

UNIVERSITY of HOUSTON
MANUAL OF ADMINISTRATIVE POLICIES AND PROCEDURES

SECTION: Procurement
AREA: Contract Administration

Number 04.04.01A

SUBJECT: Contracting - General

I. PURPOSE AND SCOPE

This document sets forth requirements applicable to all contractual instruments for services, including but not limited to contractual documents, terms and conditions, leases, letters of agreement, letters of intent, memoranda of understanding, and interagency or intercampus agreements,

- A. Executed on behalf of the University of Houston for and on behalf of and/or any unit of the university (collectively, “the university”);
- B. Intended to be binding on the university; and
- C. To which the university is a party or signatory in any capacity, regardless of funding source, amount of funds expended or generated, and whether or not remuneration, monetary or in-kind, is involved, and/or contracts that are not required to be administered with the Office of Contracts Administration.

This document was created to comply with Board of Regents Policy 47.01, UH System Administrative Memorandum 03.A.05, and applicable federal and state laws, regulations, agency advisory opinions and judicial and administrative determinations.

This document does not cover contracts for consulting or outside employment entered into by a university employee where the university employee acts as an independent consultant or contractor; contracts pertaining to sponsored projects, programs, activities for research and/or intellectual property which are funded by grants or other external funding sources; or procurement of supplies, goods or equipment that are normally provided by the university Purchasing Department.

II. POLICY

- A. No person has the authority to bind the university contractually, except in accordance with this policy.
- B. All contracts shall have all applicable administrative and legal reviews completed and be signed by all parties prior to commencement of any duties/actions by the

parties as stipulated in the contract. Board of Regents approval must be obtained in an Open Meeting for certain contracts (see Section III, K of this document).

- C. Contracts are legally binding on the university only upon execution of the contract by the university official with delegated contractual signatory authority.
- D. Amendments, changes, extensions or renewals to the original contract must be processed in the same manner as the original contract. A copy of the original contract should be included with the amendment, change, extension or renewal at the time the documents are processed for approval.

III. GENERAL PROVISIONS

- A. Originating Unit Responsibilities: The originating unit assumes primary responsibility for a contract, from inception to completion of the transaction. 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 appropriate Vice President. The Office of Contracts Administration will provide needed assistance as requested.
- B. College/Division Business Administrator Responsibilities: The College/Division Business Administrator supporting the originating unit must:
 - 1. Review the contractual documents for accuracy, appropriateness, availability of funds, and compliance with university policy.
 - 2. Certify approval of the contractual documents and transaction by signing the Contract Cover Sheet.
 - 3. Work with the originating unit to obtaining any documents referenced in the contract, such as proof of insurance, exhibits, or attachments, and forward copies with contracts to the Office of Contracts Administration.
 - 4. Develop and maintain a contract management system to ensure that the terms and conditions of each contract are performed in an appropriate manner. The individual(s) responsible for ensuring that the terms and conditions of the contract are met shall sign an appropriate statement acknowledging this important responsibility (See Addendum B). Such documentation, to include an acknowledgement statement and the person's name, title, signature and date of signature, shall be maintained with the records associated with each contract.
- C. Office of Contracts Administration: The Office of Contracts Administration processes and maintains contractual instruments not otherwise processed by the Division of Research and Intellectual Property, or processed in accordance with

Sections V.C.4., and V.C.5. This office shall: receive and review all standard and non-standard contracts not otherwise the responsibility of the Office of the General Counsel and the Division of Research and Intellectual Property; provide training for all university departments to facilitate compliance with this MAPP; and provide required notices to the LBB and other required state reporting offices within the specified time frame.

- D. Office of General Counsel (OGC): The OGC, with the assistance of the Executive Director for Contracts Administration/Associate General Counsel for Contract Compliance will advise and assist the originating unit regarding the most appropriate contract form for the purpose specified and related legal issues. All non-standard contracts (with the exception of those that are the responsibility of the Division of Research and Intellectual Property) are to be forwarded to the Executive Director for Contracts Administration/Associate General Counsel for Contract Compliance for legal review, recommendations, and/or revisions. The OGC may prepare and designate certain contracts as “standard” whereby further OGC review and approval as to form is not necessary, so long as the standard form of agreements have not been altered.
- E. Legal Review: Board Policy 47.01 requires review and approval as to form by the OGC of all non-standard contracts prior to execution by the university. See Section V.C. for a discussion of standard contracts.
- F. Duration: The duration of any contractual transaction cannot be specified in a contractual instrument to extend beyond a cumulative period of five consecutive years, including renewal terms. The official with delegated authority must approve exceptions to this time period in writing.
- G. Execution: Contracts are legally binding on the university only upon execution of the contract by the university official with delegated contractual signatory authority, as specified in Addendum A.
- H. Historically Underutilized Business (HUBs): The university will comply fully with the letter and spirit of Chapter 2161 of the Texas Government Code (refer to Board Policy 47.04 and System Administrative Memorandum 03.B.02).
- I. Record Retention: The Office of Contracts Administration and each contracting party retain one executed original in their respective files. The originating unit retains a copy of the executed contract in its files.
- J. 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 shall contain an audit clause. This clause shall 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.

