

MODIFICATION AGREEMENT

This Modification Agreement (Agreement) is made by and between the City of Austin, a Texas home-rule municipal corporation ("COA"), and The University of Texas at Austin, Ray Marshall Center, an institution of higher education of the State of Texas ("UT," or "RMC") (collectively, "Parties").

RECITALS

Parties previously entered into an Interlocal Cooperation Contract, dated November 7, 2017, whereby COA was to pay two \$50,000 installment payments to UT in exchange for specified process development, data collection, and analysis performed by UT ("Extant Contract"). A copy of the Extant Contract is attached to this Agreement, and marked as "Exhibit Solo." Only insofar as the Extant Contract is consistent with the terms of this Modification Agreement, it is made a part of this agreement.

Exhibit A to the Extant Contract contains the Statement of Work, the time for performance and scheduled disbursement of payments pursuant to the Extant Contract. Exhibit A is incorporated into the Extant Contract, and therefore, into this Agreement, insofar as the Exhibit A and the Extant Contract are consistent with this Agreement.

Due to unanticipated circumstances, it is necessary to modify portions of the Statement of Work, time for performance and disbursement of payments under the Extant Contract.

AGREEMENT

For good and valuable consideration, the receipt and sufficiency of which is acknowledged, Parties desire to, and do modify the Extant Contract, in the following respects:

1. Section III.A. of the Extant Contract is superseded and replaced with the following:

This contract shall be in effect until May 31st, 2019.
2. The Project Deliverables/Disbursement and Schedule for Objective 2 set forth in Exhibit A is superseded and replaced in its entirety with the following:

Project Deliverables/Disbursement and Schedule - Objective 2

November 7, 2017	Contract executed between COA and UT
November 8, 2017	Project begins
December 1, 2017	Detailed project implementation plan proposal
January 1, 2018	COA approves project
August 15, 2018	Draft reports submitted (initial disbursement of \$50,000.00 due within 30 days of receipt of invoice)



November 1, 2018	Updated draft reports on workforce development
February 28, 2019	Final report (disbursement of up to \$45,000 due within 30 days of receipt of invoice)
March 5, 2019	Presentation(s) of report and findings
May 31, 2019	Additional research addendum delivered. Final disbursement may not exceed \$100,000 when combined with previous payments. Payment is due within 30 days of receipt of invoice.

3. The Statement of Work for Objective 2 set forth in Exhibit A of the Extant Contract is amended with the addition of the following:


Objective 2: Adult Workforce Outcomes and Return on Investment

Upon completion of the final report, the RMC will expand research as indicated in the final report as "opportunities for further research". These may include, but are not limited to; additional development of social return on investment determinations and methodologies, research and survey to develop quantitative models for the social return on investment, and summary of other available models to capture and quantify benefits or cost savings not beyond wages and taxes. This work will be delivered as an addendum to be attached with the previous final report.

Executed effective as of _____, 2019, by the following duly authorized representatives of Parties:

City of Austin:	The University of Texas at Austin, Ray Marshall Center:
By: 	By:  <small>Digitally signed by Mark Featherston Date: 2019.03.03 21:51:06 -06'00'</small>
Name: <u>Rebecca Guella</u>	Name: <u>Mark Featherston</u>
Title: <u>Interim Director</u>	Title: <u>Assistant Director Office of Sponsored Projects</u>
Date: <u>3/6/19</u>	Date: <u>3/3/19</u>

APPROVED AS TO FORM:


~~Shelby Reed~~ Ran Pigott
 Assistant City Attorney, City of Austin

MODIFICATION AGREEMENT

This Modification Agreement (Agreement) is made by and between the City of Austin, a Texas home-rule municipal corporation ("COA"), and The University of Texas at Austin, Ray Marshall Center, an institution of higher education of the State of Texas ("UT," or "RMC") (collectively, "Parties").

RECITALS

Parties previously entered into an Interlocal Cooperation Contract, dated November 7, 2017, whereby COA was to pay two \$50,000 installment payments to UT in exchange for specified process development, data collection, and analysis performed by UT ("Extant Contract"). A copy of the Extant Contract is attached to this Agreement, and marked as "Exhibit Solo." Only insofar as the Extant Contract is consistent with the terms of this Modification Agreement, it is made a part of this agreement.

