

UNIVERSITY RULE

25.07.01.M1 Contract Administration

Approved September 3, 1996

Revised December 1, 1997

Revised January 7, 2002

Revised June 5, 2009

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Revised November 2, 2016

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Rule Statement

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

Official rule/ Responsibilities/ Process

1. These procedures and limits of delegation of authority shall establish the process for TAMU personnel to originate, recommend, approve, sign, execute, administer, close out, and report contracts committing TAMU to the performance of any act. The Department of Contract Administration 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 TAMU. The Associate Vice President for Finance, designated by the Vice President for Finance and Administration, shall serve as the University Contracts Officer.
 - 1.1 Delegations of authority pursuant to this rule shall be valid only if in writing.
 - 1.2 Written contracts shall be executed whenever TAMU enters into a binding agreement with another party that involves any stated or implied consideration. The Vice President for Finance and Administration or a designee may waive the requirement for a written contract if the stated or implied consideration is \$10,000 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, and amendments, modifications, and extensions of those contracts. 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, contracts made by TAMU 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 contract. In the event the facility objects to the use of the Facility Use Addendum; the facility's contract 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 contract contains clauses that constitute a commitment by TAMU, 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. This rule authorizes respective department heads authority to execute such contracts so long as the stated or implied consideration does not exceed the authority delegated to the President.

1.5 For purposes of this rule, contracts made by TAMU departments with vendors to provide services internationally must be routed through the Department of Contract Administration. This applies to U.S based and international vendors providing services that include, but are not limited to, programs for the benefit of students, faculty or staff on TAMU related business or academic/research purposes. Contract Administration has coordinated with OGC on the development of a standard contract with vendors for these services and will work with the vendor to coordinate an acceptable contract. These contracts require the approval of the Provost and Executive Vice President or TAMHSC Executive Vice President & CEO for those contracts up to the authority delegated to the President. If such contract is \$100,000 or less, the respective College Dean or appropriate Unit Director or branch campus CEO may approve.

Vendor contracts providing lodging (hotel agreements) and/or travel (airfare, car rental, bus transportation) only do not need to route through the Department of Contract Administration. These itinerary-based confirmations for travel and lodging contracts may be signed by the respective department head.

1.6 A contract or request for a contract (which may consist of a contract provided by another party) may originate from an academic department or non-academic unit and carry their respective recommendations for approval.

- 1.7 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.
- 1.8 Contract Administration will be responsible for the administrative management of large scale contracts with university-wide implications. This oversight will include monitoring all financial and operational elements with regular reporting to senior administration, contract closeout, and fulfilling all contract reporting required under TAMUS policy and regulation, applicable law, and the terms of the contract. For all other contracts, including those large-scale contracts specific to a TAMU operational or academic unit, the respective operational or academic unit to which a contract pertains will be responsible for all financial and operational elements, providing regular reporting to senior administration, contract closeout, and fulfilling all contract reporting required under TAMUS policy and regulation, applicable law, and the terms of the contract. Contract management must be in accordance with the TAMUS Contract Management Handbook.
- 1.9 The Division of Research currently administers certain sponsored contracts and other research related contracts. The Vice President for Research (or his or her designee) may approve such contracts.

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 supporting documentation, and will then route them through the administrative chain to the Office of the Provost for submission to TAMUS.
- 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 requiring Chancellor approval, unless delegated to the President under TAMUS Policy 25.07, Section 6, shall be forwarded through the University Contracts Officer, CFO and President to the Chancellor for execution.

4. PRESIDENT'S DELEGATION OF AUTHORITY

In accordance with TAMUS Policy 25.07, the President may delegate authority to approve and sign specific contracts to designees but retains overall responsibility for their actions. All delegations given herein are per the [TAMU President's Delegation of Authority or Contract Administration, 25.07.01.M1.01](#). Delegation of authority may only be re-delegated, in writing, with a copy provided to the Department of Contract Administration.

Related Statutes, Policies, or Requirements

Supplements [System Policy 25.07](#) and [System regulation 25.07.01](#)

Contact Office

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