- K. Contracts Requiring Board Approval: Board approval must be obtained in an open meeting for the following contracts (refer to Board Policy 47.01.01):
1. Contracts for the purchase, gift or acquisition of real property;
 2. Contracts for the sale, or conveyance of any rights in real property, if the value of the property is more than \$300,000;
 3. Real Estate leases, lease renewals and extension, whether as lessor or lessee, if the obligation of the lease is equal to or greater than the submittal threshold requiring Texas Higher Education Coordination Board action;
 4. Banking and investment agreements;
 5. Any single procurement contract for any equipment, goods, and services, not specified above, that is expected to exceed \$1 million;
 6. Any series of contracts that are initiated in the same unit 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
 7. Any other contract the Board might designate as having significant importance to require Board approval.
 8. The Board holds four regularly scheduled meetings per year. The current meetings schedule can be accessed at www.uhsa.uh.edu/BRMTGS.HTM. With the exception of Division of Research and Intellectual Property contracts, in order to submit a contract for Board approval, each submitter must send the contract with an accompanying, completed Board of Regents' Agenda Cover Sheet to the Office of the Vice Chancellor for Administration and Finance.

IV. SPECIAL CONTRACTING REQUIREMENTS

- A. Competitive Procurement Requirements: The university may acquire goods or services by the method that provides the best value, including competitive bidding; competitive sealed proposals; a catalogue purchase; a group purchasing program; or, an open market contract. The following criteria shall be considered in determining best value: the purchase price; the reputation of the vendor and of the vendor's goods or services; the quality of the vendor's goods or services; the extent to which the goods or services meet the institution's needs; the vendor's past relationship with the institution; the impact on the ability of the institution to comply with laws and rules relating to historically underutilized businesses and to the procurement of goods and services for persons with disabilities; the long-term cost to the institution of acquiring the vendor's goods or services; any other relevant factor that a private business entity would consider in selecting a vendor;

and, the use of material in construction or repair to real property that is not proprietary to a single vendor unless the institution provides written justification in the request for bids for use of the unique material specified.

Recommendation for Award Form (Addendum E): All contracts must be submitted for processing with a completed Recommendation for Award form showing the basis by which an award is recommended. The Recommendation for Award form must provide information pertinent to all of the following: which procurement method used (see paragraph A above); price tabulations outlining the price acquisition process; prices obtained in arriving at best value to the university; bases for best value to the university; and the name of the preferred vendor.

- B. Lease of Space by a University Unit: The Chancellor must approve all leases, regardless of the source of funding.
1. Local Funds: The Texas Building and Procurement Commission (TBPC), formally the General Services Commission, has delegated authority to the University of Houston System to execute lease agreements for which no state funds will be expended. An originating unit that desires to lease space should anticipate working with the Facilities Planning and Construction Department and Office of Contracts Administration at least four months prior to the proposed effective date/start date for the resulting lease agreement to allow sufficient time to formulate lease specifications, evaluate bids and develop the appropriate lease agreement.
 2. State Funds: Unless the university receives delegated authority at a future date, state law requires that state agencies afford the TBPC the opportunity to obtain leased space, if the lease will be paid from state funds. An originating unit desiring to execute a lease agreement that will be paid from state funds should anticipate working with the Facilities Planning and Construction Department and the Office of Contracts Administration. The TBPC process takes five to six months from the date on which a request is tendered to the TBPC until execution of the lease agreement.
- C. Consulting or Professional Services Contracts: See Texas Government Code, Chapter 2254.
1. Consulting Services: “Consulting Service” is the practice of studying and advising a state agency in a manner not involving the traditional employee/employer relationship. To “study” means to consider some aspect of the agency in detail. To “advise” means to provide a recommendation or identify options with respect to some course of action. Generally, a true “consultant” delivers information or provides assistance that enables the state agency to take some course of action. When a contract involves a mix of deliverables, it is considered a consulting

contract only when consulting services, as defined above, are the primary objective of the contract.

There are numerous state requirements governing filing of notices to solicit and award consulting contracts and to process renewals, amendments and extensions. An originating unit must work with the Office of Contracts Administration and allow sufficient time to complete publication and notice requirements as set forth by Section V.I.7. Failure to comply with these requirements will render the contracts void.

2. Professional Services: “Professional Services” are those services directly related to the professional licensed practices such as accounting, architecture, landscape architecture, land surveying, medicine, optometry, professional engineering, real estate appraisal, or professional nursing. 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 the purposes of this policy.

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, rather than on the basis of competitive bids.

3. State Agency Reporting: The university is required by the Legislative Budget Board (LBB) by LBB directive letter dated December 2001 and by law to provide written notice to the LBB not later than the tenth day after the date on which the university enters into all expenditure contracts, if the amount of the contract, including an amendment, modification, renewal, or extension of the contract, exceeds \$14,000, including but limited to: (a) contracts for construction projects (Government Code §2166.2551); (b) contracts for professional services (Government Code §2254.006), other than contracts for physician or optometric services; and (c) contracts for consulting services (Government Code 2254.0301).
4. Yearly Report to the Board of Regents: Contracts Administration, in consultation with units reporting to the Associate Vice President for Finance, shall compile a report of all contracts for consulting or professional services, where total compensation from system-wide sources to a single entity exceeded \$250,000 during the fiscal year, for submission by the Vice Chancellor for Administration and Finance to the Board of Regents at the first meeting of the next subsequent fiscal year (refer to Board Policy 47.01.4).

- D. Revenue-Generating Contracts. All contractual transactions for which revenues will be generated for the university and/or any unit of the university must comply with requirements set forth in this MAPP, including review by the Office of

Contracts Administration, the Office of Tax Compliance, and Associate Vice President for Finance or Associate Vice President for Administration, processing by the Office of Contracts Administration and execution by the appropriate university official. University units are authorized to arrange for contractual opportunities that generate revenue, if the transaction is directly related to furthering the university's educational, research, extension, public service, or campus support functions.

