Contracts and Agreements UPPS No. 03.04.10

**Issue No. 1**

**Effective Date: 07/15/2024**

**Next Review Date: 12/01/2029 (E5Y)**

**Sr. Reviewer: Director of Procurement and Strategic Sourcing**

# POLICY STATEMENT

*Texas State University is committed to complying with all federal, state, and local laws governing contracts and agreements.*

# SCOPE

* 1. This policy establishes responsibility to ensure contracts and agreements are prepared and paid according to federal, state, and local laws; The Texas State University System (TSUS) Rules and Regulations; and Texas State University policies and procedures statements before execution.

# DEFINITION

* 1. Independent Contractor – a self-employed person or individual conducting business as a “DBA”, contracted to perform work for or provide services to another entity as a non-employee.

1. **CONTRACTS AND AGREEMENTS**
   1. All contracts, agreements, or quotes that contain terms and conditions must be submitted to Procurement and Strategic Sourcing for compliance review prior to services being rendered, via the contract request portal in the Texas State Contract Management System (for more information see [How to Create and Submit a Contract Request).](https://www.txst.edu/procurement/contracts/tcm_contract_how_to-s.html)
   2. The university will use the same workflow approval steps to approve amendments to contracts and agreements as used with the original, unless such amendment increases the aggregated total value of the agreement to a value that requires a different level or type of approval, or unless excepted per [TSUS Rules and Regulations, Chapter III, Section 10, Subsection 10.21 Contracts, Purchases, and Agreements](https://www.tsus.edu/about-tsus/policies.html).
   3. Only authorized Texas State representatives may enter into contracts or agreements on behalf of Texas State (see [UPPS No. 03.04.02,](https://policies.txst.edu/university-policies/03-04-02.html) Contracting Authority, for the list of individuals authorized to sign contracts and agreements).
   4. Texas State is not bound by a contract or agreement signed by an unauthorized person on behalf of Texas State. A person who signs without proper authorization may be personably liable for any damage incurred by the university or the state and may be subject to disciplinary action up to and including termination.
   5. It is in violation of state and federal law to hire someone as an independent contractor who would otherwise be hired as an employee of the university. Before hiring a contractor to provide services for Texas State, it must be determined whether the contractor will be an independent contractor or a Texas State employee, consistent with [UPPS No. 04.04.08](https://policies.txst.edu/university-policies/04-04-08.html), Determining Contract Labor and Independent Contractor Status[.](https://policies.txst.edu/university-policies/04-04-08.html)
   6. When required, Procurement and Strategic Sourcing shall coordinate obtaining legal counsel, review and approvals, and/or authorized signatures on contracts and agreements, as outlined in the [TSUS Contract Management Handbook.](https://www.tsus.edu/offices/finance/procurement.html)
   7. Certain contracts may require additional approval prior to signature (see [TSUS Rules and Regulations, Chapter III, Section 1 “Items Requiring Board Approval”](https://www.tsus.edu/about-tsus/policies.html)). The Procurement and Strategic Sourcing office will follow the processes outlined in the [TSUS Contract Management Handbook](https://www.tsus.edu/offices/finance/procurement.html) when submitting items for TSUS Chancellor’s or Board of Regent’s approval.

# REVIEWERS OF THIS UPPS

* 1. Reviewers of this UPPS include the following:

Position Date

Director, Payroll and Tax December 1 E5Y

Compliance

Director, Procurement and Strategic December 1 E5Y

Sourcing

# CERTIFICATION STATEMENT

This UPPS has been approved by the following individuals in their official capacities and represents Texas State policy and procedure from the date of this document until superseded.

Director of Procurement and Strategic Sourcing; senior reviewer of this UPPS

Associate Vice President for Financial Services

Executive Vice President for Operations and Chief Financial Officer

President