

Step-by-Step University Contracts Guide

Managed by the Purchasing & Contract Office

Table of Contents

Introduction3
Section A: MOUs
Section B: Monetary agreements entered in AggieBuy
Section C: AOAs
Section D: Addendums/Amendments
 What do I do if I have an addendum for an existing agreement? (added 6/26/2024) What do I do if I have an amendment to an MOU? (added 6/26/2024)
Section E: Delegation of Authority
Section F: Definitions 12
Contact Information

Introduction

The Step-by-Step University Contracts Guide is an invaluable resource for navigating the complexities of contract management within an educational institution. This comprehensive guide, managed by ITS Business & University Contracts, streamlines the initiation, management, and finalization of contracts. The guide is essential to ensure that all contractual agreements adhere to the university's policies and legal requirements.

Understanding and following this guide is crucial for several reasons. Firstly, it provides a clear framework for submitting and approving Memorandums of Understanding (MOUs) and All Other Agreements (AOAs), preventing legal or administrative oversights. Secondly, outlining the delegation of authority clarifies who within the university has the power to sign off on contracts, safeguarding the institution against non-compliant and invalid agreements. Additionally, the guide offers detailed instructions for processing agreements with monetary value through AggieBuy, ensuring that all financial transactions are transparent and efficient.

By familiarizing oneself with the Step-by-Step University Contracts Guide, individuals involved in contract management can navigate the process more effectively, ensuring that all agreements serve the best interests of the university and its stakeholders. This guide is a tool not only for compliance but also for fostering trust and professionalism in all contractual dealings within the university community.

Section A

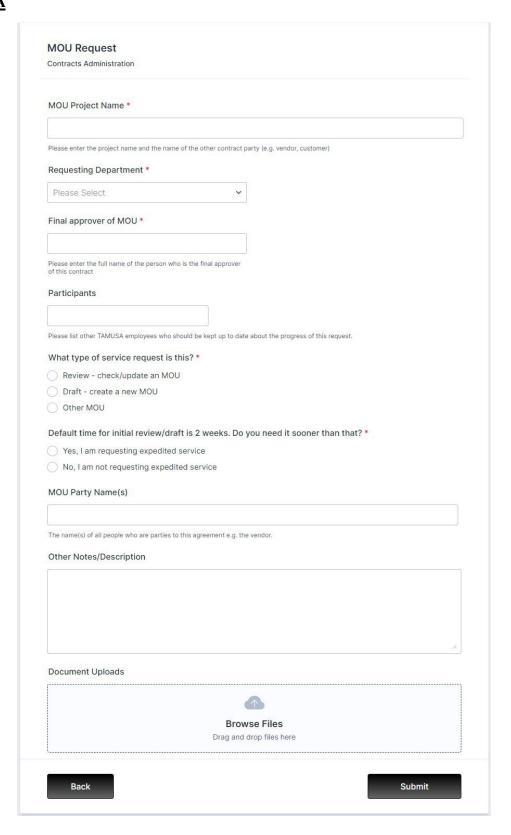
This section is for non-monetary MOUs (Memorandum of Understanding) that <u>do not</u> have a dollar value. MOUs are seen as partnerships between agencies.

- 1. The customer will create the ticket for an MOU to include all documentation.
- 2. All MOUs that will be entered must be unsigned.
- 3. What should be included in the ticket?
 - a. Our approved OGC template is available on our website.
 - i. Our approved template can be found at the following link: **Memorandum of Understanding**
 - b. Does it have to be our approved MOU template? No. It can be the other agency's MOU document.
 - i. Please consider utilizing our approved MOU template, as it has already been approved by OGC. This ensures that you, as our valued customer, can save time by leveraging the work we've already completed.
- 4. Where can I find the MOU link to create a ticket? It can be found on our website under

REQUESTS (reference section A.2.b.i) or below (reference section A.3.a).

- a. MOU link to create a ticket: **Submit a ticket: Memorandum of Understanding**
- b. What does the form look like? See "Example A."
- 5. In the description, please include all needed detailed information.
 - a. Note: Dates are crucial; please be sure the dates are correct on the form under the description. When does the MOU expire? When does it have to be returned to the vendor? The more information, the better for the contracts team.
 - b. Contact information TAMUSA and the other party we trying to partnership with, who is the listed PI, to include phone and email.
- 6. If submitted via email, the request will be rejected and returned to the customer with instructions to submit a ticket.