- E. Contracts for Legal Services: Originating units cannot initiate contracts for legal services. All contracts for legal services are initiated only by the Office of General Counsel and only after approval has been obtained from the Office of the Attorney General for the State of Texas (refer to SAM 01.D.02, Employment of Outside Legal Counsel).
- F. Contracts for Major Information Systems: The university is required by law (Government Code §2054.008) to provide written notice to the LBB, not later than the 10th day after the date on which the university enters into a contract for a major information system. A "major information system" includes one or more computers that, in the aggregate, cost more than \$100,000; a service related to computers, including computer software, that costs more than \$100,000; and a 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. The Office of Contracts Administration is responsible for providing appropriate written notice to the LBB.
- G. Contracts Awarded to Non-Resident Bidders: During January and July of each year, the university must file a report with the LBB that identifies each non-resident bidder (one who does not maintain a permanently staffed full-time office in Texas and as defined by Texas Government Code, Title 10, Subtitle D, Section 2152.064) to whom the university awarded a contract that has a value of \$25,000 or more for the purchase of supplies, materials, services, or equipment during the six calendar months preceding the month in which the report is filed, if the university awarded such a contract during the reporting period. For contracts with a value of \$250,000 or more, the university must include an explanation for the need to use a non-resident bidder. By the first day of January and July, all originating units must make a report of non-resident bidders awarded contracts during the prior six months to the Office of Contracts Administration, which in turn will make the required report to the LBB on behalf of the university.
- H. Contracts for Leased Space: The Office of Contracts Administration compiles and maintains information regarding leased space pertaining to local funds by the university pursuant to delegated authority from the Texas Building and Procurement Commission (TBPC). On a quarterly basis, Contracts Administration updates this information and prepares and submits a report to the

Vice Chancellor for Administration and Finance. In turn, the Vice Chancellor for Administration and Finance forwards the report to the TBPC.

- I. Texas Electronic Marketplace: The university may post notification on the Texas Electronic Marketplace of procurements for which the agency expects to pay more than \$25,000, regardless of the funding source. The Texas Electronic Marketplace can be accessed at <http://www.texas-one.org/home.htm>. A unit that desires to post notification should contact the Office of Contracts Administration for assistance with Texas Electronic Marketplace posting requirements.
- J. Vendor Identification: The University shall 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 information and be submitted in a manner and frequency required by the Comptroller's Office. The contracting unit must obtain the needed vendor information by accessing the Texas Office of the Comptroller at <http://ecpa.cpa.state.tx.us/vendor/tpsearch1.html>; or by contacting the Office of Contracts Administration.
- K. Agreements With Other State and Local Government Entities: The university may contract with another state agency for the provision of necessary and authorized services and resources by Interagency Agreement, subject to the requirements of this policy. Assistance may be requested from the Office of Contracts Administration.

V. CONTRACT PREPARATION

- A. Necessary Information: In order to prepare documents necessary for a transaction, the originating unit should obtain the following information:
 - the name, street address, city, state, of the non-university party;
 - the name and title of the person(s) who will sign on behalf of the non-university party, if the party is a corporation;
 - the amount that will be paid or received (if a revenue-generating contract) for the goods or services;
 - the number of the university cost center from which payments will be made or into which revenues will be deposited;
 - a detailed description of goods or services that the university is procuring or providing (if a revenue-generating contract);
 - the start date for rendition of services or delivery of goods or the effective date/start date upon which the term of the contract will commence;
 - the date on which the services will be completed or the goods will be delivered or the term of the contract will expire; and
 - confirmation from the Texas Comptroller that all contracting parties are in good standing with the State of Texas, having no unpaid financial obligations (see Section IV. J.).

- B. Contract Cover Sheet (Addendum B): An electronic copy of the Contract Cover Sheet form can be obtained from the College/Division Business Administrator or the Office of Contracts Administration. The originating unit should complete the Contract Cover Sheet, including obtaining all required signatures.
1. Contracting Accounts (Addendum C): If the contract procures professional services or consulting services then the correct account must be included on the Contract Cover Sheet.
 2. Amendments: If submitting an amendment to a contract, a Contract Cover Sheet for the amendment must be prepared. The amendment must be accompanied by copies of the original contract (and all addenda) with its Contract Cover Sheet and prior amendments, if any, and with a Contract Cover Sheet submitted for each amendment.
 3. Amendment – Authorized Signatories: The authorized representatives of the university and the contractor who signed the original contract must sign the amendment. If, however, the amendment significantly increases the total amount of funds expended by the university, then the next level administrator, in accordance with Addendum A, is the appropriate university signatory.
- C. Standard Contracts: Standard contracts are forms that have been approved as such by the Office of General Counsel pursuant to System Administrative Memorandum 03.A.05, Section 6.2. Such forms are available from the Office of General Counsel or from the Office of Contracts Administration.
1. Use: Review by the Office of General Counsel is unnecessary for a standard contract unless substantive changes have been made in the new agreement. Examples of “non-substantive changes” include changes in the names of the parties, amount of consideration, and the date of entry of the agreement. Substantive changes include the addition of attachments or addenda to a standard agreement or purchase order that contains additional terms and conditions.

Requests for a standard contract designation may be made to the Executive Director for Contract Administration/Associate General Counsel for Contract Compliance.
 2. Limitations: Under Section 6.2 of System Administrative Memorandum 03.A.05, unless a contract has been designated as a standard contract by the Office of General Counsel, the contract must be reviewed and approved as to legal form by the Office of General Counsel before execution. For the purpose of this section, a contract includes but is not limited to any document, which purports to create binding obligations, rights and/or duties between the university or its component entities and

any third party. Contracts requiring Office of General Counsel review and approval includes documents entitled: “Agreement,” “Memorandum of Understanding,” “Statement of Intent,” or similar designations. Prior review and approval is also required for any addenda or additions to a standard contract or a standard university purchase order or other similar documents that contain additional terms and conditions that have not been reviewed by the Office of General Counsel.

