



**Angelo State University**  
**Operating Policy and Procedure**

**OP 30.02: Contracting Authorities and Policies**

**DATE:** May 15, 2014

**PURPOSE:** The purpose of this Operating Policy/Procedure (OP) is to state Angelo State University (ASU) policy relating to the approval and execution of contracts and agreements, as governed by the Board of Regents and the Texas Tech University System (TTUS). Facilities planning and construction and external sponsored programs each have a separate contract review and approval process. Contracts for lease of space must get approval from Facilities planning and construction.

**REVIEW:** This OP will be reviewed in April every 5 years, or as needed, by the executive director of materials management, who is responsible for the Contract Administration Office, with recommended revisions forwarded through the vice president for finance and administration to the president by May 15.

**POLICY/PROCEDURE**

**1. Authority**

The authority to execute contracts is authorized by the Board of Regents and can be viewed in [Section 07.12, Regents' Rules](#). In addition, certain contract approvals are delegated by the administration and summarized in this operating policy. An individual executing a contract on behalf of a state agency without the authority to do so may be personally liable for damages following from repudiation of the contract.

Departments are required to follow OP 30.01 when routing all contracts, except for facilities planning and construction contracts and external sponsored programs. The Contract Administration Office will be responsible for acquiring all required contract signatures.

**2. Contract Approval Process**

A *Contract Routing Sheet* (Attachment A) must be attached to the contract and approved as indicated below:

<b>Contract Term</b>	<b>Approval Required</b>
Contracts in excess of \$500,000 per annum	Board
Contracts in excess of four years (unless the contract can be terminated without cause with notice of 120 days or less)	Board
Consulting contracts in excess of \$25,000, and all modifications that increase such contracts	Board
Initial placement of vending machines and games	Board
Fiscal approval of contracts greater than \$100,000	TTUS CFO
Contracts greater than \$100,000, unless using the standard contract form	TTUS General Counsel

[Minor revisions: May 15, 2014]

Contracts greater than \$250,000, but less than \$500,000 per annum	President
Amendments or renewal contracts greater than \$250,000, but less than \$500,000 per annum	President
Contracts less than \$100,000 for direct reports to the President	Executive Director of Materials Management
Contracts for \$25,000 or less, including amendments and renewal contracts	Appropriate Financial Manager
Contracts for greater than \$25,000, up to \$250,000	Appropriate Vice President
Amendments or renewal contracts greater than \$25,000, up to \$250,000	Appropriate Vice President
Approval of all contracts for fiscal implications of \$100,000 or more, except for facilities planning and construction, and external sponsored programs	Vice President for Finance and Administration
Approval of all contracts for information technology	Associate Vice President of Information Technology & CIO
Approval of all contracts for independent contractors	Director of Human Resources

### 3. **Contract Signature Authorization Process**

Prior to signing a contract, the contract review process must be completed as outlined in section 2. According to Section 07.12.4.c, *Regents' Rules*, component institution contracts may be signed by the president or by the president's designee. The president has approved the following contract signature authority.

#### a. Contract Signature Summary

Contract Term	Signature Approval
Contract signature authorization for component institution contracts greater than \$250,000	President
Contract signature authorization for all amendments or renewals of contracts greater than \$250,000	President
Contract signature authorization for all contracts greater than \$250,000 for departments under the President	President
Contract signature authorization for all contracts less than \$250,000, including amendments and renewal contracts	Executive Director of Materials Management or Director of Purchasing
Contract signature authorization for all contracts of \$250,000 or less	Delegated to the Appropriate Vice President
Contract signature authorization for all contracts of \$250,000 or less for direct reports to the President	Delegated to the Financial Manager
Contract signature authorization for all contracts for the Library	Delegated to the Executive Director of the Library
Contract signature authorization for all non-monetary affiliation and clinical agreements	Delegated to the Appropriate Dean or Department Chair

The Executive Director of Materials Management or Director of Purchasing shall be the primary signature authority for all contracts under \$250,000, including amendments and renewal contracts.

Once contracts are signed, the Purchasing Office will create purchase orders.

#### b. Contract Reporting to the President

[Minor revisions: May 15, 2014]

The Contract Administration Office will provide the president with a weekly summary of approved contracts.

#### **4. Prior Approved Contracts**

Contracts approved and signed prior to the approval of this policy shall remain in effect and in force, but any changes to such contracts shall be approved and signed in accordance with the provisions of this policy.

Attachment A: [Contract Routing Sheet](#)