HSCEP OP: 72.06, Leasing of Space and Facilities

PURPOSE: The purpose of this Texas Tech University Health Sciences Center El Paso (TTUHSC El Paso) Operating Policy and Procedure (HSCEP OP) is to establish policy and procedures for leasing of space to assure compliance with State law and Regents’ Rules.

REVIEW: This TTUHSC El Paso HSCEP OP will be reviewed in January of each odd-numbered year (ONY) by the senior managing director of contracting with recommendations for revisions forwarded to the chief financial officer or their designee by February 15.

POLICY/PROCEDURE:
I. Policy.
   A. Leased building space and facilities and storage space will be leased through the TTUHSC El Paso Contracting Office.
   B. All requests for leased space and facilities will be submitted through normal administrative channels to the managing director of contracting for processing. The senior managing director of contracting will make the determination of the appropriate procedure to use to bid and/or contract for lease of space.
   C. The senior managing director of contracting will notify the Office of Engineering Services of all facility leases (changes to existing leases, new leases, and terminations of existing leases).

II. Leasing Criteria.
   A. Leased space and associated facilities must permit accessibility for aged, handicapped and mobility-impaired persons, and therefore are required to comply with the provisions of the Elimination of Architectural Barriers Act, Government Code Chapter 469.
   B. Any specifications for lease space or facilities that are considered unduly restrictive must be justified in writing and approved by the director of purchasing.
   C. A source(s) of funding must be identified by account number(s) for any lease requested.
   D. Three (3) month’s lead-time should be allowed for processing formal competitive bids and routing of the required contracts. Departments should be aware that remodeling of existing buildings is not unusual. Additional time is needed if remodeling is likely.

III. Leasing Procedures.
   A. The following documents are required when a request is submitted for all space except storage space for less than 1,000 feet.
      1. Request for Lease of Space Questionnaire (Attachment A)
2. TechBuy Req Non-Catalog Form, which can be accessed at http://www.fiscal.ttuhs.edu/purchasing/shoppers/how_we_buy.aspx

B. The Texas Tech University System Board of Regents must approve leases covering a period of more than five years, unless the lease contains a clause allowing it to be terminated without cause with notice of 120 days or less, or which exceed a cost of $1,000,000 per year. Therefore, ample time must be allowed to accomplish this action prior to the inception date of the lease.

C. Lease contracts may not exceed a term of more than ten (10) years per Government Code Chapter 2167.055(c)(1).


A. Accessibility standards are strictly enforced. Enforcement actions which might be taken include cancellation of existing lease contracts, mandatory relocation of an activity out of space currently occupied, filing of suits against lessors and other unpleasant actions of a similar nature.

B. It is the responsibility of the managing director of purchasing and the administrator/director responsible for use of the leased space to ensure that the lessor adheres to all contract specifications, especially those regarding accessibility. The responsible administrator/director shall notify the managing director of contracting as soon as possible if any leased space does not meet contract standards. The managing director of contracting will work with the lessor to correct the problems.

C. This TTUHSC El Paso HSCEP OP is applicable to all space currently under lease, as well as space leased in the future.

D. Leases which have longer than a one-year term must be encumbered at the beginning of each fiscal year. A purchase order must be submitted annually for the purpose of encumbering the lease. A purchase order is required as part of the original request package. Subsequent purchase orders for annual payments must be forwarded to the Purchasing Office ninety (90) days prior to the end of each fiscal year.

E. State law prohibits payments for any unoccupied space. If it is anticipated that any currently leased space will be unoccupied for more than thirty (30) days, the managing director of contracting should be notified. The managing director of contracting will contact the lessor for possible renegotiations of lease payments.