3. Sponsored Projects: When contracts are generated pursuant to sponsored projects and are funded with sponsored project funds, including line-item appropriated funds, federal funds, or other external funds, the originating unit or program must use Office of Contracts and Grants (OCG) standard contracts and must process these contracts through the OCG, rather than through Contracts Administration.
 4. Recurring, Revenue-Generating Services: Certain standard contracts for recurring, revenue-generating services provided by the university that are based on uniform price lists are not processed through Contracts Administration. Rather, the originating unit is responsible for processing the documents and maintaining an executed original of each contract. Examples of recurring, revenue-generating services contracts include those for child care services (Child Care Center), student housing, campus card accounts (Cougar 1Card), and short-term space rental (for example, Cullen Performance Hall, University Hilton, University Center).
 5. Small Contracts: Standard Contracts (as defined in this subparagraph C) which are less than \$25,000 and not within any of the special contracting requirements set forth in Section IV of this MAPP, are to be administered by the appropriate departmental business personnel in accordance with this MAPP. This category of contracts need not be administered and routed to the Office of Contracts Administration. Each appropriate departmental business personnel must consult with the Office of Contracts Administration to develop and implement a contract numbering system that will provide a unique identification number for each small contract covered under this Section V.C.5.
 6. The Business Administrator for the originating unit is responsible for ensuring that the wording in standard contracts has not been altered from that approved by the Office of Contracts Administration/Office of General Counsel. If wording has been altered, the contract must be forwarded to the Office of General Counsel for review and approval as to form.
- D. Non-Standard Contracts: Some non-university parties prefer to use their contract for a transaction. If a non-standard contract will be used for a transaction, then the contract will be routed through the Office of Contracts Administration to the Office of General Counsel for review.

- E. Description: The contract must contain enough detail so that the respective responsibilities of the parties are clearly delineated.
- F. Authorized Signatures: Addendum A lists appropriate signatories for contract types and levels of funds paid or generated.
- G. Contract Completion: An originating unit should complete the appropriate contract template by either downloading the electronic file of the template and completing the contract on a word processor or copying the template and typing the information onto the hard copy of the document. Contracts should not contain handwritten information. A contract is a legal document; therefore, only the parties' signatures should be handwritten.
- H. Contract Documents: The completed Contract Cover Sheet, an appropriate number of originals (one for the Office of Contracts Administration and non-university party) must be submitted to the Office of Contracts Administration for processing, with any exhibits or attachments to the contract. The Office of Contracts Administration will forward a copy of the executed contract to the department.
- I. Processing Time Frames
1. Processing Time: Contracts should be processed as far in advance as possible before the effective date/start date of the contract or before the start date for rendition of services, delivery of goods, or occupancy of leased space. An originating unit should be cognizant of the time periods required for processing different kinds of contracts. For example, a contract for consulting services as explained in Section V.I.7 must be processed far enough in advance of the effective date/start date of the contract to effect compliance with state rules and regulations, and/or Texas Government Code requirements (Chapter 2254).
 2. Effective Date/Start Date: The effective date/start date of the contract and/or the start date for rendition of services, for delivery of goods, for occupancy of leased space, or for use of leased equipment should be specified as follows: "upon execution by the authorized representatives of the parties." In the alternative, the effective date/start date should be no sooner than the date on which all applicable administrative and legal reviews have been completed and signed by all parties prior to commencement of any duties/actions by the parties as stipulated in the contract.
 3. Competitive Procurement Requirements: All university contractual procurements, whether for goods and services are subject to Section IV.A.1. of this MAPP. An originating unit must allow sufficient time for submittal and processing of Invitations to Bid (ITB), Request for

Proposals (RFP) and Informal Bids by Purchasing to assist with soliciting, receiving, and processing as follows:

- a. Invitations to Bid: An originating unit that contemplates issuance of an ITB should anticipate working with the Purchasing Department at least 15 to 30 days prior to the proposed effective date/start date for the resulting contract.
- b. Request for Proposal: An originating unit that contemplates issuance of an RFP should begin working with the Purchasing Department at least 60 days prior to the proposed effective date/start date for the resulting contract, if state funds are to be expended, and at least 30 to 60 days prior to the proposed effective date/start date for the resulting contract, if the procurement will be obtained with local funds.
- c. Informal Bids: In circumstances where an ITB or RFP are not required, the originating unit should anticipate working with the Purchasing Department at least one week prior to the proposed effective date/start date for the resulting contract.

The Office of Contracts Administration should review all ITB and RFPs for compliance prior to the university's release.

4. Board of Regents Approval: Contracts requiring Board of Regents' approval, as specified in Section III.K. and Addendum A of this document, must be submitted for processing to the Office of Contracts Administration and to the Vice Chancellor for Administration and Finance a minimum of 60 calendar days prior to the date of the Board meeting at which approval will be sought.
5. Standard Contracts: All standard contracts should be submitted for processing to the appropriate contracting office at least 10 business days prior to the effective date/start date of the contract (see Section V.C.).
6. Non-Standard Contracts: All non-standard contracts should be submitted for processing to the appropriate contracting office at least 15 business days prior to the effective date/start date. The additional time is needed for legal review.
7. Contracts for Consulting Services: Contracts for consulting services for which payment of more than \$15,000 will be made, in whole or in part, from state or federal funds must be submitted to the Office of Contracts Administration at least 30 business days prior to the effective date/start date. The additional time is needed to effect compliance with state law.

VI. PAYMENT

Payment on Contracts:

- A. Contract Number: Payments must be initiated by an originating unit on a purchase voucher sent to Accounts Payable. The appropriate account(s) (Addendum C) must be used, and the authorized signatory for the originating unit must approve the purchase voucher. The “contract number” is defined as the number issued by the Office of Contracts Administration or the originating unit, as applicable (see Section V.C.5.). The contract number must be typed in the reference number field on all vouchers submitted and all payments tendered to a vendor/contractor.