Exhibit A to the Extant Contract contains the Statement of Work, the time for performance and scheduled disbursement of payments pursuant to the Extant Contract. Exhibit A is incorporated into the Extant Contract, and therefore, into this Agreement, insofar as the Exhibit A and the Extant Contract are consistent with this Agreement.

Due to unanticipated circumstances, it is necessary to modify portions of the Statement of Work, time for performance and disbursement of payments under the Extant Contract.

AGREEMENT

For good and valuable consideration, the receipt and sufficiency of which is acknowledged, Parties desire to, and do modify the Extant Contract, in the following respects:

1. Section III.A. of the Extant Contract is superseded and replaced with the following:

This contract shall be in effect until March 1, 2019.

2. The Project Deliverables/Disbursement and Schedule for Objective 1 set forth in Exhibit A is superseded and replaced in its entirety with the following:

Project Deliverables/Disbursement and Schedule - Objective 1

November 7, 2017 Contract executed between COA and UT

November 8, 2017 Project begins

December 1, 2017 Detailed project implementation plan proposal

January 1, 2018	COA approves project
August 15, 2018	Draft reports submitted (initial disbursement of \$50,000.00 due within 30 days of receipt of invoice)
November 1, 2018	Updated draft reports on workforce development
February 1, 2019	Final report (final disbursement of \$50,000.00 due within 30 days of receipt of invoice)
February 15, 2019	Presentation(s) of report and findings

3. The Statement of Work for Objective 2 set forth in Exhibit A of the Extant Contract is superseded and replaced in its entirety with the following:

Objective 2: Adult Workforce Outcomes and Return on Investment

The RMC and university partners will collect and validate data to support an evaluation of financial outcomes resulting from a number of existing Austin-based adult training programs, using a sample of adults from up to three workforce development providers identified by the City. Researchers will contact approximately 2000 program graduates for interviews and all respondents will be included in the research sample. This team's work will form the basis of metrics and recommendations to the City Council on future funding and evaluation strategies. This research will serve as additional support and consideration for the context of the performance metrics for the Regional Workforce Master Plan. The resulting findings will provide data-based findings and formulas for measurement of financial and social return-on-investment. Findings and measurements tools may be used by the COA, its partners, and workforce development providers in planning and decision-making.

The workplan for this task includes data collection and interviews with individuals who have completed training through existing workforce efforts. The interviews will be designed to determine if the individuals remain employed, what their salaries are, their current use or non-use of government subsidies and services, and any added value of the training. The research will be used to inform a multi- generational return on investment (ROI) methodology that estimates the long-term benefits resulting from investment in individuals who previously received training and obtained middle skill employment. Components of this ROI methodology will likely include the amount of taxes now being paid by the individuals, and municipal cost savings estimated in five areas: reduced need for affordable housing, reduced need for Austin Energy subsidies, reduced city public health usage, reduced involvement with the city and county court and criminal justice system, and reduced jail and imprisonment costs. The data will be used to estimate future ROI to the municipality in terms of whether the graduates have a reduced need for City services, and whether the graduates are generating more taxes than before they were trained in the programs.

4. The Project Deliverables/Disbursement and Schedule for Objective 2 set forth in Exhibit A of the Extant Contract is superseded and replaced in its entirety with the following:

Project Deliverables and Schedule - Objective 2

November 7, 2017	Contract executed between COA and UT
November 8, 2017	Project begins
December 1, 2017	Detailed project implementation plan proposal
January 1, 2018	COA approves project implementation
August 15, 2018	Draft reports submitted (initial disbursement of \$50,000.00 due within 30 days of receipt of invoice)
November 1, 2018	Updated draft reports on workforce development
February 1, 2019	Final report (final disbursement of \$50,000.00 due within 30 days of receipt of invoice)
February 15, 2019	Presentation(s) of report and findings

Executed effective as of October 11, 2018, by the following duly authorized representatives of Parties:

City of Austin:

