

Rule 25.07.99.T1 Contract Administration



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Rule Summary

The effective administration of contracts is an essential operation function of Tarleton State University (Tarleton). This rule is required by and supplements The Texas A&M University System (system) Policy 25.07, *Contract Administration*, and establishes the process for contract origination, recommendation, approval, execution, administration, and close-out and contract reporting requirements at Tarleton in accordance with System Policy 25.07.

Definitions

Refer to [System Policy 25.07](#) definition of terms.

Rule

1. GENERAL

- 1.1. Written contracts will be executed whenever Tarleton enters into a binding agreement with another party that involves any stated or implied consideration.
- 1.2. The executive vice president for finance and administration (EVPFA) and chief financial officer (CFO) or a designee may waive the requirement for a written contract if the stated or implied consideration is \$10,000 or less. Such waiver is valid only if in writing.
- 1.3. Contracts include, but are not limited to, 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. Parties to the above listed contracts include but are not limited to federal, state and local agencies, nonprofit organizations, private businesses, partnerships and individuals.

- 1.3.1. All contracts for the purchase or sale of real property, the lease of system real property, the lease of real property from third parties, the granting or acceptance of easement or rights-of-way, and for any other acquisition or disposal of real property or real property interest are governed by System Policy *41.01, Real Property*, and any regulations promulgated under this policy. The delegation of authority for all construction projects is governed by System Policy *51.04, General Requirements and Delegations of Authority on Construction Projects*, and any regulations promulgated under the policy.
- 1.4. Contracts made by Tarleton departments with vendors to provide goods and services must be routed through Procurement and Contracts and appropriate personnel per the President's Delegation of Authority for Contract Administration.
- 1.5. A contract or request for a contract (which may consist of a contract provided by another party) may originate from and be recommended by one of the following: Procurement and Contracts, a principal investigator, department head, dean, vice president or the president.
- 1.6. Approval of and signature on a contract constitutes approval to commit funds toward the contractual arrangement (if applicable). Funding sources must be identified (as applicable) and provided to Procurement and Contracts with the contract to be reviewed.
- 1.7. The director of Procurement and Contracts serves as the university contracts officer. The director is also responsible for creating and maintaining a well-defined administrative control environment that assures management and exercises fiduciary responsibilities when executing contracts on behalf of Tarleton. This oversight includes monitoring all financial and operational elements with regular reporting to the EVPFA/CFO or designee, contract closeout, fulfilling all contract reporting required under system policy and regulation, applicable law and the terms of the contract. For all other complex or large-scale contracts, specific to a Tarleton operational or academic unit, the respective operational or academic unit to which a contract pertains is responsible for all financial and operational elements, providing regular reporting to administration, contract closeout, and fulfilling all contract reporting required under system policy and regulation, applicable law and the terms of the contract. Such reviews must incorporate appropriate input from other Tarleton departments that have a significant role in or are significantly impacted by the contract. Applicable contracts under this section, include, but are not limited to the contracts executed by Tarleton and the facility maintenance vendor, dining services vendor, bookstore operations vendor, etc. where applicable and documented through assignment by Contract Administration through the applicable contract monitoring process to each specific operational or academic unit.
- 1.8. The department in which a contract originates will be responsible for verifying that all contractual obligations have been fulfilled; for fulfilling all contract reporting required under system policy and regulation, applicable law, and the terms of the contract; and for closing out the contract. Procurement and Contracts will facilitate these activities and be more directly involved with contracts identified as requiring enhanced monitoring.

- 1.9. Contracts must be managed in accordance with the System Contract Management Handbook.

2. CONTRACTS REQUIRING BOARD OF REGENTS APPROVAL

- 2.1. Contracts requiring Board of Regents (board) approval, per System Policy 25.07, will be routed through the appropriate routing per the President's Delegation of Authority for Contract Administration. The resulting documentation will be submitted to the chief of staff who will coordinate the submittal of the board agenda item in accordance with system processes and requirements.
- 2.2. Contracts must 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 will be forwarded through the delegated university contracts officers, EVPFA/CFO, and president to the chancellor for execution and/or delegation in accordance with System Policy 25.07.

4. PRESIDENT'S DELEGATION OF AUTHORITY FOR CONTRACT ADMINISTRATION

- 4.1. In accordance with System Policy 25.07 and Regulation 25.07.01, *Contract Administration Procedures and Delegations*, the president may delegate authority to approve and sign specific contracts but retains overall responsibility for their actions. The President's Delegation of Authority for Contract Administration is reviewed annually by the director of Procurement and Contracts and EVPFA/CFO, and any changes are approved by the Executive Leadership Cabinet. The EVPFA/CFO or designee will subsequently submit the document in the system template to the president for final approval and then to System Procurement in accordance with the timelines prescribed in System Regulation 25.07.01. The university will work with System Procurement and the System Office of General Counsel (OGC) to resolve any resulting discrepancies from their review. The final approved document will be published on the university's webpage by November 1st of each fiscal year.
- 4.2. The delegation of authority is stated in the official President's Delegation of Authority for Contract Administration as approved by the president and submitted to the system.
- 4.3. These requirements and limits of delegation of authority establish the process for Tarleton personnel to approve, sign, and execute contracts committing Tarleton to perform or refrain from performing any act or receiving any goods or services.
- 4.4. Delegations of authority pursuant to this rule are valid only if in writing.

5. SYSTEM OFFICE OF GENERAL COUNSEL REVIEW

Administrative officers delegated authority to approve and sign contracts must ensure that such documents have received prior review, as to form and legal sufficiency by Procurement and Contracts and, when required under system policy, OGC. Requests for contract review by OGC will be routed through and administered by Procurement and Contracts.

Related Statutes, Policies, or Requirements

[System Policy 25.07, *Contract Administration*](#)

[System Regulation 25.07.01, *Contract Administration, Delegations and Reporting*](#)

[System Policy 41.01, *Real Property*](#)

[System Regulation 41.01.01, *Real Property*](#)

[System Policy 51.04, *General Requirements and Delegations of Authority on Construction Projects*](#)

[System Regulation 51.04.01, *Chancellor's Delegation of Authority on Construction Projects*](#)

[President's Delegation of Authority](#)

[System Contract Management Handbook](#)

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