

SYSTEM REGULATIONS

25.07.01 Contract Administration Procedures and Delegations

July 31, 1996

Revised August 11, 1998

Supplements System Policy 25.07

1. GENERAL

System Policy 25.07 specifies the types and values of contracts that must be approved by the Board, those which may be approved by the Chancellor or designee, and those which may be approved by component CEOs or their designees. The policy requires that component contract administration procedures be updated annually and that the revised procedures and delegations be reported to the Chancellor and the Board.

2. DELEGATIONS BY THE CHANCELLOR

- 2.1 CEOs are hereby delegated the authority to approve contracts not in excess of \$200,000 that are not otherwise reserved for approval by the Board, as described in System Policy 25.07, Paragraph 6, and to subdelegate such authority at their discretion.
- 2.2 The Deputy Chancellor for Finance and Operations is authorized to approve contracts to the extent such authority is delegated by the Board to the Chancellor and not otherwise subdelegated.

3. CONTRACT ADMINISTRATION PROCEDURES

- 3.1 Contract administration procedures will be prepared by each System component in the general matrix format attached, and will indicate, for each type of contract which CEOs are authorized to approve (1) the type of contract, (2) typical routing for departmental review of documents, and (3) authorization to execute contracts of \$0 to \$200,000.
- 3.2 Component contract administration procedures will be updated annually at the beginning of each fiscal year. Revised procedures will be submitted to the Office of Policy Implementation and Compliance~~Director of Special Projects~~ who will review the procedures, resolve any discrepancies, and compile a report for submission to the Chancellor and the Board.

3.2.1 Prior to any procurement of goods and services that will exceed \$25,000 a notification must be placed by the agency/university on the State Electronic Business Daily as maintained by the Texas Department of Economic Development. This notification must precede the bidding, offering or vendor selection process by the period of time specified in Section 1, Subchapter B, Chapter 2155, Government Code.

3.2.2 Component contract administration procedures must be updated to include the electronic notification process.

- 3.3 Mid-year revisions to contract administration procedures, including the addition of contract types addressed in procedures previously submitted, will be approved by the component CEO and reported to the Office of Policy Implementation and Compliance~~Director of Special Projects~~ as they occur.

4. CONTRACT ADMINISTRATION GUIDE

The following is provided as a quick reference for processing various types of contracts, including those which require approval by the Board, those which may be approved by the Chancellor, and those which may be approved by the CEO or designee:

- 4.1 Contracts reserved for Board approval (more than 5 years and/or \$300,000, certain real estate contracts, or contracts with firms in which Board member is director or owns stock, as described in 25.07, Paragraph 4)

- (1) Components' contract administration procedures
- (2) CEO recommends approval
- (3) General Counsel review
- (4) Reviewed by Deputy Chancellor
- (5) Recommendation by Chancellor
- (6) Approval of Board

- 4.2 Contracts reserved for Chancellor's approval (\$200,000 to \$300,000)

- (1) Components' contract administration procedures
- (2) CEO recommends approval
- (3) General Counsel review
- (4) Recommended by Deputy Chancellor
- (5) Approval by Chancellor

- 4.3 Contracts covered in components' contract administration procedures (including those at \$200,000 or less as delegated by the Chancellor in Paragraph 2 above)

- (1) Unaltered contracts approved by General Counsel in last three years (Yearly renewal/standardized contracts)

Approval in accordance with contract administration procedures

- (2) Contracts greater than \$50,000 not covered in 4.3(1)
 - (a) General Counsel review

- (b) Approval in accordance with contract administration procedures
- (3) Contracts \$50,000 or less not covered in 4.3(1)
 - (a) General Counsel review or contract review short form
 - (b) Approval in accordance with contract administration procedures
- (4) Contract form provided by vendor
 - (a) Attach contract addendum form
 - (b) Approval in accordance with 4.3(1), 4.3(2), or 4.3(3)

4.4. Contracts not covered in components' contract administration procedures

- (1) Send to Board as shown in System Policy 25.07, Paragraph 4(4), or
- (2) Add contract type to contract administration procedures
 - (a) Approval of component CEO
 - (b) Report additions to Office of Policy Implementation and Compliance~~Director of Special Projects~~
- (3) Approval in accordance with contract administration procedures

CONTACT FOR INTERPRETATION: Office of Budgets and Accounting~~Director of Special Projects~~

HISTORY: No Prior Release

SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
THE TEXAS A&M UNIVERSITY SYSTEM
DELEGATION OF AUTHORITY
FOR CONTRACT ADMINISTRATION¹

Type of Contract	Routing for Departmental Review	Authorization to Execute Contracts \$100,000 or Less	Authorization to Execute Contracts \$100,000 to \$200,000

¹ Contracts which involve a stated or implied consideration within stated limits and primary terms of five years or less. All contracts must be reviewed the by Office of General Counsel, unless in previously approved format.