Example A

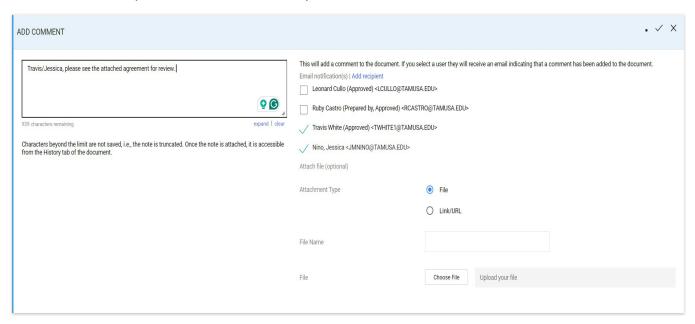


Section B

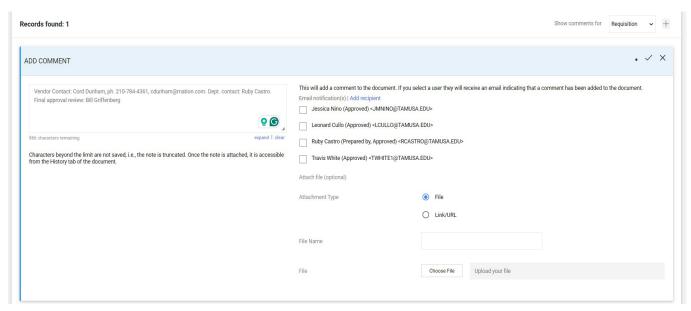
This section contains all agreements that will be submitted through <u>AggieBuy</u>, where payment will be issued to the vendor for any services provided to TAMUSA.

- 1. The customer will enter the requisition in AggieBuy to include all documentation.
- 2. What documentation do we need?
 - a. Add the unsigned agreement; it could be the vendor's or one of our approved templates.
 - i. OGC approved templates that can be found on our website (reference section A.2.b.i)
 - ii. Examples: Service Agreements, Agreements for speakers, presenters, & lecturers.
 - b. A quote, only if the vendor provides a separate agreement requesting a signature.
 - c. COI (certificate of insurance) if they will be on campus physically.
 - d. If not sure what else is needed, don't hesitate to get in touch with us through Teams or universitycontracts@tamusa.edu
- 2. No agreement/s should be signed before it goes through the process.
- 3. <u>Before finalizing the requisition</u>, please add the following so the Contracts Team knows an agreement is attached.
 - a. Under 25k ONLY: The customer will send a comment in AggieBuy stating that an agreement is attached; please ensure that Brian Garza and Jessica Nino are added to the comments for requests.
 - i. See "Example C."
 - b. For **ALL** requisitions that include an agreement, please add a comment that includes vendor contact info, departmental contact info, and contact for final approval review.
 - i. See "Example D."

<u>Example C</u> – Customer will "Add Recipient" to include Brian Garza & Jessica in the comment section. (Please read section C.3.a)



<u>Example D</u> - A blank comment on the requisition. You do not add anyone since requisitions are reviewed, and the Procurement & Commodity assigner will see that a comment is attached to the requisition. (Please read section C.3.b)



- Once we receive a comment from the customer in AggieBuy, we will initiate the ticket on behalf of the customer for under 25k.
 - A ticket will be created, and JIRA will notify the departmental contact that a ticket has been created. (please let us know if you are not receiving notifications)

- For anything over 25k, TAMU will send a comment approving that the agreement is ready for review. Jessica or Travis will create a ticket for that agreement, which puts it back into the normal workflow.
 - A ticket will be created. We will add a comment in AggieBuy with the ticket number information, and JIRA will also notify the departmental contact that a ticket has been created.
- Once finalized, the Contracts team will send it to the department for final approval. Once approval has been given, we will send it to the vendor for the first signature.
- Once we receive the agreement back from the vendor, depending on the dollar threshold, our campus delegate signer will sign. Our contracts team will attach the executed contract to the requisition, and the ticket will be closed.

Section C

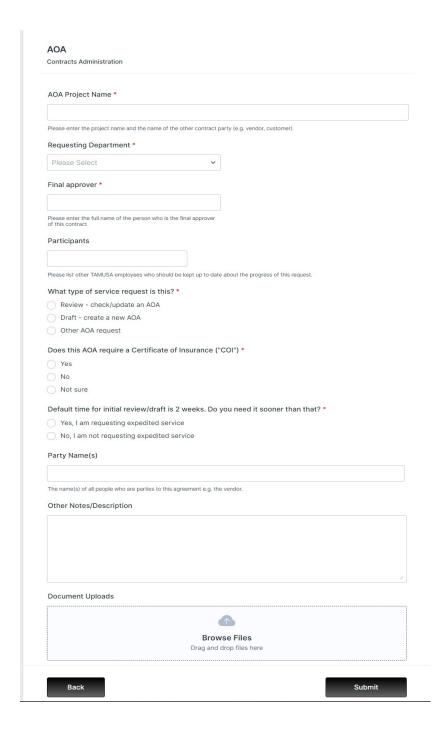
This section is for AOAs (All other Agreements). For Agreements that are NOT MOUs or will NOT be submitted in AggieBuy.

- 1. The customer will create the ticket for an AOA to include all documentation.
- 2. Some examples of all other agreements (AOA)
 - a. Facility use agreements (template found on our website).
 - b. Agreements between TAMUSA and a hotel to lock in room prices, etc.
 - c. Agreements where TAMUSA is the vendor, and the agreement is to pay the campus.
 - d. If you have any questions or are unsure what process to submit, please contact us.
- 3. What should be included in the ticket?
 - a. If the vendor will be working or doing business on our campus physically, they will need to include a COI (certificate of insurance). If they are remote, it is not required.
 - b. Do we have any templates? Only the facilities use agreement.
 - c. Can we use the vendor's agreements? Yes, please attach all documentation.
- 4. In the description, please include all needed detailed information.
 - a. Note: Dates are crucial; please be sure the dates are correct on the form under the description. When does the AOA expire? When does the AOA have to be returned to the vendor? So forth, the more information, the better helps the contracts team.
 - b. Contact information TAMUSA and the vendors, to include phone and email.
- 5. Where can I find the AOA link to create a ticket? It can be found on our website

(reference section A.2.b.i) or below (reference section B.3.a).

