

Helpful Hints for Contract Processing

(September 2016)

The most important thing to remember is that we are here to assist you. We want you to make that purchase, obtain that software, buy that sports equipment, send those students to a clinic to obtain experience, secure that speaker, or have that art show!

- 1) Looking for our Department's website?
http://adminservices.tamucc.edu//contracts_property/index.html

- 2) TAMU-CC's President's Delegation of Authority for Contract Administration can be found on our website.
http://adminservices.tamucc.edu//contracts_property/assets/MEMBERS%20Delegation%20of%20Authority_2016%20System%20Template%204-15-2016.pdf
 - Are you aware that by you signing the majority of contracts, memorandums, affiliation agreements, etc. for your department, that you may be held personally liable for the \$ amount and terms and conditions? The President's Delegation of Authority for Contract Administration is a good document for you to become familiar with. There are a handful of people at the University authorized to sign contracts. Not sure? Send it on over to contracts@tamucc.edu and we will take a look for you.

- 3) We have several templates on our website to assist you. Most popular are the Consulting Professional Services Agreement, Facility Use Addendum for Hotels, Presentation Speaker Agreement, Vendor Services Agreement; Non P.O. transmittal form; and Software License, Support, and/or Hosting Services Transmittal form.

Please keep in mind that several of our templates are just that – templates. We are happy to work with your department in tailoring many of the agreements to fit your needs. These templates have been reviewed, edited, and approved by TAMUS Office of General Counsel.

- 4) Have you seen our contract review flowchart? This will give you an idea of what happens after you send us an agreement for review:
http://adminservices.tamucc.edu//contracts_property/assets/Contract%20Review%20Flowchart.pdf

- 5) Our general email address is contracts@tamucc.edu Email messages you send to this address will automatically be delivered to the Contracts and Property Director, Contracts Manager, and Contracts Coordinator. You are always welcome to email us individually as well.

- 6) Send contracts@tamucc.edu the proposed contract you may have received from the vendor or affiliate, along with the L-doc or requisition number and \$ amount. We then take this initial information and enter it into our contract log.
- 7) We strive to have your contract reviewed or renewal letter drafted and sent back to you or the vendor/affiliate in final format anywhere between 2-7 days dependent upon complexity and influx of requests for review or drafting. Depending on the dollar amount, the contract may need additional signatures or need to be reviewed by TAMUS Office of General Counsel. OGC reviews contracts for all of the A&M campuses, so their review could take 1-4 weeks and in some cases will be longer. We coordinate all contract reviews with OGC and help to expedite their review as much as possible.

Frequently asked questions:

How do I know if I need to send a quote or contract to contracts@tamucc.edu?

- If you have received a contract or quote document from your vendor/affiliate that has specific terms and conditions that requires a signature on that document – you will want to send it to us for review and signature. Some vendors have terms and conditions on a quote with a signature line, but don't really require a signature. Check with your vendor first.

I have created my requisition, how will the Purchasing Department know I am working with the Contracts Department and that a contract needs to be signed before the purchase order gets issued?

The Buyers in the Purchasing Department will not know unless you notify them. Be sure to send them an email to let them know that a contract is pending review and signature.

Here is a sample of what the Library sends to buyers@tamucc.edu and cc's contracts@tamucc.edu with:

Good morning,

A requisition (R600196) has been created for the renewal of Proquest – Dissertation & Thesis Full Text and it is currently routing for approval. The renewal pricing is attached to this email. In addition, I am currently working with contracts to obtain a fully executed renewal letter. Please hold off on issuing a PO until a fully executed renewal letter is returned.

When everything is ready, please send the PO and any supporting documents to (insert vendor contact name here) (insert vendor contact email address here) and copy (insert your name and email address here) so we can follow up with the vendor if needed. Should you need anything else, please let me know.

What if I don't want to send my contract or quote that has terms and conditions that require a signature to the Contracts Department?

Again, becoming familiar with the President's Delegation of Authority document will help guide you with the types of agreements requiring signature.

- How much is that contract for? Does it exceed \$24,999.99? You will want to call or email the buyers@tamucc.edu in the Purchasing Department to check what requirements are.
- If you have a quote from your vendor with no terms and conditions; does not require a signature; and is under \$5,000, you can send your quote with requisition number directly through buyers@tamucc.edu Purchasing Department for processing of a purchase order. Please think about liability and risk for you personally and your department...even for purchases under \$5,000. (See, page 5 Certificate of Insurance).
- If you are making a purchase through Texas Department of Information Resources 'DIR', you can work directly through buyers@tamucc.edu Purchasing Department, and not have to route it through the Contracts Department.

So what happens after I send Contracts an agreement for review and signature?

- We place the contract in our review queue – meaning, that depending on how many others have requested review, we will place your request in line. The contract is then entered into our log.
- Most all of the departments that send us requests for review or drafting of a contract, prefer to remain the point of contact with the vendor or affiliate.
- Please note that if you have a hotel agreement under \$5,000.00, your Department Supervisor can sign the agreement and send back to the hotel representative, however, you are required to attach the *Facility Use Addendum* and have that executed as well. http://adminsivices.tamucc.edu/contracts_property/assets/Template%20Facility%20Use%20Addendum%20-%20hotels%20etc%20REV%201-13-15.docx

IF you are not going to attach the Addendum or your vendor/affiliate will not sign the addendum, you will need to route the proposed hotel agreement to contracts@tamucc.edu for review and signature.