The University of Texas at Austin, Ray Marshall Center:

By:



By:



Digitally signed by Mark Featherston
Date: 2018.09.27 17:22:06 -05'00'

Name: Rebecca Giello

Name: Mark Featherston

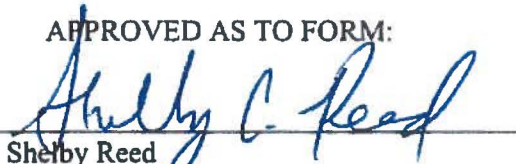
Title: Interim Director, Economic Development

Title: Assistant Director, OSP

Date: 10/11/18

Date: 27 Sept 2018

APPROVED AS TO FORM:



Shelby Reed
Assistant City Attorney
City of Austin



M E M O R A N D U M

**City of Austin
Financial Services Department
Purchasing Office**

DATE: March 20, 2018
TO: Memo to File
FROM: Liz Lock, Procurement Specialist II
RE: MA 5500 PI180000001

This Master Agreement Contract was created and administered by Economic Development Department- 5500 as an Interlocal Agreement. All original documents are located with the department. The Purchasing Office is not responsible for any procurement action for this Master Agreement Contract other the creation of the payment mechanism for accounting purposes.

**INTERLOCAL COOPERATION CONTRACT
BETWEEN
THE CITY OF AUSTIN
AND THE
UNIVERSITY OF TEXAS AT AUSTIN'S RAY MARSHALL CENTER**

This Interlocal Cooperation Contract ("Contract") is entered into by and between the Contracting Parties shown below pursuant to authority granted in, and in compliance with, the *Interlocal Cooperation Act, Chapter 791, Texas Government Code*.

The City of Austin Economic Development Department (EDD) recognizes the need for a broader system of workforce development and equitable access to opportunities that span a continuum of services across the lifetime of an Austin resident. In furtherance of this need, the City seeks new data and exploration of both the adult workforce system as well as the youth talent pipeline.

The City of Austin joined Travis County, Workforce Solutions Capital Area and a range of community partners in the creation of an Austin Metro Area Master Community Workforce Plan. As the partners push towards a topline goal of 10,000 residents living at or below 200% of poverty to secure middle-skill jobs by 2021, the Economic Development Department seeks to contribute programming and data that lends to this goal. EDD also seeks to remove children from poverty (40,000) by providing STEM-CE skills to that population over the next decade. This agreement supports that effort in a program called the Einstein Challenge.

The purpose of the agreement includes process development, data collection, and analysis. This work involves two critical and distinct components: (1) a mapping and assessment of existing Science, Technology, Engineering, Math – Creative, and Entrepreneurship (STEM-CE) programs in Austin; and (2) the creation of an return-on-investment (ROI) approach that can measure impact over multiple generations.

I. Contracting Parties:

Receiving Party:

City of Austin, a local government of the State of Texas
Economic Development Department, Global Business Expansion Division
David Colligan, Global Business Expansion Manager
P.O. Box 1088
Austin, TX 78767

Performing Party:

The University of Texas at Austin (UT), institution of higher education of the State of Texas
Ray Marshall Center
Heath Prince, Executive Director
3001 Lake Austin Blvd #3
Austin, TX 78703

II. Statement of Work

- A. The Statement of Work is attached to this Contract as Exhibit A. The time for performance and scheduled disbursement of payments shall be in accordance with this Contract is set out in the Statement of Work and is incorporated by reference in this Contract.

III. Contract Term and Amount

- A. This contract shall be in effect until 12 months from the date of execution.
- B. The City shall pay Ray Marshall Center an amount not to exceed **\$100,000.00**.
1. Payment shall be made on the achievement of designated objectives as outlined in the Statement of Work attached as Exhibit A.

