

**The Texas A&M University System**  
**Office of General Counsel**  
**Contract Review Procedures and Checklist**

In accordance with Texas Education Code, Section 51.9337(d), System Policy 25.07, *Contract Administration*, requires that the members of The Texas A&M University System (A&M System) review contracts in accordance with the following contract review procedures and checklist (OGC Procedures and Checklist) developed by the Office of General Counsel (OGC) and approved by the chancellor to assist members of the A&M System in evaluating and processing contracts before the contract is signed by the member. Terms not defined herein are defined in System Policy 25.07, *Contract Administration*.

**I. OGC Procedures and Checklist**

The members of the A&M System must use the following procedures to evaluate and process contracts before contract execution. Become familiar with the following steps to know what to expect and begin some steps as early as possible.

**Step 1: Other Specialized Procedures**

Determine if other special procedures apply to the contract and follow those procedures. Examples of A&M System policies and regulations that include different or additional procedures include, but are not limited to:

1. System Regulation 15.05.04, *High Risk Global Engagements and High Risk International Collaborations*.
2. System Policy 17.01, *Intellectual Property Management and Commercialization*, and its related regulations.
3. System Policy 21.05, *Gifts, Donations, Grants and Endowments*, and System Regulation 21.05.01, *Gifts, Donations, Grants and Endowments*.
4. System Regulation 29.01.01, *Information Resources Governance*
5. System Policy 41.01, *Real Property*, and its related regulation.
6. System Policy 51.04, *General Requirements and Delegations of Authority on Construction Projects*.
7. System Policy 60.01, *Relationships with Affiliated Organizations*, and System Regulation 60.01.01, *Association with Affiliated Organizations*.

## **Step 2: Checklist**

Review the following checklist to become familiar with the issues and terms you will be looking for when reviewing the contract:

1. When reviewing the contract, your goal is to assess the key terms and conditions of the contract to ensure that these are clear, accurate, and complete, and meet the member's business needs.
2. If the contract is for the purchase of goods and services, confirm procurement procedures have been followed and use the [A&M System Contract Management Handbook](#) for guidance.
3. Confirm that the parties are clearly identified and defined terms are consistent.
4. Confirm all applicable attachments, exhibits, or other documents that contain important information related to the contract activity have been identified and incorporated into the contract.
5. Confirm that the effective date, term, and termination rights are clearly stated.
6. Confirm that the payment amount and procedures are clearly stated (e.g., place, time/frequency, and method of payment).
7. Confirm that the scope of work, duties and obligations of each party are clearly stated (e.g., what will occur, when it will occur, and how it will occur).
8. Identify business issues and confirm that the responsible person(s) at the member has agreed in writing that the contract's business terms are correct and acceptable.

## **Step 3: OGC Guidelines**

Review any specific contract guidelines issued by OGC (OGC Guidelines) if applicable to your contract (e.g., Vendor Contract Guidelines). Go to the [OGC Health & Business Affairs web page](#) for a copy of the OGC Guidelines. Use these OGC Guidelines to revise the contract in accordance with OGC's recommendations to ensure inclusion of the latest OGC approved clauses and compliance with laws and best practices to minimize risk to your member.

## **Step 4: Review Contract**

Read the contract carefully keeping in mind the issues and terms discussed in the above checklist and any applicable OGC Guidelines. Determine if these issues and terms are present in the contract and are adequately addressed.

### **Step 5: Revise Contract**

Revise the contract accordingly and note any provisions that need to be added, revised, or deleted in accordance with the above checklist and any applicable OGC Guidelines.

### **Step 6: Subject Matter Experts**

Determine if the contract needs to be reviewed by other subject matter experts (e.g., insurance and risk management, information technology, export controls, etc.). If so, forward the contract to such subject matter experts for review.

### **Step 7: Board Approval**

Determine if the contract needs to be submitted to the Board of Regents before being signed for authorization or approval in accordance with System Policy 25.07, *Contract Administration*. If so, the member must submit an agenda item briefing and proposed minute order seeking authority or approval from the Board of Regents.

### **Step 8: OGC Approval**

Determine if the contract needs to be reviewed and approved by OGC before being signed in accordance with System Policy 25.07, *Contract Administration*. If so:

1. Forward a copy of the contract to OGC through the [Contract Intake Portal](#) and follow the instructions noted therein.
2. Note, before submitting the contract, the member's contract administration office must review and revise the contract per the above procedures. Also, the contract should not be shared with the other party until OGC review has been completed.
3. OGC will review the contract to identify legal issues. OGC may also identify certain business issues for the member to consider.
4. Obtain internal feedback/responses to the issues raised by OGC, revise the contract accordingly, negotiate needed changes with the other parties to the contract, and consult with OGC as necessary.
5. If OGC advises on risk presented by contract term, confirm that the responsible person(s) at the member has agreed in writing to such provision.
6. After obtaining OGC approval as to form and legal sufficiency, you may submit the contract for signatures.

## **Step 9: Confirm Before Execution**

You are ultimately responsible for verifying and ensuring that the terms and conditions of the contract are clear, accurate, complete, and will satisfy the member's business needs. Before submitting the contract for signatures:

1. Confirm the persons noted in the "Typical Routing for Departmental Review" section in the CEO's *Delegation of Authority for Contract Administration* have signified in writing that they have reviewed and/or approved the contract.
2. Confirm all required compliance checks have been completed (e.g., Form 1295 – Certificate of Interested Parties, conflict of interest, OFAC, IRB approval, etc.)
3. If non-standard term (i.e., deviates from requirements noted in the OGC Procedures and Checklist and OGC Guidelines):
  - a. Note the non-standard term,
  - b. Obtain OGC guidance on the risk presented,
  - c. List the circumstances that justify deviation, and
  - d. Obtain written confirmation from the responsible person(s) at the member that they have agreed to such provision.

## **Step 10: Final Submission**

Submit the contract to the person that the member's CEO has delegated authority to approve and sign contracts in accordance with System Regulation 25.07.01, *Contract Administration, Delegations and Reporting*, and the member's rules and procedures, along with:

1. Evidence that persons noted in the "Typical Routing for Departmental Review" section in the CEO's *Delegation of Authority for Contract Administration* have reviewed and/or approved the contract, including OGC approval if required, and
2. Documentation of non-standard term (as noted above).

## **II. OGC Exceptions**

The following contracts are exempt from OGC review and approval.

1. Materially unaltered templates (i.e., no substantive changes) approved by OGC within the last 3 years. For example, changes to the names of parties, date, and performance period are not material changes.
2. Intra-system contracts.

3. Interagency contracts entered into pursuant to the authority and in compliance with the Interagency Cooperation Act, Chapter 771, Texas Government Code.
4. Interlocal contracts entered into pursuant to the authority and in compliance with Chapter 791, Texas Government Code.
5. Sponsored research contracts and contracts for other sponsored activities that either:
  - a. Are entered into with an agency of the U.S. government and contain standard clauses and provisions common to such contracts; or
  - b. Have a stated or implied consideration not exceeding \$1 million.