CONTRACTS & AGREEMENTS
Session Purpose

Training will help you understand:

• Types of contracts
• Contract process
• Compliance requirements
• How to satisfy University policies, federal and state laws, and regulations.
Contract Types

**Standard**
- Uses a basic contract template developed by UH System.
- The vendor makes no changes to the terms and conditions.

**Non-Standard**
- Uses a vendor’s contract agreement
- Or a UHS template with changes to the terms and conditions.
## Standard Agreements - Examples

<table>
<thead>
<tr>
<th>Contract/Agreement</th>
<th>Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>* Standard Purchasing Agreement</td>
<td>For any type of services [not goods]</td>
</tr>
<tr>
<td>* Performer Agreement</td>
<td>For musicians, DJ’s, dancers</td>
</tr>
<tr>
<td>* Speaker Agreement</td>
<td>For workshops, presentations or any speaker event</td>
</tr>
<tr>
<td>* Professional Services Agreement</td>
<td>For any medical professionals</td>
</tr>
<tr>
<td>* Revenue Contract</td>
<td>For anticipated revenue of $50k or more</td>
</tr>
</tbody>
</table>
Other Less Common Agreements

**Interagency Agreement**
- Agreement between two or more Texas agencies

**Interlocal Agreement**
- Agreement between UHCL and local government
Other Less Common Agreements Cont’d

Affiliation Agreement/Credit & Non-Credit

• Use for field practicum and internships

Facility License Agreement

• Use for campus special events
• Can be zero-dollar
• Has strong indemnification/hold harmless terms

Memorandum of Understanding

• Formalizes a relationship, arrangement or understanding between UHCL and another party

  *May not be legally binding unless so specified in the agreement
## Contract Threshold Tips

<table>
<thead>
<tr>
<th>Dollar Amount</th>
<th>Tip</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0-$15k</td>
<td>No bid required</td>
</tr>
<tr>
<td><strong>Over $15k</strong></td>
<td>Specify procurement method:</td>
</tr>
<tr>
<td></td>
<td>• Sole source</td>
</tr>
<tr>
<td></td>
<td>• Bid Solicitations</td>
</tr>
<tr>
<td></td>
<td>• Cooperative Contracts</td>
</tr>
<tr>
<td></td>
<td>• Emergency Purchases</td>
</tr>
<tr>
<td><strong>Over $50k Not Construction</strong></td>
<td>Needs OCA cover sheet (Even if standard contract)</td>
</tr>
<tr>
<td></td>
<td>Legal review</td>
</tr>
<tr>
<td></td>
<td>Procurement manages document flow</td>
</tr>
<tr>
<td><strong>Over $100k Construction</strong></td>
<td>Needs OCA cover sheet</td>
</tr>
<tr>
<td></td>
<td>Legal review</td>
</tr>
<tr>
<td></td>
<td>Procurement manages document flow</td>
</tr>
</tbody>
</table>
Non-Standard Contracts

A non-standard contract happens when your vendor has different terms and conditions than our basic contract template contains.

*Either* use a Standard Contract Addendum (SCA) to add their terms to ours – Procurement then legal review required.

*Or*, the vendor uses their own template – Procurement then legal review required.
Amendments

Any change to an existing contract requires the following:

• Attach the original contract

• Process it before the original contract expires.

• Same approval level or higher as the original contract.

• Legal review required: allow adequate time.

• Typically, no extensions past 5 years.
Bids - Summary

Informal Bids - $15,001 - $25,000 – Not posted to ESBD

- Department recommends a vendor in writing
- Procurement will solicit a minimum of three (3) informal bids
  Two must be Historically Underutilized Business (HUB) vendors
- Bids are not posted to Texas Electronic State Business Daily

Formal Bids – Over $25,000 – Posted to ESBD

- Department recommends a vendor in writing
- Procurement will solicit a minimum of three (3) formal, written bids
  Two must be HUB vendors
- Bid posted to TX Electronic State Business Daily for minimum of 14 days
- Emergency purchases – contact Procurement for details
Revenue Agreements - Over $50K

Allow adequate review time!

- UHS Tax office must review prior to execution. Please allow time for this step.

Submit a complete packet!

- Procurement needs BOTH:
  - Revenue Contract Coversheet and
  - OCA Coversheet

- UHCL procurement routes documents for approval by tax & legal departments
Legal Review

- **When is it required?**
  * Any change in contract terms and conditions
  * Exceeding threshold limits (See slide #10)

- **Submit a complete packet!**
  * OCA Coversheet
    * Fill in editable areas (vendor name, address, cost center, amount, a brief description of scope of work, etc.)
    * Initial first five lines under certification (left side)
    * Indicate if request is a rush
    * Authorized Signatory
  * Procurement Method (if applicable)
  * All contract documentation (Agreement, T&Cs, COI, Etc.)

*Do Not sign the agreement before legal review.*
After Legal Review

Department steps

• Reviews documentation / obtain corrections if needed

• **DO NOT SIGN YET**

• Send to vendor for review/approval

• Vendor returns signed contract

• UHCL authorized signatory signs contract

• Sends fully executed copy to Procurement

 Has final stamp
Risk Management

Certificate of Insurance (COI)

• Required for any vendor providing services on campus.
  * Limits must match contract or addendum insurance clauses
  * Services are intangible benefits, not tangible goods.

• List UHCL as Certificate Holder and Additional Insured.

• Waiver of subrogation required
  * Endorsement required from vendors to avoid being held liable for claims that occur on their jobs here.

• UHS reviews any / all insurance waivers
  * Allow 7-14 days
Information Security Hosted Services Contract Checklist

This form is an assessment of information security items to be completed for contracts that include hosting of University information on non-UHS servers.

• This includes information specific to individual persons.

• This sheet should be submitted along with the proposed contract to the procurement department.

• After assessment by UHS Information Security, this completed checklist will be included in the packet submitted to the Office of Contracts Administration (OCA).
Checklist

- Determine the type of contract / agreement
  - SPA ☐ SCA ☐ MOU ☐ Affiliation ☐ Articulation ☐ vendor provided
  - Is amount >50K ☐ yes ☐ no, (if yes fill out OCA Coversheet to legal)
  - Is the contract a service ☐ yes ☐ no, if yes need COI
  - Is the contract >15K ☐ yes ☐ no, if yes, need Procurement Method
  - Sole Source ☐ Emergency ☐ COOP ☐ Bid
  - Has UHCL contract been changed/redlined ☐ yes ☐ no, if yes need OCA

- Typical contract packet to legal should include:
  - OCA Coversheet
  - Procurement Method (if applicable)
  - Contract / Agreement
  - COI (if applicable)
  - Additional Documentation (terms & conditions, policies, proposal/quote, etc.)
# Time Required

## TIME REQUIRED FOR CONTRACT PROCESSING
**BY UHCL OFFICE OF CONTRACTS**

<table>
<thead>
<tr>
<th>AGREEMENT TYPE</th>
<th># BUS. DAYS REQUIRED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard contract</td>
<td>13</td>
</tr>
<tr>
<td>Non-standard contract</td>
<td>18</td>
</tr>
<tr>
<td>Requiring Chancellor/Pres. signature</td>
<td>Add 10 days to above</td>
</tr>
<tr>
<td>Requiring Board approval</td>
<td>90</td>
</tr>
</tbody>
</table>

* Leases may require additional time, depending upon complexity
• Don’t forget to obtain signatures on your contract after legal review is completed.

• Submit a requisition to obtain a contract number and complete the procurement cycle.

• Submit fully executed agreement to vendor with contract number so they will be able to invoice once services are completed.