- B. Completion, Submittal of Documentation: The originating unit is responsible for attaching all pertinent documents and providing all required information on the purchase voucher submitted to the Accounts Payable Department.

- C. Payment or Reimbursement for Contractor’s Travel-Related Expenses: Airfare is the only travel related expense that can be billed to the university without a contract by completing a travel request as set forth by university Manual of Administrative Policies and Procedures 04.02.01A or 04.02.01B .

VII. REVIEW AND RESPONSIBILITY

Responsible Party: Associate Vice President for Administration

Review: Every three years, on or before September 1

VIII. APPROVAL

John M. Rudley
Vice President for Administration and Finance

Arthur K. Smith
President

Date of President’s Approval: 11/05/02

- IX. Index Terms:
- Appropriated funds
 - Bid
 - Consultant
 - Contracting office
 - Contracts Administration Department
 - Contractual instrument
 - Contract
 - Delegated authority
 - Execution
 - Interagency agreement
 - Invitations to bid (ITB)
 - Lease
 - Letter of intent
 - Memorandum of understanding
 - Non-standard contract
 - Originating unit
 - Professional services
 - Request for proposal (RFP)
 - Revenue-generating
 - Short-term contract
 - Standard contract
 - Start date
 - Terms and conditions

Addendum A

Delegated Signatory Authority

Contracts and dollar amounts referenced in this Addendum A are applicable to all contractual instruments, including but not limited to contractual documents, terms and conditions, leases, letters of agreement, letters of intent, memoranda of understanding, interagency or intercampus agreements, and any other instrument that is executed by an individual on behalf of the University of Houston (UH) and/or any unit of the university (collectively, “the university”) and/or to which the university is a party or signatory in any capacity, regardless of funding source, amount of funds expended or generated, and whether or not remuneration, monetary or in-kind, is involved.

The Chancellor of the University of Houston System/President of the University of Houston delegates signatory authority for contracts to certain university officials, as indicated in this Addendum A.

For certain contractual transactions (see Board Policy 47.01.01 or SAM 03.A.05), Board of Regents’ approval must be obtained and/or compliance must be effected with applicable state law and regulation prior to execution of the contract by the university official with delegated signatory authority.

Vice Presidents may delegate signatory authority within their respective areas of responsibility. This delegation must be in writing to the appropriate university personnel and on file with the Office of Contracts Administration. The attached form of delegation memoranda must be used for this purpose.

Signature Authority Levels

Type of Contract	Less than \$5,000	\$5,000 to less than \$25,000	\$25,000 to less than \$300,000	\$300,000 to less than \$1,000,000	\$1,000,000 or more (Requires Board of Regents Approval)
Academic Affairs Division					
A. Interuniversity, interagency, intercampus, study -abroad, or other contracts related to the placement or exchange of students, faculty, curricula, or facilities, which are generated to provide educational opportunities:	SVPAA and Provost	SVPAA and Provost	SVPAA and Provost	SVPAA and Provost	Chancellor
B. Blaffer Gallery contracts:	SVPAA and Provost	SVPAA and Provost	SVPAA and Provost	SVPAA and Provost	Chancellor
C. Arte Público Press contracts:	SVPAA and Provost	SVPAA and Provost	SVPAA and Provost	SVPAA and Provost	Chancellor
Administration and Finance Division					
D. Contracts for the purchase, sale, or conveyance of real property, which include the conveyance of any rights in real property:	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor
E. Real estate leases, lease renewals and extensions, whether as lessor or lessee (excluding those with a threshold requiring Texas Higher Education Coordinating Board action):	Chancellor	Chancellor	Chancellor	Chancellor	Chancellor
F. Banking and investment contracts:	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor
G. Student tuition, student loan, and collection contracts:	VPAF	VPAF	VPAF	President	Chancellor

Addendum A (Page 2)

Signature Authority Levels

Type of Contract	Less than \$5,000	\$5,000 to less than \$25,000	\$25,000 to less than \$300,000	\$300,000 to less than \$1,000,000	\$1,000,000 or more (Requires Board of Regents Approval)
Administration and Finance - continued					
H. Contracts originated by FP&C for A/E services, renovations or new construction, excluding change orders:	VPAF	VPAF	VPAF	President	Chancellor (does not require Board of Regents approval)
I. Change orders originated by FP&C where the change does not cause the project to exceed the approved budget:	VPAF	VPAF	VPAF	VPAF	Chancellor (does not require Board of Regents approval)
J. Change orders originated by FP&C where the change causes the project to exceed the approved budget and is less than the Coordinating Board's allowed 10-percent variance:	VPAF	VPAF	VPAF	President	Chancellor (does not require Board of Regents approval)
K. Change orders originated by FP&C where the change causes the project to exceed the approved budget and is more than the Coordinating Board's allowed 10-percent variance:	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor
Information Technology Division					
L. Contracts for hardware and/or software, consulting and/or development of information systems, software licensing, or information technology; any document transmitting information resources to the University as a loan or a gift; or documents transmitting any information related to procurement of information resources submitted to the Board of Regents. :	Appropriate division and/or department personnel with delegated authority from their VP/Department head.	Appropriate division and/or department personnel with delegated authority from their VP/Department head.	VPIT	President	Chancellor
President's Division					
M. Financial aid contracts for student athletes:	Director, Athletics; VPAF	Director, Athletics; VPAF	Director, Athletics; VPAF	N/A	N/A
N. Coach contracts:	Director, Athletics; President	Director, Athletics; President	Director, Athletics; President	Director, Athletics; President	Director, Athletics; President
O. Athletics contracts and agreements that are not specified elsewhere:	VPAF	VPAF	VPAF	President	Chancellor
Research Division					
P. Refer to MAPP 04.04.01B					
Student Affairs Division					
Q. Contracts to administer standardized educational and professional certification testing:	VPSA	VPSA	VPSA	President	Chancellor
R. Child Care Center contracts for routine child care services:	VPSA	VPSA	N/A	N/A	N/A
S. Residential Life and Housing contracts approved as standard contracts by the Office of General Counsel:	VPSA	VPSA	VPSA	President	Chancellor

