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## UTS145 - Processing of Contracts



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**Tell Us How We're Doing**

**Responsible Officer:** Executive Vice Chancellor for Business Affairs  
**Sponsoring Office:** Office of the Executive Vice Chancellor for Business Affairs  
**Effective Date:** January 26, 2006  
**Last Reviewed:** January 26, 2006  
**Next Scheduled Review:** January 26, 2009  
**Errors or changes to:** [policyoffice@utsystem.edu](mailto:policyoffice@utsystem.edu)

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### POLICY STATEMENT

Each UT institution and System Administration shall process contracts and agreements in accordance with this policy.

### RATIONALE

This policy summarizes the Regents' *Rules and Regulations* and other procedures and practices applicable to the processing of contracts and agreements.

### SCOPE

All institutions and UT System Administration

### WEBSITE ADDRESS FOR THIS POLICY

<http://www.utsystem.edu/policy/ov/uts145.html>

RELATED STATUTES, POLICIES, PROCEDURES OR STANDARDS

UT System Administration Policies & Standards	Other Statutes, Policies & Standards
<ul style="list-style-type: none"><li>• Regents' Rules and Regulations</li><li>• UTS130, <i>Vending Machine Contracts</i></li><li>• UTS126, <i>Processing of Space Lease Agreements</i></li><li>• UTS103, <i>Unrelated Business Income Tax</i></li><li>• UTS128, <i>Consulting Contracts</i></li><li>• UTS125, <i>Procedures for Processing Sponsored Research Agreements</i></li><li>• UTS137, <i>Historically Underutilized Business (HUB) Program</i></li><li>• UTS122, <i>Guidelines for Web Site Solicitation</i></li><li>• UTS156, <i>Purchaser Training and Certification</i></li><li>• UTS166, <i>Protecting the Confidentiality of Social Security Numbers</i></li><li>• UTS141, <i>Guidelines for Employee Discount Programs</i></li><li>• UTS140, <i>Enhancing Large Software Purchases</i></li><li>• UTS167, <i>Protecting the Confidentiality and Integrity of Digital Research Data</i></li><li>• UTS147, <i>Processing of Sales and Leases of Real Estate</i></li><li>• UT System Docket Manual</li><li>• OGC Contract Processing Procedures</li><li>• Office of Business Affairs Contract Processing Checklist</li></ul>	

CONTACTS

If you have any questions about UT System Administration Policy UTS145, *Processing of Contracts*, contact the following offices:

Subject	Office Name	Telephone	Email/URL
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		Number	
Compliance with Regents' Rules and Regulations	Office of General Counsel	512-499-4462	ogcemail@utsystem.edu <a href="http://www.utsystem.edu/ogc">http://www.utsystem.edu/ogc</a>
Compliance with UT System Administration Docketing Manual	Office of the Controller	512-499-4527	ControllersOffice@utsystem.edu <a href="http://www.utsystem.edu/cont/">http://www.utsystem.edu/cont/</a>
Compliance with Procedures and Practices of the Office of General Counsel	Office of General Counsel	512-499-4462	ogcemail@utsystem.edu <a href="http://www.utsystem.edu/ogc">http://www.utsystem.edu/ogc</a>
Compliance with Procedures and Practices of the Office of Business Affairs	Office of Business Affairs	512-499-4560	Businessaffairs@utsystem.edu <a href="http://www.utsystem.edu/bus">http://www.utsystem.edu/bus</a>
Compliance with Procedures and Practices of the Office of Academic Affairs	Office of Academic Affairs	(512)499-4233	<a href="http://www.utsystem.edu/aca/">http://www.utsystem.edu/aca/</a>
Compliance with Procedures and Practices of the Office of Health Affairs	Office of Health Affairs	(512)499-4224	<a href="http://www.utsystem.edu/hea/">http://www.utsystem.edu/hea/</a>

DEFINITIONS

- OGC:** UT System Office of General Counsel
- Special Procedure Contracts:** Those contracts and agreements listed on the Office of General Counsel Special Procedure Contract list
- Standard Contracts:** Those contracts and agreements listed on the Office of General Counsel Standard Contracts list