- The Contracts Manager (or Contracts Coordinator) will review the agreement. If there are edits that need to be made, we generally utilize tracked changes method for easier viewing, or will draft an amendment. If you are able to obtain the vendor/affiliate's agreement in editable WORD format - that is always appreciated.
- Keep in mind that all contracts \$100,000.00 and over are required to be reviewed by TAMUS Office of General Counsel. Contracts with a lesser dollar amount, or State of Texas terms and conditions/language that we are required to have in a contract that the vendor wants to remove or negotiate that may be complex, will be submitted by Contracts to OGC for their review and opinion.
- Contracts will then send back to you, the edited document (or document and amendment) so that you can forward to your vendor/affiliate for their review. Again, most departments like to be the face of the University and maintain that one-on-one with their vendor/affiliate.

However, there are times when the vendor/affiliate and the Contracts Department will be in direct communication if there are several matters to negotiate.

- If there are no edits (or very minor edits) that the Contracts Department needs to make, we will usually sign the agreement fairly quickly and transmit it back to you, so that you obtain vendor/affiliate's signature. Thereafter, you would scan the fully executed documents back to the Contracts Department.
- Once you have sent us the fully executed agreement, Contracts will set up a file in our database. As a courtesy, if there is a requisition number tied to the contract, we do our very best to forward a fully executed copy directly to the Buyers in the Purchasing Department. Please be sure that your Department also forwards that fully executed contract or follows up with Buyers@tamucc.edu on issuance of purchase order.

What information does our Contract database contain?

- Our database is called Blueridge. We will set up the vendor/affiliate name, contact, date of expiration, \$ amount, requisition number or L-doc number, etc. We will also scan in the fully executed agreement, certificates of insurance, copies of email messages, and notes.
- What is the benefit to your department by having that file setup in our database? We are able to calendar the expiration date of the contract, as well as set a reminder date of upcoming expiration.

Example: the initial term of your contract is 9/1/15-8/31/16; we will set expiration alarm for 8/31/16, and also a reminder for perhaps 15-30 days prior to the expiration date. Some contracts require that we notify the vendor/affiliate 60-90 days ahead of us terminating or renewing a contract.

Many of the contracts we calendar have the option to renew another year or so. You have probably received an auto generated email on weekly basis that looks similar to one of the following:

Term 1/1/14 - 12/31/17 shall expire soon; will your department be pursuing new agreement for contracts@tamucc.edu to review, or shall we let this expire and turn reminder notification off? Please let contracts@tamucc.edu know either way. Thank you.

Initial term 8/31/15-8/30/16 w/option to renew annually (up to add'l 4 years). Would your department like contracts@tamucc.edu to prepare 2016-2017 renewal letter, or shall we let this expire and turn reminder notification off? Please let contracts@tamucc.edu know either way. Thank you.

We understand that each Department is already utilizing their own tool or method for in-house calendaring of their contract for expiration dates or renewal dates. Blueridge just offers a secondary backup for those upcoming dates. It helps protect TAMU-CC by staying current with agreement term, so that continuation of services are not disrupted.

Does your contract or event require a Certificate of Insurance?

- Usually, all agreements that the Contracts Department reviews, edits or signs will have mention of insurance. Most all of our templates have the language already inserted.
- A more comprehensive explanation on insurance can be located at <http://www.tamus.edu/business/risk-management/risk-analysis-and-control/guide/contractual-review-of-insurance-requirements/>
- Think about it this way – if you are holding an event on our campus and you have a speaker, a performance, bouncy houses, carnival rides, <http://www.tdi.texas.gov/commercial/indexamusement.htm> a vendor performing services on the TAMU-CC campus, a minimum of general liability insurance, auto liability and worker's compensation are the base requirements. Other insurance coverage may be required depending on specifics of the work or services to be performed. Having TAMU-CC specified as an *additional insured* (and not just as a *certificate holder*) on the Certificate is essential. Take a look at some of our templates on our webpage to give you an idea. If there is a question about insurance that we cannot answer, you can bet that we will be in contact with System Risk Management to assist.
- Those campus events with only a Quote or invoice under \$5,000 that you sent directly to the Purchasing Department or Accounts Payable office, still require a certificate of insurance be on file prior to event. (See, page 3).
- Insurance amount changes and/or requests for insurance waivers shall be submitted by the Contracts Department to Risk Management for review and opinion.
- What does a certificate of insurance generally look like – depending on requirement? See the sample provided on Risk Management's website <http://assets.system.tamus.edu/files/safety/pdf/Understanding-the-Accord-COI-081015.pdf>
- Don't worry if you are not sure that the Certificate of Insurance you have obtained is sufficient. Send it to contracts@tamucc.edu for review. We will let you know if your vendor/affiliate needs to make some adjustments to it.
- Please keep in mind that the final certificate of insurance must be in place prior to performance of services.

Does this seem like too much information?

If you aren't sure about whether you need your contract reviewed, send it on over and we will be glad to take a look.

- Please try to avoid waiting until the last minute to send your contract to us for review or have us draft that renewal letter. While we will do our very best to accommodate that '*once in a blue moon rush*' that you couldn't avoid and desperately need, we may not always be able to accommodate you based on the pending workload of other contracts that have come in before yours and are patiently waiting in line (or we may be out of the office for one reason or another). Keep in mind that for every '*once in a blue moon rush*' that you ask for, this is pushing another department's need a little lower down in the stack.

Thank you.