Addendum A (Page 3)

Signature Authority Levels

Type of Contract	Less than \$5,000	\$5,000 to less than \$25,000	\$25,000 to less than \$300,000	\$300,000 to less than \$1,000,000	\$1,000,000 or more (Requires Board of Regents Approval)
Other Types of Contracts					
T. Contracts pertaining to Residential Life and Housing and the University Center for less than \$50,000 that relate to minor maintenance, repair and renovation. All other contracts, including those that involve new construction and/or architectural services will be delegated to Administration and Finance as indicated above.	VPSA	VPSA	VPSA (not to exceed \$50,000)	N/A	N/A
U. Contracts where the university is the recipient of revenue:	VPAF;	VPAF; Academic Affairs Division: SVPAA and Provost	VPAF; Appropriate Vice President	President	Chancellor (does not require Board of Regents approval)
V. Contracts for the use of university facilities or space (pursuant to System Administrative Memorandum 01.B.06 Facilities Reservation and Rental, and MAPP 09.03.01 - Reservation and rental of university facilities):	Vice President responsible for space/facility for which use is requested	Vice President responsible for space/facility for which use is requested	Vice President responsible for space/facility for which use is requested; Athletics Director (for Athletics Facility)	President	Chancellor (does not require Board of Regents approval)

Addendum A (Page 4)



**UNIVERSITY OF HOUSTON SYSTEM
University of Houston**

To: (Appropriate University employee within area of responsibility)

From: (Appropriate Vice President)

Date:

Subject: Contract Manual of Administrative Policies and Procedures 04.04.01A – Delegated Signature Authority

Cc: Office of Contracts Administration

In accordance with Addendum A to the above section of the Manual of Administrative Policies and Procedures, signature authority is hereby delegated to you for the following contracts and amounts:

Type of Contract	Less than \$5,000	\$5,000 to less than \$25,000	\$25,000 to less than \$300,000
<u>Academic Affairs Division</u>			
A. Interuniversity, interagency, intercampus, study -abroad, or other contracts related to the placement or exchange of students, faculty, curricula, or facilities, which are generated to provide educational opportunities:			
B. Blaffer Gallery contracts:			
C. Arte Público Press contracts:			
<u>Administration and Finance Division</u>			
D. Contracts for the purchase, sale, or conveyance of real property, which include the conveyance of any rights in real property:	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval
E. Real estate leases, lease renewals and extensions, whether as lessor or lessee:	Chancellor	Chancellor	Chancellor
F. Banking and investment contracts:	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval
G. Student tuition, student loan, and collection contracts:			

Addendum A (Page 5)

Type of Contract	Less than \$5,000	\$5,000 to less than \$25,000	\$25,000 to less than \$300,000
<i>Administration and Finance - continued</i>			
H. Contracts originated by FP&C for A/E services, renovations or new construction, excluding change orders:			
I. Change orders originated by FP&C where the change does not cause the project to exceed the approved budget:			
J. Change orders originated by FP&C where the change causes the project to exceed the approved budget and is less than the Coordinating Board's allowed 10-percent variance:			
K. Change orders originated by FP&C where the change causes the project to exceed the approved budget and is more than the Coordinating Board's allowed 10-percent variance:	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval	Chancellor, following Board of Regents approval
<u>Information Technology Division</u>			
L. Contracts for hardware and/or software, consulting and/or development of information systems, software licensing, or information technology; any document transmitting information resources to the University as a loan or a gift; or documents transmitting any information related to procurement of information resources submitted to the Board of Regents:			
<u>President's Division</u>			
M. Financial aid contracts for student athletes:			
N. Coach contracts:			
O. Athletics contracts and agreements that are not specified elsewhere:			
<u>Research Division</u>			
P. Refer to MAPP 04.04.01B			
<u>Student Affairs Division</u>			
Q. Contracts to administer standardized educational and professional certification testing:			
R. Child Care Center contracts for routine child care services:			
S. Residential Life and Housing contracts approved as standard contracts by the Office of General Counsel:			

Addendum A (Page 6)

Type of Contract	Less than \$5,000	\$5,000 to less than \$25,000	\$25,000 to less than \$300,000
<u>Other Types of Contracts</u>			
T. Contracts pertaining to Residential Life and Housing and the University Center for less than \$50,000 that relate to minor maintenance, repair and renovation. All other contracts, including those that involve new construction and/or architectural services will be delegated to Administration and Finance as indicated above.			
U. Contracts where the university is the recipient of revenue:			
V. Contracts for the use of university facilities or space (pursuant to System Administrative Memorandum 01.B.06 Facilities Reservation and Rental, and MAPP 09.03.01 - Reservation and Rental of University Facilities):			
W. For contracts not addressed elsewhere in this Addendum: Contracts certified as standard by the Office of General Counsel and non-standard contracts reviewed and approved as to form by the Office of General Counsel:			

Addendum B



**CONTRACT COVER SHEET AND APPROVAL FORM
Office of Contracts Administration**

Contract No.: K- _____
(To be entered by Contracts Administration)