RESPONSIBILITIES

- UT Personnel Processing Contract**
- Follows Procedures in this policy to process contracts and agreements.
- UT System Chief Information Officer**
- Reviews and approves contracts related to the System-wide use of computer software, computer hardware, or other information system components.
- Executive Vice Chancellor for Business Affairs and Vice Chancellor and General Counsel**
- Review and approve written requests to increase an institution's contract review threshold if the increase is in the best interest of the institution and the UT System.
- Office of General Counsel**
- Reviews and approves contracts requiring Office of General Counsel review and approval.
- Office of Academic Affairs**
- Reviews and approves contracts requiring Office of Academic Affairs review and approval.
- Office of Business Affairs**
- Reviews and approves contracts requiring Office of Business Affairs review and approval.

**Office of Health Affairs**

- Reviews and approves contracts requiring Office of Health Affairs review and approval.

**Board of Regents**

- Reviews and approves contract requiring Board of Regents review and approval.

**Executive Vice Chancellor for Business Affairs or his delegate**

- Signs contracts on behalf of System Administration or a majority of the institutions of UT System.

**UT Institution President or his/her delegate**

- Signs contracts on behalf of UT institution.

**PLAIN ENGLISH**

*This Policy has been simplified in an attempt to make it easier to determine the proper UT System contract processing procedure. However, if for any reason you are unable to determine the correct UT System processing procedure for your contract, please contact the Office of General Counsel (512/499-4462) for assistance.*

**Note** - Each institution's President has established internal review and approval procedures for all contracts at his or her institution. Your contract should be processed in accordance with this policy only after all internal review and approval procedures have been completed.

**STEP 1: System Approvals Required Before Legal Review**

If your contract does not relate to the System-wide use of computer software, computer hardware, or other information system components, please proceed to **Step 2**. If your contract relates to the System-wide use of computer software, computer hardware, or other information system components, please forward your contract to the System Chief Information Officer for review and approval. After this approval is obtained, please proceed to **Step 2**.

**STEP 2: Standard Contracts**

Click this link to the Standard Contracts list to determine if you are using a Standard Contract form. If you are not using a Standard Contract form or if you are using a Standard Contract form but the form has been modified, please proceed to **Step 3**.

If your contract is an unmodified Standard Contract that is listed on the Standard Contracts list and your contract does not require approval by the Board of Regents (see Summary of Contracts Requiring Board Approval), your contract does not need to be submitted to System Administration for review or approval. Please proceed to **Step 9**.

If your contract is an unmodified Standard Contract and requires approval by the Board (see Summary of Contracts Requiring Board Approval), please proceed to **Step 6**.

**Please Note - If your contract requires approval by the Board, it may not be signed before such approval is granted unless your contract contains an acceptable limitation such as the following statement:**

**This [Contract] is not effective until approved by the Board of Regents of The University of Texas System.**

**Step 3: Determine if Contract is Special Procedure Contract**

Click on this link to the Special Procedure Contracts list and determine whether your contract has "special" processing procedures.

If your contract does not have "special" processing procedures, please proceed to **Step 4**.

- If your contract is one of the categories of special contracts listed on the Special Procedure Contracts list, please follow the "special" procedures indicated on the list. Unless the special procedures exempt your contract from review by the Office of General Counsel, please proceed to **Step 5** upon completion of the "special" procedures.

**STEP 4 : Determine Value of Contract**

The Executive Vice Chancellor for Business Affairs and the Vice Chancellor and General Counsel have established the following dollar thresholds which trigger mandatory review by the Office of General Counsel:

\$250,000	\$500,000	\$1,000,000
UT Brownsville	UT Arlington	UT Austin
UT Pan American	UT Dallas	UT Medical Branch Galveston
UT Permian Basin	UT El Paso	UT MD Anderson
UT Health Center Tyler	UT HSC - San Antonio	UT HSC - Houston
UT Tyler	UT San Antonio	UT Southwestern Medical Center

*The threshold for System Administration contracts is \$100,000.*

If your contract is below the threshold and has been reviewed by institution counsel under guidelines established by the institution, the contract does not require review by the Office of General Counsel and the Contract Review Procedures should be used. Click this link to the **Contract Review Procedures** to begin your review process. Upon completion of the Contract Review Procedures, please proceed to **Step 6**.