- a. AOA link to create a ticket: Submit a ticket: All Other Agreements
- b. See "Example B."

Example B



Section D

This section outlines the steps to be taken when a customer receives an addendum, or an amendment for an existing MOU or Agreement.

- 1. What if I received an <u>Addendum</u>, and I need to make changes to the services within **AggieBuy**?
 - a. Create the change request as soon as you receive the addendum.
 - b. Before you initiate the CR (change request), a box is populated to ask why you are creating the change request.
 - i. Include all information about why you are creating the CR.
 - c. Attach the blank addendum
 - d. Are these new services or existing?
 - i. New create a new line item(s) for the changes
 - ii. Existing update the dollar amount to increase the existing line.
- 2. What if the PO is closed?
 - a. Create a new requisition
 - i. Reference the closed PO and the contract ticket#. If not available, please attach the executed contract to the new requisition.
- 3. Will this addendum cause the total amount of your PO to go over \$25,000?
 - a. Yes. Provide justification for TAMU to review if it does.
 - b. TAMU will have to review first before providing the Contracts team the approval to review.
 - c. **No.** If the total amount does not exceed \$25,000, please send Jessica/Travis a comment to create a ticket for your addendum to begin the review process.
 - i. This will initiate the same process from Section B.
 - ii. Provide the information that is needed, including timelines.
- 4. I received an **Amendment** for an Existing MOU; what do I do next?
 - a. Create a ticket (link is our Contacts webpage) and follow the same process as you would from Section A.
 - b. What information will we need?
 - i. Reference the ticket number from that existing MOU.
 - 1. If not available, please attach the executed MOU.
 - ii. Timeline. When is it expiring? When will it need to be completed?
- 5. We will no longer be accepting addendums or amendments via email; it is causing a delay in the process.

Section E

This section is the TAMUSA's Delegation of Authority, which is updated and reported every FY with a deadline from the Chancellor's office. The signature authority is decided between OGC and the Chancellor to limit audits and ensure that nothing is signed before all legal issues are in compliance with State Law regulations from the State of Texas Legislature.

Delegation of Authority

All agreements signed by anyone other than those delegated per the delegation of authority (as an example) are considered invalid and non-compliant and are an audit issue, which can affect our state funding.

Those authorized to sign for our University are as follows:

- Contract Administrator –up to \$100,000
- VPFA -up to \$300,000
- President-up to \$450,000 (with Board of Regents approval, can sign up to 1 mil)
- Anything over \$450,000 has to be approved by the Board of Regents

MOUs related to Academics have to be reviewed and approved by the Provost and **ONLY** signed by him if they are non-monetary. **Anything monetary becomes an Agreement, and he can't sign it**.

MOUs outside of Academics will need to be signed by the President.

Section F

Definitions/An understanding of certain language.

- ❖ Monetary relating to money or currency.
- ❖ MOU A memorandum of understanding, or MOU, is a nonbinding agreement that states each parties responsibilities to take action, conduct a business transaction, or form a new partnership.
- ❖ Agreement/s A negotiated legal binding arrangement between parties as to a course of action with OGC vetted provisions under the constitution and laws of the State of Texas.
- ❖ Contract is the same as an agreement but it becomes a contract once it has been executed and valid. It constitutes the entire agreement
- ❖ OGC The Office of General Counsel (OGC) provides legal advice, counseling and services to The Texas A&M University System (consisting of 11 universities and seven state agencies), including its Board of Regents and employees of the A&M System acting in their official capacity.
- **❖ Total Cost of the Agreement** The total cost is the <u>length</u> of the contract and not the annual cost.
- ❖ An addendum is an addition to a finished document, such as a contract. The most common addendum is an attachment or exhibit at the end of such a document. Addendum terminology is used for Agreements from an Existing Contract. (added 6/26/2024)
- ❖ An amendment is a change or addition to the terms of a contract or document. An amendment is often an addition or correction that leaves the original document substantially intact. Amendment terminology is used for MOUs. (added 6/26/2024)
- ❖ Professional Services Agreement is used when it's a "Specialty" service such as a Consultant, Artist, or Painter (more like an individual business that is the Subject Matter Expert).
- ❖ Services Agreement is any service being provided to us by a Corporation, bigger business, more terms and responsibilities. This is the most common one, even for caterers, furniture deliveries, construction, etc....

Contact Information

- ❖ General email universitycontracts@tamusa.edu
- **❖ General Phone** − 210.784.4294
- Jessica Nino, Sr. Director Purchasing & Contracts, 210.784.4361, jmnino@tamusa.edu
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- ❖ Cindy Gillar, HUB Coordinator, 210.784.4293, cgillar@tamusa.edu