

UNIVERSITY RULE

25.07.99.M1

Contract Administration

Approved September 3, 1996

Revised December 1, 1997

Revised January 7, 2002

Revised June 5, 2009

Next Scheduled Review: June 5, 2012

Supplements [System Policy 25.07](#)

1. GENERAL

The following Texas A&M University (TAMU) contract administration rules are promulgated pursuant to The Texas A&M University System (TAMUS) Contract Administration Policy and constitute the provisions that govern administration of TAMU contracting authority.

These rules and limits of delegation of authority shall establish the process for University personnel to approve, sign, and execute contracts committing Texas A&M University to the performance of any act.

- 1.1 Delegations of authority pursuant to these rules shall be valid only if in writing.
- 1.2 Written contracts shall be executed whenever Texas A&M University enters into a binding agreement with another party that involves any stated or implied consideration. The Vice President for Finance and Chief Financial Officer or a designee may waive the requirement for a written contract if the stated or implied consideration is \$5,000 or less. Such waiver shall be valid only if in writing.
- 1.3 Contracts are construed to include, but not be limited to, the following: purchase orders, agreements, cooperative agreements, memoranda of understanding, interagency contracts, grants, loans, easements, licenses, leases, permits and restrictions on acceptances of gifts and bequests. Other parties include, but are not limited to: Federal, state and local agencies, non-profit organizations, private businesses, partnerships and individuals.
- 1.4 For purposes of this Rule, agreements made by Texas A&M University departments for the reservation of hotel and/or conference facilities should not be routed through the Department of Contract Administration nor be reviewed by the Office of General Counsel so long as the TAMU department and the facility sign the standard Facility Use Addendum, as provided by the Department of Contract Administration, in conjunction with the facility's standard agreement. In the event the facility objects to

the use of the Facility Use Addendum; the facility's agreement should then be sent to the Department of Contract Administration for review. The Facility Use Addendum is intended to assist departments in exercising care when a hotel or conference facility's agreement contains clauses that constitute a commitment by the University, which could lead to monetary or legal liabilities. Such clauses generally mention liability on the part of the department for damages, or require a guarantee of payment for unoccupied rooms or facilities. While the standard Facility Use Addendum attempts to mitigate these risks, departments should determine the availability of a funding source should circumstances dictate cancellations resulting in a penalty. Department heads may wish to establish specific departmental guidelines to avoid needless penalty payments.

- 1.5 Approval of and signature on a contract constitutes approval to establish an operating budget, which does not exceed the consideration of the contract, without further approval.

The Department of Contract Administration and Regulatory Compliance is responsible for creating and maintaining a well-defined administrative control environment that assures management exercises its fiduciary responsibilities when executing contracts on behalf of Texas A&M University. The Associate Vice President for Finance shall serve as the University Contracts Officer and administrator for the Department of Contract Administration and Regulatory Compliance.

2. CONTRACTS REQUIRING BOARD OF REGENTS APPROVAL

- 2.1 Contracts requiring Board of Regents approval shall be forwarded through the University Contracts Officer who will prepare the agenda item and appropriate documentation in support of the agenda item.
- 2.2 Contracts shall be signed by the Chancellor or the President, as specified in the Board minute order in which they are approved.

3. CONTRACTS REQUIRING CHANCELLOR APPROVAL

Contracts that involve a stated or implied consideration of more than \$200,000 but less than \$300,000 shall be forwarded through the University Contracts Officer to the Chancellor for execution.

4. PRESIDENT'S DELEGATION OF AUTHORITY TO VICE PRESIDENTS

- 4.1 In accordance with System Policy, the President may delegate authority to approve and sign specific contracts to Vice Presidents, but retains overall responsibility for their actions.