If your contract requires review by the Office of General Counsel, access the link to the Contract Review Procedures to begin the review process. Upon completion of the Contract Review Procedures, proceed to **Step 5**.

An institution may request an increase in its dollar threshold by submitting a written request to the Executive Vice Chancellor for Business Affairs and the Vice Chancellor and General Counsel who may approve the increase, in whole or in part, if they determine that it is in the best interest of the institution and the UT System.

**STEP 5: Legal Review by the Office of General Counsel**  
Forward your completed General Procedure Contract Checklist and Recommendations along with your revised contract to the Office of General Counsel for further review and approval for legal sufficiency. After this approval is obtained, please proceed to **Step 6**.

**Please note - Your contract may not be signed before the Office of General Counsel has approved the contract.**

**STEP 6: System Approvals Required After Legal Review**  
**Academic Institutions:** If your contract requires approval by the Board (see Summary of Contracts Requiring Board Approval), please forward (1) your contract and (2) either (a) the approval from the Office of General Counsel, or (b) the completed General Procedure Contract Checklist and Recommendations along with a memorandum from you (i) noting all deviations, if any, from the checklist recommendations and (ii) listing the circumstances that justify execution of the contract despite the deviations, to the *System Administration Office of Academic Affairs (512 / 499-4239)* for review and approval. After this approval is obtained, please proceed to **Step 7**. If your contract does not require approval by the Board, please proceed to **Step 9**.

**Health Institutions:** If your contract requires approval by the Board (see Summary of Contracts Requiring Board Approval), please forward (1) your contract and (2) either (a) the approval from the Office of General Counsel, or (b) the completed General Procedure Contract Checklist and Recommendations along with a memorandum from you (i) noting all deviations, if any, from the checklist recommendations and (ii) listing the circumstances that justify execution of the contract despite the deviations, to the *System Administration Office of Health Affairs (512/499-4226)* for review and approval. After this approval is obtained, please proceed to **Step 7**. If your contract does not require approval by the Board, please proceed to **Step 9**.

**STEP 7: Determine whether Contract must be Docketed**  
If your contract requires approval by the Board (see Summary of Contracts Requiring Board Approval), please proceed to **Step 8**. If not, please proceed to **Step 9**.

**Please note - If your contract requires approval by the Board of Regents, it may not be signed before such approval is granted unless your contract contains an acceptable limitation such as the following statement:**  
**This [Contract] is not effective until approved by the Board of Regents of The University of**

Texas System.

STEP 8: Docketing Procedures

Please refer to the System Docket Manual when determining the proper docketing procedures for your contract. Click on this link to the Docket Manual to begin the docketing process. Then, please proceed to **Step 9**.

STEP 9: Execution of Contract

**Academic and Health Institutions:** Forward the following items to your President or the person to whom the President has delegated authority to sign your contract: (1) your contract and (2) either (a) the approval from the Office of General Counsel if your contract required OGC approval, or (b) the completed General Procedure Contract Checklist and Recommendations along with a memorandum from you (i) noting all deviations, if any, from the checklist recommendations and (ii) listing the circumstances that justify execution of the contract despite the deviations.

**System Administration and System-wide Contracts:** If your contract is on behalf of System Administration or a majority of the institutions of UT System, forward the following items to System's Executive Vice Chancellor for Business Affairs: (1) your contract, (2) either (a) the approval "as to form" from the Office of General Counsel if your contract required OGC approval, or (b) the completed General Procedure Contract Checklist and Recommendations along with a memorandum from you (i) noting all deviations, if any, from the checklist recommendations and (ii) listing the circumstances that justify execution of the contract despite the deviations, and (3) the completed Office of Business Affairs Contract Processing Checklist.

The *Executive Vice Chancellor for Business Affairs* is in the *System Administration Office of Business Affairs (512/499-4560)*.

WORKS AND DOCUMENTS LINKS

- Standard Contracts List
- Summary of Contracts Requiring Board Approval
- Contract Review Procedures
- Docket Manual
- Office of Business Affairs Contract Processing Checklist

APPENDIX

None