

SYSTEM REGULATIONS

25.07.01 Contract Administration Procedures and Delegations

July 31, 1996

Revised August 11, 1998

Revised October 26, 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 of Regents (BOR), those which may be approved by the Chancellor or designee, and those which may be approved by component Chief Executive Officers (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 BOR.

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 BOR, 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 BOR 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 format distributed by the System Office of Policy Implementation and Compliance ~~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 who will review the procedures, resolve any discrepancies, and compile a report for submission to the Chancellor and the BOR.

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 must place a notification 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 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 BOReard, those which may be approved by the Chancellor, and those which may be approved by the CEO or designee:

4.1 Contracts reserved for BOReard approval (more than 5 years and/or \$300,000, certain real estate contracts, or contracts with firms in which a 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 reviews
- (4) ~~Vice Reviewed by~~ or Deputy Chancellor reviews
- (5) ~~Recommendation by~~ Chancellor recommends approval
- (6) ~~Approval of~~ BOReard approves

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 reviews
- (4) ~~Vice or Recommended by~~ Deputy Chancellor recommends approval
- (5) ~~Approval by~~ Chancellor approves

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~~s~~
- (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 ~~BO~~Board as shown in System Policy 25.07, Paragraph 4(4), or

(2) Add contract type to component contract administration procedures

- (a) Approval of component CEO
- (b) Report approval~~additions~~ to Office of Policy Implementation and Compliance

~~(3) Approval in accordance with contract administration procedures~~

CONTACT FOR INTERPRETATION: The System Office of ~~Budgets—and~~
AccountingPolicy Implementation and Compliance

HISTORY: ~~No Prior Release~~August 11, 1998

~~SYSTEM ADMINISTRATIVE AND GENERAL OFFICES
 THE TEXAS A&M UNIVERSITY SYSTEM
 DELEGATION OF AUTHORITY
 FOR CONTRACT ADMINISTRATION[†]~~

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

[†]~~—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.~~