IV. Payment of Services

City shall remit two \$50,000 installment payments to Ray Marshall Center for services satisfactorily performed according to the scheduled disbursements as outlined in Exhibit A of this Contract, in accordance with the *Texas Prompt Payment Act, Chapter 2251, Texas Government Code*. Payments made under this Contract shall (1) fairly compensate Ray Marshall Center for the services performed under this Contract, and (2) be made from current revenues available to City. City shall pay UT within 30 days of receipt of an invoice upon confirmation by the City that the deliverables required for payment have been received by the City.

a. Invoices

- i. Ray Marshall Center shall send fixed-price lump sum invoices for two disbursement payments on completion of the scheduled milestones objectives listed in Exhibit A.
- ii. Invoices submitted by the Ray Marshall Center shall contain the following information:
1. Ray Marshall Center's legal name.
 2. Correct payment remittance address.

3. An invoice date.
4. A unique, unduplicated invoice number.
5. A brief description of the items or services being invoiced.
6. The dollar amount due.

iii. Invoices shall be sent by email to: preston.stewart@austintexas.gov

V. Certifications

- a. Each signer of this Contract possesses the right, power, legal capacity and full legal authority to execute this Contract on behalf of the contracting party and to bind the contracting party to the terms and conditions set forth in this Contract. Furthermore, the signer of this Contract certifies that the contracting party has the legal authority to perform or receive the services required by this Contract, that the contracting party has received all necessary approvals to execute and deliver this contract, and that such services further a governmental function of the City of Austin and the University of Texas at Austin – Ray Marshall Center.
- b. **Intellectual Property:** Reports, designs, and other work ("Material") developed by the University's Ray Marshall Center under this Agreement is the property of the University. The University warrants and represents the Material is the independent work of the University and an original work of authorship under the U.S. Copyright Act. Furthermore, the University warrants and represents the University has the right to license the Material to the City. The University licenses and grants to the City an irrevocable, nonexclusive, and royalty-free license to use, reproduce, copy, publish, prepare derivative works from, distribute to the public, perform, and display publicly for or on behalf of the City, the intellectual property rights in the Material developed as part of the work under this Agreement.

VI. Termination, Venue, and Funding Out

For Cause: In the event of a material failure by a Contracting Party to perform its duties and obligations in accordance with the terms of this Contract, the other party may terminate this Contract upon 30 days' advance written notice of termination setting forth the nature of the material failure; provided that, the material failure is through no fault of the terminating party. The termination shall not be effective if the material failure is fully cured prior to the end of the 30 day period.

For Convenience: Either party may terminate this Contract without cause upon 60 days written notice. If the City terminates, on receipt of the Notice, Ray Marshall shall immediately stop performance of services (unless the Notice directs otherwise) and deliver all documents, programs, reports, and materials accumulated in performing this Agreement (whether finished or in process) to City within 10 business days, or as otherwise stated in the Notice. City shall pay Ray Marshall for all reimbursable costs and obligations incurred up to the date of termination.

Dispute Resolution: If a dispute arises between the parties regarding performance under this agreement, which the parties are unable to resolve through negotiation, the parties agree that the dispute will be submitted for mediation before any suit is filed. If the mediation does not successfully resolve the dispute, each party is free to pursue other remedies available to them.

Jurisdiction and Venue: This Contract is made under and shall be governed by the laws of the State of Texas, without regard to conflicts of laws principles which would apply the law of any other jurisdiction. The courts of Texas shall have jurisdiction of any dispute arising out of or concerning this Contract, either administrative or judicial, and venue shall be proper and lie exclusively in Travis County Texas.

Non-Appropriation: Ray Marshall acknowledges that the City has provided notice that the City's payment obligations to Ray Marshall are payable only from funds appropriated or available for the purpose of this Agreement. If the City does not appropriate funds for this Agreement, or if there are no other lawfully available funds for this Agreement, the Agreement is void. City shall provide Ray Marshall notice of the failure of City to make an adequate appropriation for any fiscal year to pay the amounts due under the Agreement or the reduction of any appropriation to an amount insufficient to permit City to pay its obligations under the Agreement.

VII. No Assignment

A party to this contract shall not assign or transfer its interests under the Contract.

