

25.07.01 Contract Administration, Delegations and Reporting

Revised [October 6, 2016](#)

Next Scheduled Review: October 6, 2021

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Regulation Statement

This regulation specifies contract administration practices and review procedures, and contract delegation and reporting requirements authorized by System Policy 25.07, *Contract Administration*, for members of The Texas A&M University System (system) and the process for administering, reporting, and delegating approval authority for all contracts entered into by a member.

Reason for Regulation

Unless specifically excluded by system policy or another regulation, this regulation governs all contracts, including all original contracts, amendments, alterations, modifications, corrections, changes, renewals and extensions.

Definitions

Click to view [Definitions](#).

Procedures and Responsibilities

1. GENERAL

System Policy 25.07 specifies the types, terms, and values of contracts that must be approved by the system Board of Regents (board), those which may be approved by the chancellor or designee, and those which may be approved by member chief executive officers (CEOs) or their designees.

2. DELEGATIONS BY THE CHANCELLOR

2.1 CEOs are hereby delegated the authority to approve and sign contracts of less than \$750,000 that are not otherwise reserved for approval by the board, as described in System Policy 25.07, Section 6, and to subdelegate such authority at their discretion.

- 2.2 When the chancellor is unavailable, the system chief financial officer and general counsel are authorized to approve and sign contracts to the extent such authority is delegated by the board to the chancellor and not otherwise subdelegated.

3. CONTRACT DELEGATION REQUIREMENTS

- 3.1 A *Delegation of Authority for Contract Administration* will be prepared by each member in the format developed and distributed by the System Office of Budgets and Accounting (SOBA) in conjunction with the Office of General Counsel (OGC) and include:
 - (a) written express delegations of authority specifying those officers (by title) who are authorized to execute contracts on behalf of the member, and
 - (b) delegations of authority specifying the type of contract and dollar or other limitations applicable to each delegation.
- 3.2 Member delegations of authority will be reviewed annually at the beginning of each fiscal year. Revised or confirmed (if no changes are made to existing guidance) delegations will be submitted to SOBA who will review the delegations and resolve any discrepancies.
- 3.3 If applicable, mid-year revisions to the delegation of authority, including the addition of contract types not addressed in delegations previously submitted, will be submitted for review and approval by the member CEO to SOBA as they occur.

4. CONTRACT REPORTING REQUIREMENTS

- 4.1 Members must comply with all applicable reporting requirements established by statute, Legislative Budget Board (LBB) rules, and other state authority.
- 4.2 SOBA shall establish guidelines outlining the specific reporting requirements relating to (a) agreement type (e.g., contract, agreement, purchase order, interagency agreements, inter-local agreements, etc.); (b) agreement subject matter (e.g., major information systems, construction, real estate, professional services, etc.); (c) funding source (appropriated or non-appropriated); (d) dollar thresholds; (e) parties involved; (f) time of submission; and (g) forms to be used, if any.

5. CONTRACT MANAGEMENT HANDBOOK

SOBA, in conjunction with OGC, shall develop a *Contract Management Handbook* that provides for consistent contracting practices and contract review procedures, including the following:

- (a) identification of contracts that require enhanced performance monitoring and notification to the board of any identified serious issue or risk regarding a monitored contract;
- (b) purchasing accountability and risk analysis procedures assessing the risk of fraud, waste or abuse in the contactor selection process, contract provisions and payment and reimbursement rates and methods for the different types of goods and services for which the member contracts;

- (c) a comprehensive guideline for preparing and advertising a solicitation, including identifying key pieces in the statement of work;
- (d) guidance on the evaluation of solicitation responses and awarding and drafting the contract. This includes sample terms and clauses for the contract; and
- (e) contract administration and oversight (e.g., contract administrator responsibilities, contract monitoring and reporting, change management, dispute resolution, etc.).

This handbook shall be used by all members in managing member contracts. The handbook will be posted on the system website and all members are required to post this link on their member websites. Each member will also submit a link to the handbook to the state comptroller.

6. REQUIRED TRAINING

All member employees authorized to execute contracts or exercise discretion in awarding contracts must receive training on the selection of appropriate procurement methods and information resources purchasing technologies. This training is further defined in the Contract Management Handbook.

Related Statutes, Policies, or Requirements

[Tex. Educ. Code § 51.9337](#)

[Tex. Educ. Code § 51.948](#)

[Tex. Gov't Code § 2054.008](#)

[Tex. Gov't Code § 2166.2551](#)

[Tex. Gov't Code § 2254.002](#)

[Tex. Gov't Code § 2254.006](#)

[Tex. Gov't Code § 2261.253](#)

[Contract Reporting Requirements](#)

[Contract Management Handbook](#)

[Delegation of Authority for Contract Administration template](#)

[System Policy 25.07, Contract Administration](#)

Member Rule Requirements

A rule is not required to supplement this regulation.

Contact Office

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