

August 15, 2012

No. 03 - FY 2012

In This Issue

- UTHSCSA Contract Management
- Supersedes Business Affairs Bulletin 02-2007

Helpful Links

[Accounting](#)

[Purchasing](#)

[Contract Routing and Approval Matrix](#)

[Contract Signature Authority Delegations](#)

These links will take you to the related Business Affairs department web sites

Contact Us

Accounting

Acctg-admin@uthscsa.edu

Purchasing

Purchadmin@uthscsa.edu

TO: Executive Committee Members, Assistant Vice Presidents, Chairs, Directors, Department Heads, Assistants to the Deans and Vice Presidents, and Departmental Administrators

FROM: Andrea M. Marks, MBA, CPA
Vice President and Chief Financial Officer

SUBJECT: Processing and Record Retention of Financial Contracts

The U. T. System Board of Regents has delegated to each component institution's Chief Executive Officer the authority to execute certain contracts on behalf of the Board, so long as those contracts conform to the UT System Office of General Counsel (OGC) requirements. Our Chief Executive Officer, Dr. Henrich, has delegated the authority to the Senior Executive Vice President and Chief Operating Officer (Sr. EVP & COO), and to the Vice President and Chief Financial Officer (VP & CFO) to execute and deliver contracts of any kind or nature including contracts for the purchase of equipment and services; contracts or agreements with UT System Administration or among UT institutions for resources or services; space lease agreements; contracts for banking services; contracts for institutionally managed construction; and agreements that grant an interest in intellectual property.

The UT System *Systemwide Policy UTS 145 "Processing of Contracts"* outlines procedures for processing contracts and provides a summary of contracts requiring Board of Regents approval and those contracts requiring special procedures. The Office of Legal Affairs and the Office of the Vice President and Chief Financial Officer are responsible for ensuring institutional compliance with *UTS 145*, and will determine whether institutional contracts require approval by the UT System Office of General Counsel (OGC) and/or the Board of Regents.

In order to centralize our storage and record retention of financial contracts, Business Affairs maintains a document imaging routine for financial contracts. The document imaging system is managed by the Purchasing Department.

A recent audit suggested that contract approval guidelines be communicated campus wide. The following guidelines are reissued in this Bulletin and supersede those provided in Business Affairs Bulletin 02-2007. They are intended to serve as the UTHSCSA internal contract processing procedures, and to ensure that fully executed contracts are maintained in the centralized document imaging system. Please make sure to incorporate these guidelines into the internal operating procedures of your organizational units.

General Guidelines

Contracts are approved and signed by various executives of the university in accordance with the institutional “Delegation of Authority” approved by the President.

PLEASE NOTE that no individual member of Health Science Center’s staff, faculty or student body has authority to execute a legally binding contract or agreement on behalf of the university unless expressly delegated to do so by the President.

See the matrix in Attachment A of this bulletin for a summary of current contract approval delegation, routing, and record retention.

Contracts and agreements with a financial impact to the institution, except as noted below, are maintained in the centralized document imaging system within Business Affairs.

Contracts and agreements forwarded to the Office of Legal Affairs or the Vice President and Chief Financial Officer for review and execution should first be reviewed by the department Chair or Director. The contract should be transmitted to the VP & CFO or Legal Affairs with an indication that the general terms of the agreement have been reviewed and are acceptable by the department.

Every attempt should be made to obtain the signature(s) of the other contracted parties before the contract is submitted to the VP & CFO for signature on behalf of the UTHSCSA. In the event that the other contracting party requires the signature of the UTHSCSA representative first, please indicate so in your transmittal memo. The department will be responsible for providing the fully signed and executed original to the Office of the Vice President and CFO for record retention.

Contract Execution Procedures

Procedures for execution of common financial contracts are as follows:

Contracts for the Purchase of Goods and/or Services

The Purchasing Department is responsible for developing contract agreements for the procurement of goods or services to ensure that all applicable laws, regulations and policies have been followed as outlined in the *Handbook of Operating Procedures Chapter 6.7 – Purchasing*.

Once the applicable procurement regulations have been followed and the contract is ready for review and execution, the Purchasing Department performs a review to ensure that elements of the contract are complete and comply with UT System and State regulations.

The Purchasing Department negotiates and finalizes applicable contract terms with the vendor and forwards the contract to the Office of Legal Affairs for review as to legal form. If the contract is a “Special Procedures Contract,” as defined by UT System policy *UTS 145*, the contract is forwarded to the Office of Legal Affairs for special handling and UT System OGC review.

After legal review and UT System OGC review (if required), the Purchasing Department obtains acceptance and signature of the contract from the vendor and forwards the contract to the Vice President and Chief Financial Officer for acceptance and signature on behalf of UTHSCSA.

The Office of the VP & CFO forwards the original, signed and fully executed contract to the Purchasing Department to be imaged in the centralized document imaging system. A copy is sent to the originating department.

Space Lease Agreements

Space lease agreements should be negotiated and processed in accordance with the institutional **Business Affairs Bulletin No. 01 – FY 2005 “Lease of Building Space”** and UT System **Systemwide Policy UTS 126 “Processing of Space Lease Agreements.”** The VP & CFO accepts and signs all lease agreements on behalf of the UTHSCSA.

The Office of the VP & CFO forwards the original, signed and fully executed space lease agreement to the Purchasing Department to be imaged in the centralized document imaging system and copy is sent to the originating department.