General Information

UHS/UH Department: _____
 Contact Person: _____
 Campus Address: _____
 Telephone: (_____) _____ Fax (_____) _____ Email _____
 Business Administrator: _____
 Telephone: (_____) _____ Fax(_____) _____ Email _____

Summary of Contract Terms

Contract with: _____
NAME OF CONTRACTOR
 Tax ID or SS Number: _____ Contact person: _____
NAME
 Street Address: _____ City, State and Zip Code: _____
 Description: _____
GOODS AND/OR SERVICES TO BE PROCURED, PHYSICAL LOCATION, ETC.
 Contract Term: Start ____/____/____ End ____/____/____
 Total Amount of Contract: _____
 Source of Funds: Cost CTR No.: _____ Revenue CTR No.: _____
 Acct: _____ Acct: _____
 Authorized Signatory: _____
IDENTIFY WHO WILL SIGN CONTRACT ON BEHALF OF THE UNIVERSITY OF HOUSTON SYSTEM PURSUANT TO MAPP, SAM AND BOARD POLICIES

Certifications: Complete before sending with contract to Office of Contracts Administration.

<u>REQUIREMENT</u>	<u>CERTIFIED BY</u>	<u>DESCRIPTION</u>
Originating Unit	_____	Ensures primary responsibility for the contract, from inception to completion of the transaction (See MAPP 04.04.01A (IV)(C)).
Original Contracts And signatures	_____	Two (2) original contracts (not facsimiles) have been submitted and original signatures from the contracting parties will be obtained before the beginning date of the contract.
Contract, Exhibits, And Appendices	_____	1) The contract and all documents incorporated by reference in the contract, including exhibits and appendices, are attached; and 2) All such documents have been read and agreed to in their entirety by originating department and any faculty and staff members who have obligations under this contract.

Addendum B (Page 2)

Contracting Party	_____	The name of the contracting party is stated as the University of Houston System or its component institutions (e.g., University of Houston, University of Houston - Victoria), and is not a department or program.
Competitive Bid Requirements	_____	The proper procurement method has been used which provides the best value to the University in making the contract award. (See MAPP 04.04.01A (V)(A)).
Consulting and Professional Services Contracts	_____	Consulting and Professional Services Contracts are subject to specific notice and reporting requirements that require the originating unit to contact the Office of Contracts Administration for assistance (See MAPP 04.04.01A (V)(C)).
Standard Form of Agreement	_____	If a standard form of agreement, I certify that no changes to the agreement have been made, including additional attachments or addenda. If changes have been made, I have attached and highlighted those portions of the agreement.

Certification of University Employee(s) With Responsibility for Ensuring Contract Terms and Conditions are Met

I have read this contract entirely. I am satisfied with its description of the goods and services to be provided to the University (including, for example, warranties, delivery terms, acceptance period, and maintenance terms). I am also satisfied with the description of the University 's obligations (including, for example, scope of work, payment due dates, late charges, tax, charges, insurance, and confidentiality requirements) and all other provisions of this contract, except as noted in any attached memorandum. A memorandum [is] ,[is not] ,(circle one) attached. **I acknowledge responsibility to ensure that all good faith efforts are employed in seeing that all terms, conditions and responsibilities of the contract are met.**

Name	Signature	Date
------	-----------	------

Title

Name	Signature	Date
------	-----------	------

Title

UH Provisions – Each provision must be reviewed for contract applicability.

REVIEW COMPLETED BY: _____

Name	Signature	Date
------	-----------	------

1. **Nondiscrimination.** The parties agree to comply with all applicable state and federal laws, rules, regulations and executive orders governing equal employment opportunity, immigration, nondiscrimination, including the Americans with Disabilities Act.
2. **Child Support.** Contractor certifies that the individual or business entity named in this Agreement is not ineligible to receive payment from the state and acknowledges that this Agreement may be terminated and payment may be withheld if this certification is inaccurate.
3. **University of Houston System Alternative Dispute Resolution Clause.** Effective August 30, 1999, Government Code Chapter 2260 requires that each contract entered into by the University of Houston System and its component institutions for goods or services, or for a building or construction contract under section 2166.001 of the Government Code, include a provision, developed with the Attorney General's assistance, stating that the parties will use the dispute resolution process provided for in chapter 2260 to attempt to resolve disputes arising hereunder.

Addendum C

Accounts for Use with Professional and Consulting Service Contracts

Professional service or consulting contracts are defined as those that meet the qualifications set forth in the Professional Services Procurement Act (Texas Government Code, Section 2254). These services are defined as:

“Professional Services” are those services directly related to the professional practices such as accounting, architecture, landscape architecture, land surveying, medicine, optometry, professional engineering, real estate appraisal, or professional nursing. 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 the purposes of this policy.