VIII. Notices

All notices hereunder shall be deemed given when either delivered in person or deposited in the U.S. Mail, postage prepaid, certified mail, return receipt requested, addressed to the appropriate party at the following address:

If to UT: Heath Prince, Executive Director
 Ray Marshall Center
 3001 Lake Austin Blvd #3
 Austin, TX 78703

If to COA: David Colligan, Global Business Expansion
 Economic Development Department
 P.O. Box 1088 Austin,
 TX 78767

IX. Waiver of Immunity

It is expressly understood and agreed that under this contract neither contracting party waives, nor shall be deemed to waive, any immunity or defense that would otherwise be available to it against

claims arising in the exercise of governmental powers and functions.

X Record Maintenance

Each party shall maintain all records and reports required under this agreement for a period of three years after the termination date, or until all evaluations, audits and other reviews have been completed and all questions or issues, including litigation, are resolved satisfactorily, whichever occurs later.


XI. No partnership

This Contract does not create any partnership, employee, fiduciary, insurance, or agency relationship between the parties or any of their agents or employees. No party to this Contract will be responsible for the acts of the other party or any other employee of the other party by virtue of this Contract, except as may be decreed against that party by a judgment of a court of competent jurisdiction. It is expressly understood and agreed that in the execution of this Contract, no party waives, nor shall be considered to waive, any immunity or defense otherwise available to it against any claims by third parties. Each party to this Contract waives all claims against the other party to the Contract for compensation or any loss, damage, personal injury, or death, occurring as a consequence of the performance of this Contract, except for acts in violation of the criminal laws.

Executed effective as of the Effective Date by the following duly authorized representatives of the Contracting Parties:

City of Austin:

The University of Texas at Austin,
Ray Marshall Center:

By: 
Name: Elaine Hart
Title: Interim City Manager
Date: 11-7-17

By: David Hawkins
Name: David Hawkins
Title: Associate Director - OSP
Date: 11.6.2017

Digitally signed by
David Hawkins
Date: 2017.11.06
08:06:05 -06'00'

APPROVED AS TO FORM:

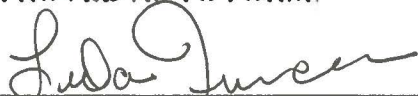

Leela Fireside
Assistant City Attorney
City of Austin

EXHIBIT A: STATEMENT OF WORK

**Ray Marshall Center
City of Austin
*Assessment of Austin's Youth STEM-CE Programming, Adult Workforce
Outcomes and Return on Investment***

Introduction

The City of Austin Economic Development Department recognizes the need for a broader system of workforce development and equitable access to opportunities that span a continuum of services across the lifetime of an Austin resident. In furtherance of this need, the City seeks new data and exploration of both the adult workforce system as well as the youth talent pipeline.

The City of Austin joined Travis County, Workforce Solutions Capital Area and a range of community partners in the creation of an Austin Metro Area Master Community Workforce Plan. As the partners push towards a topline goal of 10,000 residents living at or below 200% of poverty to secure middle-skill jobs by 2021, the Economic Development Department seeks to contribute programming and data that lends to this goal.

Project overview

The Ray Marshall Center for the Study of Human Resources (RMC) at the University of Texas, Austin's LBJ School of Public Affairs, agrees to enter into an interlocal agreement with the City of Austin for process development, data collection, and analysis. This work involves two critical and distinct components: (1) a mapping and assessment of existing STEM-CE programs in Austin, and (2) the creation of an ROI approach that can measure impact over multiple generations.

The Ray Marshall Center for the Study of Human Resources (RMC) at the University of Texas, Austin's LBJ School of Public Affairs, agrees to enter into an interlocal agreement with the City of Austin for process development, data collection, and analysis of youth-focused programs in science, technology, engineering, math, creative and entrepreneurship workforce development programs.

Objective 1: Mapping and assessing STEM-CE programs in Austin

Ray Marshall Center researchers will use the next 12 months to work with stakeholders, workforce organizations, local businesses and local school districts, using a collective impact model framework, to establish regional baseline metrics to classify and assess current youth focused programs in Science, Technology, Engineering, Mathematics, Creative and Entrepreneurship (STEM-CE) for study and careers. Through the course of this assessment, the RMC will develop appropriate measurement instruments and techniques, produce a report describing current relevant activities, and propose methods and processes for the future evaluation of youth STEM-CE programming.

