

## 25.07.99.K1 Contract Administration



Approved: November 15, 2016  
Revised: June 14, 2018  
Next Scheduled Review: June 14, 2023

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### Rule Statement

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The following Texas A&M University-Kingsville (TAMUK) 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 TAMUK contracting authority.

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### Reason for Rule

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This rule is required by Texas A&M University System Policy 25.07, *Contract Administration*.

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### Procedures and Responsibilities

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1. These procedures and limits of delegation of authority establish the process for University personnel to originate, recommend, approve, sign, execute, administer, close out, and report contracts committing TAMUK to perform or refrain from performing any act. The Strategic Sourcing & General Services Office 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 TAMUK. The Executive Director of Strategic Sourcing & General Services, designated by the Vice President for Finance and Chief Financial Officer, shall serve as the University Chief Contracting 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 TAMUK 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.
  - 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, nonprofit organizations, private businesses, partnerships and individuals.

- 1.4 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: Contract Administration, a principal investigator, department head, dean, director, vice president, or the president.
- 1.5 For purposes of this rule, contracts made by TAMUK departments for the reservation of hotel and/or conference facilities should not be routed through the Strategic Sourcing & General Services Office nor be reviewed by the Office of General Counsel (OGC) so long as the TAMUK department and the facility sign the standard Facility Use Addendum, as provided by the Strategic Sourcing & General Services Office, 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 Strategic Sourcing & General Services Office 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 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. 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.
- 1.6 For purposes of this rule, contracts made by TAMUK departments with vendors to provide services internationally must be routed through the Strategic Sourcing & General Services Office. 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 university 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 Vice President for Finance and Chief Financial Officer for those contracts up to the authority delegated to the president. Any contracts with import/export implications will be reviewed by the appropriate office.

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

- 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 As consistent with the requirements of System Policy 25.07, *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. For all other contracts, including those large-scale contracts specific to a university operational or academic unit, the respective operational or academic unit to which a contract pertains will be responsible for all financial and operational elements and provide regular reporting to senior administration.
- 1.9 The Office of the Associate Vice President for Sponsored Research and Dean of Graduate Studies administers certain sponsored contracts and other research related contracts. The Associate Vice President for Sponsored Research and Dean of Graduate Studies (or his or her designee) may approve such contracts.
- 1.10 Contract management must be in accordance with the TAMUS Contract Management Handbook.
- 1.11 The administering office or department is responsible for verifying that all contractual obligations have been fulfilled and closing out the contract.
- 1.12 TAMUK shall fulfill all contract reporting required under System policy and regulation, applicable law, and the terms of the contract, if any.

## 2. CONTRACTS REQUIRING BOARD OF REGENTS APPROVAL

- 2.1 Contracts requiring Board of Regents approval shall be forwarded through the University Chief Contracting 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 Vice President for Finance and Chief Financial Officer for submission to the System.
- 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 System Policy 25.07, Section 6, shall be forwarded through the University Contracting Officer, CFO and president to the chancellor for execution.

## 4. PRESIDENT'S DELEGATION OF AUTHORITY

In accordance with System 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 [Texas A&M University-Kingsville President's Delegation of Authority for Contract Administration](#). Delegation of authority may only be re-delegated, in writing, with a copy provided to the Vice President for Finance and Chief Financial Officer.

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## **Related Statutes, Policies, or Requirements**

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[System Policy 25.07, Contract Administration](#)

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

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## **Contact Office**

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