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Regulation Statement

Members of The Texas A&M University System (system) may enter into agreements with other members or state agencies for services or resources as provided by the Texas Interagency Cooperation Act (TICA) and this regulation.

Reason for Regulation

This regulation provides guidelines to assist system member compliance with the TICA.

Procedures and Responsibilities

I. INTRODUCTION

- 1.1 The ~~TEXAS GOVERNMENT CODE~~Texas Government Code, Chapter 771, Interagency Cooperation Act (TICA), Chapter 771, Texas Government Code, states that all state agencies, including agencies and institutions of higher education, are authorized to enter into written agreements with other agencies of the state to receive or furnish special or technical services, including the. ~~The contract may be for~~ services of employees, or resources (materials, and/or equipment).
- 1.2 The TICA specifies that the performing agency will be reimbursed by a special voucher or electronically as prescribed by the ~~s~~State ~~c~~Comptroller, for the actual cost, or the nearest practicable estimate of the cost of the services or resources. Reimbursements (as well as a written agreement or contract) is~~are~~ not required if the ~~when~~ services or resources, ~~materials, or equipment~~ are provided for in the fields of national defense, disaster relief, or in cooperative efforts proposed by the ~~g~~Governor to promote the economic development of the state.
- 1.3 A contract between any ~~S~~system ~~component~~member and any state agency or institution for services or resources of exceeding \$50,000 or more must be in writing. In situations where the amount of the transaction is less than \$50,000 ~~or less~~, the

~~component~~member may use an informal letter of agreement or memorandum instead of a contract.

- 1.4 System regulations governing indirect cost recovery from other state agencies are provided in System Regulation *15.01.01, Administration of Sponsored Agreements- Research and Other*.
- 1.5 A receiving agency may advance funds to a performing agency when necessary for the performing agency to be able to provide services or resources ~~to the receiving agency~~. If an advance is made, both the receiving agency and the performing agency shall ensure, after the services or resources are provided, that the performing agency has received only enough funds to reimburse it for its total costs or the nearest practicable estimate of the costs. ~~In the TICA, classifies an advance is considered to be a~~ reimbursement. Also, a receiving agency may advance federal funds to a performing agency if the receiving agency determines that such advances would facilitate the implementation of a federally funded program.
- 1.6 A contract entered into by one or more state agencies pursuant to the TICA may allow the performing agency to subcontract and purchase equipment the services and resources. ~~A receiving agency may advance federal funds to a performing agency when a receiving agency determines that such advances would facilitate the implementation of a federally funded program.~~
- 1.7 System Policy 25.07, ~~Section 6, Contract Administration~~, and System Regulation 25.07.01, *Contract Administration Procedures and Delegations*, determine who may ~~approve~~execute interagency and intrasystem contracts.

2. INTERAGENCY CONTRACTING PROCEDURES

- 2.1 An on-line Interagency Cooperation Contract form, or a modified version thereof, shall be used for joint projects and programs involving two or more Texas state agencies. Interagency contracts (not including construction contracts) may be executed by the Chief Executive Officers (CEOs) of the System components involved, or their authorized designees subject to Section 6 of System Policy 25.07. If the proposal transaction involves two or more System components, it the contract or transaction should be approved by each CEO chief executive officer or authorized designee. Questions regarding proper funding of such agreements may be directed to the System Office of Budgets and Accounting (SOBA). The System Office of General Counsel rules on questions regarding the legal sufficiency of all contracts.
- 2.2 Except for the exempted areas described above, the TICA requires a written contract to be entered into before any services or resources may be provided or received. The contract must specify the following terms:
 - (1a) the kinds and amounts of services or resources to be provided;
 - (2b) the basis for calculating reimbursable costs;
 - (3c) the maximum amount of the costs during the time period covered by the agreement; and

- (4d) the term of the contract, ~~which may not transcend the term of the biennial period in which the contract is executed; and~~
- (5) ~~the specific statutory authority by which each agency, as party to the contract, may perform its separate contracted activity.~~

~~2.3 The prescribed INTERAGENCY COOPERATION CONTRACT form for all contracts with agencies outside of the System can be found on the web at the following address: <http://sago.tamu.edu/soba/general-cooperation-contracts.htm>.~~

3. INTRASYSTEM CONTRACTS SING PROCEDURES

3.1 An on-line INTRASYSTEM COOPERATION CONTRACT~~Intrasystem Cooperation Contract~~ form, ~~found on the web at the following address: <http://sago.tamu.edu/soba/general-cooperation-contracts.htm>,~~ or a modified version thereof, shall be used for joint projects and programs involving two or more ~~S~~system ~~components~~members, except where the ~~components~~members involved conclude the best means of accomplishing the project or program is through the lending of personnel.

3.2 The system Board of Regents has authorized the establishment of service departments for the benefit of one or more ~~S~~system ~~components~~members. Intrasystem cooperation contracts will not be necessary for furnishing goods or services by a service department of one ~~S~~system ~~component~~member to another ~~component~~member. Parties will complete a service agreement detailing actual services to be provided and an estimate of expenses to be charged. Standard order, billing, and payment procedures will be used for these transactions. Refer to Regulation 21.01.05, Service Departments, for more details.

~~3.3 Intrasystem contracts may be executed by the CEO of the System components involved or their designee, subject to Section 6 of System Policy 25.07. The System Office of General Counsel rules on questions regarding the legal sufficiency of all contracts.~~

4. CONTRACTS PROHIBITED BY TICA~~THE TEXAS INTERAGENCY COOPERATION ACT~~

4.1 An agency may not construct a highway, road, building or other structure for another agency under TICA, except the Texas Department of Transportation may enter into an interagency agreement with a state college, university or public junior college for the maintenance, improvement, relocation or extension of existing on-campus streets, parking lots and access-ways.

4.2 An agency may not provide services or resources to another agency that are required by Article XVI, Section 21 of the Texas Constitution to be provided under a contract awarded to the lowest responsible bidder. The TICA prohibits any state agency or university from contractually committing to the construction of any highway, street, building, or other structure; except those contracts with the Texas Department of Transportation for the maintenance, improvement, relocation, or extension of existing

~~streets, parking lots and accessways. The TICA further prohibits providing any services, materials, or equipment which are required by Article XVI, Section 21 of the Texas Constitution to be supplied under contract given to the lowest responsible bidder. This includes stationery, printing, binding, and fuel used in buildings for heat or power.~~

- 4.3 An agency may not enter into an agreement or contract that requires or permits the agency to exceed its duties and responsibilities or the limitations of its appropriated funds.

Related Statutes, Policies, or Requirements

The Texas Constitution, Article XVI, Section 21

Texas Government Code Ch. 771, Interagency Cooperation Act

Texas Comptroller's Purchase Policies and Procedures Guide (eXpendit)

Interagency Cooperation Contract form

Intrasystem Cooperation Contract form

System Regulation 15.01.01, Administration of Sponsored Agreements-Research and Other

System Regulation 21.01.05, Service Departments

System Policy 25.07 Contract Administration

System Regulation 25.07.01, Contract Administration Procedures and Delegations

Prior to the May 2011 version, this regulation was numbered as
System Regulation 25.99.05, Interagency and Intrasystem Transactions

Contact Office

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