This assessment of Austin STEM-CE programming will provide insight as to how scarce public resources can be leveraged to secure private participation in the development of a future pipeline of workforce, filled by the city's current youth in poverty, which will connect to quality jobs in Austin's future economy. Findings will be used to propose policy recommendations for the City Council to consider that will enable program development or expansion to properly encourage students from backgrounds in poverty to enter into STEM-CE fields of study and careers. Some goals of future STEM-CE interventions may include changing

attitudes about STEM-CE fields among students participating in such related programming, as well as improving their academic performance in STEM-CE subjects.

During the next twelve months the RMC will engage in the following activities:

- Review, classify, and map all current STEM-CE focused mentoring and training efforts from an initial list of 20 Austin regional companies;
- Collaborate with business, stakeholders and community leaders to develop a set of metrics intended to assess and steer STEM-CE related mentoring and training efforts to students in Title I schools;
- Determine the feasibility of obtaining metrics and developing where necessary methods, including surveys, to obtain relevant program performance and outcomes data.
- Engage with local participating school districts and other agencies to create Data Sharing Agreements to access relevant student records for the purpose of measuring the progress and the performance of current and future STEM-CE focused mentoring and training efforts for students in Title I schools annually;
- At the end of the grant, the RMC will produce a Baseline Report, providing context on the community and the primary participants and players in STEM-CE programming. Included in the baseline report, RMC researchers will assess the extent to which these STEM-CE focused programs may be effectively used to coordinate and scale public-private investment into Title I schools.

The RMC will also produce an organizational framework designed to guide ongoing public-private investment, including recommendations for the creation of a system to attract more companies into partnerships for this intent, and suggestions for increasing scale and improving student performance in Title I schools with existing and new partnerships.

The end result of these activities will inform a system of baseline reporting and community engagement that provides guideposts to the City Council for future regular evaluations of the STEM-CE programming development and expansion.

Project Deliverables/Disbursement and Schedule - Objective 1

August 30, 2017	Contract completed between City of Austin (COA) and the University of Texas at Austin
September 1, 2017	Project begins
September 31, 2017	Detailed project implementation plan
proposal October 31, 2017	COA approves project implementation
January 15, 2018	Public meeting on workforce development
May 1, 2018	Draft reports submitted (initial disbursement of \$50,000.00 due within 30 days of receipt of invoice)
July 1, 2018	Final draft reports on workforce development

August 31, 2018 Final report (final disbursement of \$50,000.00 due within 30 days of receipt of invoice).

Objective 2: Adult Workforce Outcomes and Return on Investment

The RMC and university partners will collect and validate data to support an evaluation of financial outcomes resulting from a number of existing Austin-based adult training programs, using a sample of approximately 300 adults from up to three (3) workforce development providers identified by the City. This team's work will form the basis of metrics and recommendations to the City Council on future funding and evaluation strategies. This research will serve as additional support and consideration for the context of the performance metrics for the Regional Workforce Master Plan. The data will provide a basis for measuring success through a fact-based financial return on investment impact analysis for hard to employ and middle skilled jobs associated with an emerging Chapter 380 Agreement economic incentive policy.

The workplan for this task will include data collection and interviews with an estimated 300 individuals who have completed training through existing workforce efforts. The interviews will be designed to determine if the individuals remain employed, what their salaries are, their current use or non-use of government subsidies and services, and any added value of the training. The research will be used to inform a multi-generational ROI methodology that estimates the long-term benefits resulting from investment in individuals who previously received training and obtained middle skill employment. Components of this ROI methodology will likely include the amount of taxes now being paid by the individuals, and municipal cost savings estimated in five areas: reduced need for affordable housing, reduced need for Austin Energy subsidies, reduced city public health usage, reduced involvement with the city and county court and criminal justice system, and reduced jail and imprisonment costs. The data will be used to estimate future return on investment to the municipality in terms of reduced need for services, and improved tax generation.

