

Review Procedures for Facility Use Agreements for Conferences, Events and Meetings Held at Off-Campus Facilities

You are planning an event for your college, department, institute or center. You have decided on a facility for your event and you need to sign a contract or an agreement. Where do you start?

In many cases the University's Standard Contracts Library will have a form that many hotels, retreat centers, public schools and other facilities will accept when you use their space. First, check in the Standard Contracts Library at <http://www.ogc.umn.edu/contracts/> to see if one of the Standard Facility Use Agreements or the Hotel Agreements might work. Many facilities will accept the University's standard contract form because it takes much less time for the parties to complete a contract that has already been approved by the University.

Regardless of whether you complete a University standard form contract or an agreement provided by the facility you are using for your event, you must comply with certain procedures for review and approval of that contract or agreement.

You will choose one of the following three options for review of contracts and agreements covering the use of a non-University facility for your event:

1. Send contracts valued over \$10,000 to the Real Estate Office for review. The Real Estate Office will obtain the required legal review.
2. Send contracts valued \$10,000 or under, which have been completed on forms provided by the facility, to the Office of the General Counsel (OGC) for review, **with a copy to the Real Estate Office.**
3. Contracts valued \$10,000 or under, which have been completed on standard University contracts from the OGC's Standard Contracts Library, do not need review by either the Real Estate Office or the Office of the General Counsel, so long as no changes are made to the provisions of the standard form.

After the contract has been approved by the Office of General Counsel (OGC) and the Real Estate Office (REO), if changes were made, the contract should be sent to the Hotel or Conference center for review and consideration of the changes before the authorized person in your department signs the contract on behalf of the University (and initials any revisions).

DO NOT SIGN the contract until the Hotel or Conference center accepts all the changes required by OGC or REO. Only when the Hotel or Conference center accepts the changes by OGC and/or REO should the University employee with Delegated Signature Authority for your department sign the contract.

You will keep the original signed contract in your files and send a copy of the completed contract to the REO for placement in the Real Estate Inventory. OGC does not need a copy of the final signed contract.

UNIVERSITY OF MINNESOTA

Following is a more detailed explanation of the procedures established to assist you in completing Facility Use Agreements and hotel agreements for conferences, events and meetings held at off-campus facilities.

- **If the contract has a value of \$10,000 or more, you need to e-mail, fax or deliver a copy of the proposed contract to the Real Estate Office at 451 Donhowe Building reo@umn.edu, fax 612/624-6345.** Real Estate review and approval is required for contracts \$10,001 and over. REO will forward the document to OGC for any needed legal review and approval. The Real Estate Office will provide to you both OGC's and REO's advice and requirements regarding the proposed contract. Make the requested changes to the contract. When all parties have signed the contract, you need to provide a copy to REO for placement in the University's Lease Inventory, WITH the EFS number included.
- If the contract has a value of **less than \$10,000**, the Real Estate Office does not need to review or approve that contract, **but a copy is sent to Real Estate for tracking purposes.** However, the Office of the General Counsel does need to review the contract UNLESS it came from the Standard Contracts Library. **Contracts in the Standard Contracts Library have already been reviewed and approved by OGC.** If the facility you are using has agreed to write the contract on a University form, **AND** no handwritten or typed changes are made to the terms in the standard form, you do not need OGC review. The authorized person in your department may sign the contract without additional review by REO or OGC. When all parties have signed the contract, you need to provide a copy to REO for placement in the University's Lease Inventory, with EFS number included.
- If the contract has a value of **less than \$10,000, and it is written on a form provided by the facility**, you will need to fax (626-9624), scan and email ogc.umn.edu, or deliver a **copy of the proposed contract to the Office of the General Counsel, 360 McNamara Alumni Center**, for review. You will be notified by email of any needed revisions or if the contract is approved as written. If you need assistance in making revisions, OGC will provide such assistance. Again, after all parties have signed the form (and initialed the revisions, if any) you need to provide a copy of the signed contract to the Real Estate Office for placement in the University's Lease Inventory, with EFS number included.

Sometimes it is difficult to determine the value of a contract, particularly a hotel contract that includes guest rooms, meeting space and food and beverage. If you are not able to readily determine the value of the contract, ask the person representing the facility to include a sentence in the contract that states "The total value of this contract is \$_____." You may also call the Real Estate Office (612-625-5345), for assistance.

You may not know who is authorized to sign contracts for your department for events. The Delegation of Authority website will provide the answer. Short-term uses of non-University facilities are classified as "Use Agreements, University as Tenant" and given the number FN12. (Note: University as Landlord use agreements are classified as FN11.) To conduct a search, go to the **Delegations of Authority Search Form**, which is found at <http://www.compliance.umn.edu/delegationSearchForm.asp>. The two boxes that need to be completed are "Authority", and "Units Covered." The Authority for this type of use is "FN12" which should be inserted in the box next to Authority. The "Unit" refers to your college, department, institute or center. Click on "Units" and find the Dept ID number that corresponds to your unit. You can now hit the "Search" button. The resulting chart should show who in your department is authorized to sign the contract for this event. If you have trouble determining the authorized signatory, please contact the Office of the General Counsel (612-624-4100) for assistance.

UNIVERSITY OF MINNESOTA

Once the agreements are final, whether under \$10,000 or \$10,000 and over, and whether it is a Standard Contract or a Contract from the facility – **REO does need a copy for the Lease Inventory.** Please write the **Enterprise Financial System (EFS) account number that was charged for the costs on this contract and the total amount paid excluding food/beverages and AV costs** on the copy and fax or, scan and email to the Real Estate Office. If you do not know the amount of the room rental when you sent in the contract, make yourself a note to inform us when you do know. Retain the original contract in your department files.

Some have asked why we need this information. There are a couple of reasons for this: **The Real Estate Office is required to produce an annual lease report for accounting and auditing purposes. In addition, we provide annual reports to the Capital Oversight Group showing properties leased to others and their revenues, and properties leased from others with their costs, by RRC. Occasionally we also need to provide this information to other University offices as well as the State or County offices.**

Please contact the Real Estate Office if you have any questions regarding these procedures.

Real Estate Office: 612-625-5345 (Phone)

612-624-6345 (Fax)

www.realestate.umn.edu