Revenue Generating Contracts or Other Contracts with Financial Impact

Contracts that are revenue generating, revenue sharing, and other contracts with financial implications, including those that grant an interest in intellectual property, should be reviewed by the Office of Legal Affairs to approve the legal form of the contract and determine whether the contract should be reviewed by the UT System OGC. For contracts that grant an interest in intellectual property, review by the South Texas Technology Management office is also required.

If changes are necessary as determined by the Office of Legal Affairs, the contract will be returned to the originating department to accept the changes and obtain acceptance and signature of the contract from the contracted party. Once the 2nd party to the contract has executed the contract, the contract should be forwarded to the Vice President and Chief Financial Officer for acceptance and execution on behalf of UTHSCSA.

The Office of the VP & CFO forwards the original, signed and fully executed contract to the Purchasing Department to be imaged in the centralized document imaging system. A copy is sent to the originating department.

If the contracting party requires signature of the UTHSCSA representative first, the department should forward the original, signed and fully executed contract to the Office of the VP & CFO after all signatures have been obtained.

Sponsored Program Contracts

Delegation of authority to execute and deliver contracts or proposals for sponsored research rests with the Assistant Vice President, Research Administration. These proposals, contracts and agreements are administered by the Office of Sponsored Programs (OSP) and are maintained by OSP. **These contracts are not imaged in the centralized imaging system.** You should continue to route your proposals, agreements and contracts in support of sponsored research to the Office of Sponsored Programs for review, approval and handling.

Approval authority, routing, and record retention for other contracts and agreements not specifically described above are noted in Attachment A of this bulletin.

If you have any questions regarding the processing and record retention of financial contracts, please contact Gerard Long, Assistant Vice President for Business Affairs, at 2-6284 or longg@uthscsa.edu.

Please disseminate this information to your departments and divisions as you deem appropriate.

Attachment

The University of Texas Health Science Center at San Antonio

External Agreements

Matrix of Types, Approvals Required, Authorized Signatory, and Permanent File Location

Type of Agreement	Routing/Approvals Required	Authorized Signatory	Permanent File Maintenance
Grants for research, training or other sponsored activity (federal or non-federal)	PI/PD, Department Chair/Dean via COP	Assistant Vice President, Research Administration	Office of Sponsored Programs
Contracts for research, training or other sponsored activity (federal or non-federal)	PI/PD, Department Chair/Dean via COP	Assistant Vice President, Research Administration	Office of Sponsored Programs
Clinical Drug or Investigational Study Agreements from Private Sponsors	PI/PD, Department Chair/Dean via COP	Assistant Vice President, Research Administration	Office of Sponsored Programs
Material Transfer Agreements (incoming and outgoing)	PI/PD	Assistant Vice President, Research Administration	Office of Sponsored Programs
Intergovernmental Personnel Act (IPA) Agreements	PI/PD, Department Chair/Dean via COP	Assistant Vice President, Research Administration	Office of Sponsored Programs
Clinical Services Agreements (Patient Care)	Department Chair/Dean, Legal Affairs	Vice President and Chief Financial Officer	Institutional imaging system managed by the Purchasing Department
License Agreement for Intellectual Property	South Texas Technology Management/Legal Affairs	Vice President and Chief Financial Officer	South Texas Technology Management
Gift Agreements from Private Individuals or Corporations	Development Office, Legal Affairs	Vice President and Chief Financial Officer	Development Office
Affiliation Agreements with Hospitals or Other Organizations	Department Chair/Dean, Legal Affairs	Vice President and Chief Financial Officer	Department or School

Notes

1. PI/PD means Principal Investigator, Project Director
2. Via Office of Sponsored Programs Certificate of Proposal (COP) refers to the form providing departmental/dean approval. It is completed either at time of initial proposal or agreement execution.

Type of Agreement	Routing/Approvals Required	Authorized Signatory	Permanent File Maintenance
Equipment Loan or Donation Agreements	Department, Purchasing Department	Vice President and Chief Financial Officer	Institutional imaging system managed by the Purchasing Department
Teaming Agreements (for participation in federal/non-federal proposals which may result in award)	PI/PD	Assistant Vice President, Research Administration	Office of Sponsored Programs
Lease Agreements	Purchasing Department, Legal Affairs	Vice President and Chief Financial Officer	Institutional imaging system managed by the Purchasing Department
Purchase Orders	Purchasing Department	Vice President and Chief Financial Officer	Institutional imaging system managed by the Purchasing Department
Software Licenses and Information Technology Agreements	Department, Purchasing Department, Legal Affairs	Vice President and Chief Financial Officer	Institutional imaging system managed by the Purchasing Department
Business Associate Agreement (HIPAA)	Department, Legal Affairs	Vice President and Chief Financial Officer	Institutional imaging system managed by the Purchasing Department
Interagency Agreements (between State of Texas government entities)	Department, Legal Affairs	Vice President and Chief Financial Officer	Institutional imaging system managed by the Purchasing Department
Contracts for the purchase of Goods and/or Services	Department, Purchasing Department	Vice President and Chief Financial Officer	Institutional imaging system managed by the Purchasing Department
Minor Construction Contracts up to \$4 million	Office of Facilities Management, Legal Affairs	Vice President and Chief Financial Officer	Institutional imaging system managed by the Purchasing Department
Minor Construction Contracts up to \$1 million, Facilities Repairs & Rehab up to \$2 million	Office of Facilities Management, Legal Affairs	Sr. EVP & Chief Op Officer, EVP Facilities Planning/Admin, AVP Campus Ops & Facilities	Institutional imaging system managed by the Purchasing Department

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