Project Deliverables and Schedule - Objective 2

August 30, 2017	Contract completed between City of Austin (COA) and the University of Texas at Austin
September 1, 2017	Project begins
September 31, 2017	Detailed project implementation plan proposal
October 31, 2017	COA approves project implementation
January 15, 2018	Public meeting on workforce development
May 1, 2018	Draft reports submitted
July 1, 2018	Final draft reports on workforce development
August 31, 2018	Final report



MEMORANDUM

September 18, 2017

To: Whom It May Concern

From: Daniel H. Sharphorn

Subject: Insurance and Indemnification of The University of Texas System

The following information accurately summarizes the current state of affairs with respect to certain insurance and indemnification matters governing the academic and health institutions of The University of Texas System.

The University of Texas System is composed of 14 institutions, as well as UT System Administration. As an agency of the State of Texas, The University of Texas System is precluded from granting full indemnity in an agreement with another entity. This preclusion has two bases, the first of which is the Texas Constitution. Primarily, Article 3, Sections 50-52, of the Constitution generally provide that the State has no power to give, lend, or pledge the credit of the State to any person, association, or corporation.

The second basis for the preclusion is the doctrine of sovereign immunity, which, although abrogated in other states, continues to be the rule in Texas. A governmental unit, such as a University of Texas System institution, is immune from suit and liability unless the State (i.e. the Legislature) consents to the suit. *Dallas Area Rapid Transit v. Whitley*, 104 S.W.3d 540, 542 (Tex. 2003). Legislative consent to suit, whether expressed by statute or otherwise, must be given in clear and unambiguous language. Tex. Gov't Code § 311.034; *University of Texas Medical Branch v. York*, 871 S.W.2d 175, 177 (Tex. 1994).

Employees of The University of Texas System are provided workers' compensation insurance coverage under a self-insured, self-managed program as authorized by the Texas Labor Code, Chapter 503.

The University of Texas System purchases automobile liability insurance for all University-owned, -hired and non-owned vehicles with limits of at least \$250,000 per person and \$500,000 per accident for bodily injury and \$100,000 for property damage. As discussed below, these damage limits are set by statute. The University of Texas System retains the right to self-insure automobile liability in the future if it is deemed to be in its best interest.

Because of the doctrine of sovereign immunity, The University of Texas System, an agency of the State of Texas, does not purchase general liability or employer's liability insurance for *alleged torts committed by its employees who act within the scope of their employment, except in limited circumstances*. However, the Texas Tort Claims Act ("the Act"), Chapter 101 of the Texas Civil Practice and Remedies Code, does provide a limited waiver of sovereign immunity for claimants



who make tort claims under its provisions. These claims fall into two general areas: (i) injuries arising out of use of publicly owned motor vehicles and motor-driven equipment, and (ii) injuries arising out of conditions or use of property.

The University of Texas System's liability under the Act is limited. Under the Act, liability in cases of personal injuries or death is limited to a maximum amount of \$250,000 per person and \$500,000 for each single occurrence. The maximum amount of liability for injury to or destruction of property is \$100,000 for each single occurrence.

This memorandum is intended only for use by The University of Texas System institutions and UT System Administration and their intended recipients. Subject to applicable law, this memorandum may not otherwise be disclosed by the recipient to third parties without the prior consent of the Office of General Counsel of The University of Texas System. This memorandum may be relied on as accurate only as of the date it is issued. The University of Texas System assumes no obligations to update this information and the recipient acknowledges that this information may be subsequently rendered inaccurate by statutory changes and other matters beyond the control of The University of Texas System.



THE UNIVERSITY *of* TEXAS SYSTEM
FOURTEEN INSTITUTIONS. UNLIMITED POSSIBILITIES.

Office of Risk Management
210 W. 7th Street
Austin, Texas 78707
512.499.4663
WWW.UTSYSTEM.EDU

September 18, 2017

To Whom It May Concern:

Pursuant to Chapter 503 of the Texas Labor Code, The University of Texas System is self-insured for workers' compensation insurance. Persons employed in the service of The University of Texas at Austin, whose names appear on the payroll are covered for work-related injuries in accordance with the Texas Workers' Compensation Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Melissa Steger", with a long, sweeping horizontal line extending to the right.

Melissa Steger
Assistant Director, WCI

MS/mc