- 4.2 The President has delegated authority to approve and sign contracts that involve a stated or implied consideration (both cash and non-cash) of \$200,000 or less to the President's Chief of Staff, Provost and Executive Vice President for Academics, Executive Vice President for Operations, Vice President for Student Affairs, Vice President for Facilities, or Vice President for Finance and Chief Financial Officer per the [Texas A&M University President's Delegation of Authority for Contract Administration, 25.07.99.M2](#). Delegation of authority under this provision may not be re-delegated.
- 4.3 The President has delegated authority to approve and sign contracts that provide for the acquisition of a consultant with an initial consideration of more than \$50,000 and all modifications increasing that contract to the President's Chief of Staff, Provost and Executive Vice President for Academics, Executive Vice President for Operations, Vice President for Student Affairs, Vice President for Facilities, and the Vice President for Finance and Chief Financial Officer per the [Texas A&M University President's Delegation of Authority for Contract Administration, 25.07.99.M2](#). Approval is also required per the same delegations for any modifications to such a contract where the initial consideration was \$50,000 or less and the modification will cause the total consideration to exceed \$50,000. Delegation of authority under this provision may not be re-delegated.
- 4.4 The President has delegated authority to approve and sign Material Transfer Agreements, research contracts, grants and proposals which can become contracts without further authorization with an initial award of more than \$500,000 to the President's Chief of Staff, Provost and Executive Vice President for Academics, Executive Vice President for Operations and the Vice President for Finance and Chief Financial Officer per the [Texas A&M University President's Delegation of Authority for Contract Administration, 25.07.99.M2](#). To meet an agency deadline, research proposals may be submitted prior to concurrence, however, if such concurrence is not received within 30 days, the proposal will be withdrawn. Delegation of authority under this provision may not be re-delegated.
- 4.5 The President has delegated authority to approve and sign contracts and grants to perform educational and service activities consistent with the University's mission without regard to the stated or implied consideration to the President's Chief of Staff, Provost and Executive Vice President for Academics, Executive Vice President for Operations and the Vice President for Finance and Chief Financial Officer. Delegation of authority under this provision may not be re-delegated.

- 4.6 The President has delegated authority to approve and sign contracts which are processed through State catalogue or the appropriate bid process in accordance with Texas A&M University System Procurement Code requirements and athletic events and all athletic contest contracts without regard to the stated or implied consideration to the Vice President for Finance and Chief Financial Officer. Delegation of authority under this provision may be re-delegated. Any re-delegations must be in writing and filed with the University Contracts Officer.
- 4.7 In the absence of the President, the President has delegated authority to approve and sign all contracts reserved for the President to the President's Chief of Staff. This authority does not extend to contracts requiring Board or Chancellor approval and may not be re-delegated.
5. PRESIDENT'S DELEGATION OF AUTHORITY TO SENIOR ADMINISTRATORS AND DEPARTMENT HEADS
- 5.1 The President has delegated authority per the [Texas A&M University President's Delegation of Authority for Contract Administration, 25.07.99.M2](#), to approve and sign specific types of contracts involving a consideration (cash and non-cash) of \$100,000 or less to selected senior administrative officers as appropriate but retains overall responsibility for their actions. Delegations of authority to Department or Unit Heads under this provision may be re-delegated. Any re-delegation must be in writing and filed with the University Contracts Officer.
- 5.2 The President has delegated authority to approve and sign Material Transfer Agreements, research contracts, grants, and proposals which can become contracts without further authorization that involve an initial award of \$500,000 or less to the President's Chief of Staff, Provost and Executive Vice President for Academics, Executive Vice President for Operations, Vice President for Research, the Vice President for Finance and Chief Financial Officer, and the University Contracts Officer. Delegation of authority under this provision may not be re-delegated.
- 5.3 The President has delegated authority to approve and sign contracts (\$100,000 or less) which are processed in accordance with [University Rule 25.99.02.M1](#) (excluding consulting agreements and the University's gas procurement program) to the Executive Director of Procurement Services. Delegation of authority under this provision may be re-delegated. Any re-delegation must be in writing and filed with the University Contracts Officer.
- 5.4 The President has delegated authority to approve and sign contracts (\$100,000 or less) for athletic events and all athletic contest contracts to the University Contracts Officer. Contracts of \$5,000 or less have been

delegated to the Athletic Director. Delegation of authority over \$5,000 under this provision may not be re-delegated.

- 5.5 Administrative officers delegated authority to approve and sign contracts must insure that such documents have received prior review as to form and legal sufficiency by the Office of General Counsel. Requests for contract review by the Office of General Counsel shall be routed through and administered by the University Contracts Officer.

OFFICE OF RESPONSIBILITY: [Department of Contract Administration](#)