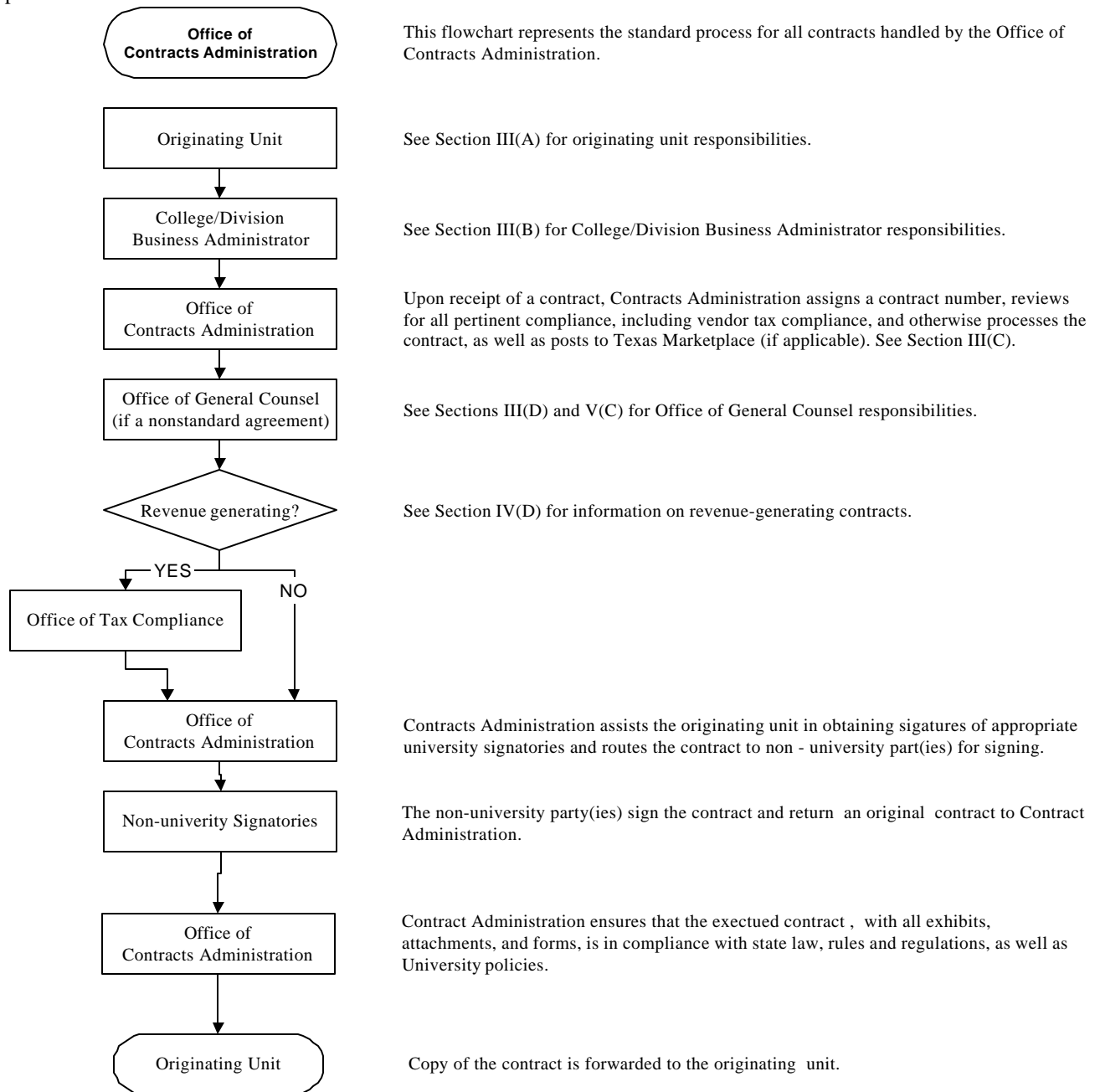
“Consulting Service” is the practice of studying and advising a state agency in a manner not involving the traditional employee/employer relationship. To “study” means to consider some aspect of the agency in detail. To “advise” means to provide a recommendation or identify options with respect to some course of action. Generally, a true “consultant” delivers information or provides assistance that enables the state agency to take some course of action. When a contract involves a mix of deliverables, it is considered a consulting contract only when consulting services, as defined above, are the primary objective of the contract.

Account	Description	Consulting Services	Professional Services
52101	Optometrist		X
52102	Receipted Expenses for Optometrist		X
52103	Accountant		X
52104	Landscape Architect		X
52105	Receipted Expenses for Landscape Architect		X
52106	Architect		X
52107	Engineer		X
52109	Physician or Surgeon		X
52110	Receipted Expenses for Accountant		X
52111	Receipted Expenses for Architect		X
52112	Receipted Expenses for Engineer		X
52114	Consulting Information Systems	X	
52115	Consulting Other	X	
52116	Receipted Expenses of Information Systems Consultants	X	
52117	Receipted Expenses of Other Consultants	X	
52118	Receipted Expenses for Physician or Surgeon		X
52201	Real Estate Appraiser		X
52202	Receipted Expenses for Real Estate Appraiser		X
52203	Registered Nurse		X
52204	Receipted Expenses for Registered Nurse		X
52206	Land Surveyor		X
52207	Receipted Expenses for Land Surveyor		X

Addendum D

CONTRACTS ADMINISTRATION CONTRACT PROCESSING FLOWCHART

The Office of Contracts Administration, in collaboration with the Office of General Counsel, has responsibility for processing general contractual instruments. The flowchart in this Addendum illustrates the steps in routing general university contracts through their respective processes.



Addendum E

RECOMMENDATION FOR AWARD FORM

CONTRACT NO. _____

Section IV (A) (1) of MAPP Policy 4.04.01A on Contracting requires the following:

All contracts must be submitted for processing with a completed Recommendation for Award form showing the basis by which an award is recommended. The Recommendation for Award form must provide information pertinent to all of the following: (a) which procurement method used; (b) price tabulations outlining the price acquisition process; (c) prices obtained in arriving at best value to the University; (c) bases for best value to the University; and (d) the name of the preferred vendor.

RECOMMENDATION FOR AWARD

Procurement Method Used (Describe the process by which price information was obtained, for example, phone bids, invitation to bid, RFP).

Prices Tabulations (Delineate prices obtained in arriving at best value):

Basis for Best Value to the University:

Preferred Vendor:

College/Department/Division:

Signature of College/Department/Division Administrator:

Date/Phone Number/Fax Number:

DO NOT WRITE BELOW THIS LINE
FOR OFFICE USE ONLY

*Reviewed by the Executive Director for Contracts Administration
or the Executive Director's Authorized Designee:*