

University of Houston  Clear Lake
Procurement Manual ~ Contracting Procedures

I. PURPOSE

The purpose of these procedures is to provide guidelines to ensure compliance with university policies and state and federal regulations in the execution and administration of contracts, agreements, and amendments entered into by the University of Houston-Clear Lake (UHCL) All contracts and agreements, regardless of source of funds involved or whether or not money is exchanged between the parties, are subject to these guidelines.

II. DEFINITIONS

Applicable definitions are included in the Contracting Policies.

III. GENERAL PROCEDURAL GUIDELINES

- A. Depending upon the circumstances, an agreement for goods or services in which the university has material influence over the outcome may be written individually, articulating the responsibilities of all parties; or, when appropriate, a standard agreement may be used.
- B. All contracts and agreements must be approved as to form by the Office of General Counsel (OGC). If a new standard form is needed, the form must be developed with the approval of the OGC, through UHCL Contract Administration.
- C. The negotiation and review of all contracts and agreements between UHCL and outside entities, and on standard agreements in authorized cases, have been delegated to UHCL Contract Administration.
- D. UHCL Contract Administration should be contacted regarding proper procedures when contract agreements for services require an Invitation to Bid (ITB) or Request for Proposal (RFP).
- E. Contracts should not extend beyond a period of five consecutive years, including options to renew, unless approved at UH System level and/or by the OGC.
- F. Any relevant documentation, including a signed sole source purchase justification form, if applicable, must be included for contracts that are above bidding guidelines. The contract package will be reviewed by UHCL Contract Administration. Competitive bidding guidelines are available in the Procurement Manual or by contacting the Procurement Department.
- G. Contracts funded by external agencies for research, training, etc., must have the approval of the Office of Sponsored Programs (OSP).
- H. All contracts must be executed by all required parties prior to the start date of the agreement. Individuals who enter into agreements before the delegated signatory approval has been secured may be personally liable for payments for these services.

IV. PROCEDURE FOR NON-STANDARD AGREEMENTS

- A. All non-standard agreements will be reviewed by the OGC prior to commitment of services or obtaining contract signatures. UHCL Contract Administration will review contracts for compliance with all state rules and regulations and Board of Regents, UH System, and UHCL policies, as well as for good business practices and competitive procurement practices.
- B. The originating department should allow sufficient time for the designated approval steps to occur prior to the beginning date of the contract. It is recommended that at least 20 days be

allowed for university review and approval. A minimum of 30 days is required to permit adequate processing time. Additional time may be needed if posting on the Electronic State Business Daily (ESBD) is required.

- C. Contracts must be submitted electronically along with the Office of Contract Administration (OCA) transmittal coversheet to UHCL Contract Administration. UHCL Contract Administration will forward the contract to OGC for review. All agreements should reflect the legal name of the institution, "University of Houston-Clear Lake." UHCL Contract Administration may be contacted for assistance in writing a contract.
- D. Contracts with special insurance requirements must be reviewed by UHCL Risk Management. Additional time must be allowed for this review.
- E. The Board of Regents holds four regularly scheduled meetings per year. Sufficient lead-time should be allowed for Board approval prior to the contract start date. The Board of Regents meeting schedule can be accessed at <http://www.uhsystem.edu/board-of-regents/mtg-calendar/>.
- G. Upon approval of the OGC, contracts will be returned to UHCL Contract Administration and forwarded to the originating department for execution.
- H. After approval, the unsigned agreement will be sent to the contractor for signature. After the contractor signs, the agreement will be executed by the appropriate university designees. The originating department, on behalf of the university, is responsible for obtaining any documents referred to in the contract such as proof of insurance, bonds, etc. and submitting these documents to UHCL Contract Administration.
- I. The fully-executed agreement should be submitted to UHCL Contract Administration according to the document *Submitting Contracts to Contract Administration*.
- J. Any amendments, changes, extensions, etc. to the original contract must be processed exactly like the original contract, with the same approvals obtained as the original contract, and be made available for inclusion in the contract file in the UHCL Contract Administration office.

V. PROCEDURE FOR USING STANDARD AGREEMENTS

- A. The standard agreement form is to be completed in its entirety before the service is performed. The originating department obtains required information from the contractor and then enters this information into the form. The specific service, compensation offered, and dates (i.e., who, what, where, when and how much) must be detailed in the agreement. If a fee calculation is used rather than a flat rate, the calculation should be indicated in the compensation section of the form.
- B. After approval, the unsigned agreement will be sent to the contractor for signature. After the contractor signs, the agreement will be executed by the appropriate university designees. The originating department, on behalf of the university, is responsible for obtaining any documents referred to in the contract such as proof of insurance, bonds, etc. and submitting these documents to UHCL Contract Administration.
- C. The fully-executed agreement should be submitted to UHCL Contract Administration according to the document *Submitting Contracts to Contract Administration*.
- D. Any amendments, changes, extensions, etc. to the original contract must be processed exactly like the original contract, with the same approvals obtained as the original contract, and be made available for inclusion in the contract file in the UHCL Contract Administration office.

VI. PAYMENT PROCEDURE

The following is the procedure for initiating payment on contracts. Note: any payment arrangement other than net 30 days, needs to be indicated on the contract compensation section.

- A. As soon as the originating department receives notice from UHCL Contract Administration that the encumbrance has been processed, payments to the contractor may be initiated as this indicates the contract requirements have been fulfilled. Any payments, or series of payments, are initiated on a receiving report (receiver) using the appropriate cost center and approved by the authorized signatory for the department.
- B. The total dollar amount of the contract will be stated on the face of the receiver. All payments on a contract should be marked either "partial" or "final" on the receiver. Payments processed for multiple invoices on one receiver should list the invoice numbers, invoice amounts and the total of the payment on the receiver.
- C. The originating department is responsible for attaching all pertinent documents to the completed receiver when it is submitted. Such documents include invoices and any receipts for travel or reimbursable expenses.
- D. All receivers should be submitted via email to UHCLProcurement@uhcl.edu and AccountsPayable@uhcl.edu.

VII. REFERENCES

Board of Regents Policies 55.01
UH System Administrative Memorandum 03.A.05