using interagency agreements (Texas Government Code §771), interlocal agreements (Texas Government Code §791) or other appropriate agreements. These agreements may be subject to specific statutory requirements. Assistance may be requested from Contract Administration.

J. **Contracting with Historically Underutilized Business (“HUBs”).** University contracts must comply with Chapter 2161 of the Texas Government Code (refer to Board Policy 55.04 and System Administrative Memorandum 03.B.02 for more information).

K. **Audit Clause.** All revenue generating contracts and all contracts where payment by the University is contingent upon records processed and maintained by another party to the contract must contain an audit clause. This clause must give the University the right to access and audit any and all documents pertaining to the contractual relationship held by any party to the contract.

IX. **CONTRACT REPORTING REQUIREMENTS**

A. **Yearly Report to the Board (Consulting Services and Professional Services).** Pursuant to Board Policy 55.01.4, the Executive Vice Chancellor for Administration and Finance shall compile a report of all contracts for Consulting Services or Professional Services, where total compensation from System-wide sources to a single entity or individual exceeds $250,000 during the fiscal year, for submission to the Board at the first meeting of the next subsequent fiscal year.

B. **State Agency Reporting.**
1. The University is required to provide written notice to the LBB not later than the tenth (10th) day after the University enters into certain expense contracts, if the amount of the contract, including an amendment, modification, renewal or extension of the contract, exceeds $14,000. This includes, but is not limited to: (a) contracts for construction projects (Texas Government Code §2166.2551); (b) contracts for Professional Services other than contracts for physician or optometric services (Texas Government Code §2254.006); (c) contracts for Consulting Services (Texas Government Code §2254.0301); and (d) contracts for Major Information Systems (Texas Government Code §2054.008).

2. Before October 1 of each fiscal year, the University is required to provide written notice to the LBB of: (i) each contract for the purchase or sale of goods or services with a value of over $50,000 to which the University was a party during the prior fiscal year - except purchase orders, interagency contracts, contracts paid with funds not appropriated by the Texas General Appropriations Act or contracts already reported to the LBB; and (ii) each contract, or series of contracts, between the University and a single entity or individual for the purchase or sale of goods or services with a value of over $500,000 to which the University was a party during the prior fiscal year – except contracts already reported to the LBB.

3. Pursuant to delegated authority from the TFC, Contract Administration compiles and maintains information regarding space leased by the University. On a calendar year quarterly basis, the Originating Unit shall provide Contract Administration a summary of such unit’s active and expired leases for the preceding three month period.

X. REVIEW AND RESPONSIBILITY

Responsible Party: Executive Director for Contract Administration

Review: Every three years, on or before March 1

XI. APPROVAL

________________________________________
Vice President for Legal Affairs and General Counsel

________________________________________
President

Date of President’s Approval: ________________________________