

# TEXAS A&M UNIVERSITY-KINGSVILLE

Title: Delegation of Commitment Authority

Procurement Rule No.: P-025

Date: May 16, 2006

## I. Purpose

The purpose of this policy is to define approval requirements for purchase commitments.

## II. Scope

This policy applies to all procurement, construction, and contractual transactions.

## III. General

A system of authorization and approval is an essential element of control. A procedure has been established that defines the requirement for department heads or other designated individuals to approve purchase requisitions prior to submission to the Office of Procurement and General Services (See Procedure PP-040). Unless the Buyer has express approval authority, the Buyer is required to obtain appropriate approval of each purchase transaction prior to the establishment of a firm order or contract.

## IV. Procedure

The following table provides levels of required approval based on the dollar amount of the order and in accordance with System Policy 25.07. All designated purchasing personnel shall obtain the required approval prior to final commitment, or condition the order or contract to reflect the needed approval.

Purchases less than \$5,000	Account Manager (See Procedures PP-035 and PP-140)
Purchases less than \$25,000	Purchaser
Purchases less than \$100,000	Senior Purchaser, Assistant Director and Administrator of Special Programs, HUB Coordinator and Contracts Administrator
All other purchases and contracts	Director of Procurement and General Services, Vice President for Finance and Administration, or President of the University

In situations where one or more of the persons whose approval is required in accordance with the above table is not available, the approval of the next highest authority must be obtained. If a purchase order change is issued to correct or supplement an open order or contract, and it is apparent additional expenditures will occur and will exceed the previously approved amount by 10% or more, then the change order will be approved by the appropriate approval level identified in the above table.