



Angelo State University
Operating Policy and Procedure

OP 30.02: Contract Authority Policy

DATE: April 11, 2017

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). Contracts for the Offices of Facilities Planning and Construction and Sponsored Projects each have a separate contract review and approval process and are excluded from this operating policy.

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

POLICY/PROCEDURE

1. Authority

Departments are required to follow OP 30.01 when routing all contracts and attach a *Contract Routing Sheet* (Attachment A). Prior to signing contracts, the Contracting Office will review the contract to ensure that appropriate authority is in place to enter into a contract.

The authority to execute contracts is authorized by the TTUS 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.

Regents' Rules or ASU Internal contract review summary:

Contract Term	Regents' Rules/ ASU Internal	Approval Required
Contracts in excess of \$1,000,000 over the entire term of the contract	<i>Regents' Rule</i> 07.12.3.a	Board
Contracts in excess of \$1,000,000 total but less than \$1,000,000 per annum	<i>Regents' Rule</i> RR- 07.12.4.a	Chancellor or President, as appropriate
Contracts for real property: sale or purchase; and lease for more than 4 years (<i>unless the contract can be terminated without cause with notice of 120 days or less</i>)	<i>Regent's Rule</i> 07.12.3.d(1)(a)	Board
Contracts in excess of four years (<i>unless the contract can be terminated without cause with notice of 120 days or less</i>)	<i>Regents' Rule</i> 07.12.3d(1)(b)	Board

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Renewals, extensions or amendment	07.12.3.b	Board
	07.12.4.d; and 07.12.5.b or 07.12.6.b	Chancellor or President
Consulting contracts in excess of \$25,000, and all modifications that increase such contracts	<i>Regents' Rule</i> 07.12.4e(1)	Board
Consulting contracts of \$25,000 or less	<i>Regents' Rule</i> 07.12.4e(2)	Chancellor or President, as appropriate – <i>With prior notice to chairs of Board and F&A Cmte</i>
Contracts with search firms (<i>so long as contract amount does not exceed \$1,000,000 per year</i>)	<i>Regents' Rule</i> <i>Due to</i> 07.12.4.e(3) <i>and 07.12.4.a:</i> 07.12.5 or 07.12.6	Chancellor (<i>for TTUSA searches</i>) Or President (<i>for institutional searches</i>)
Initial contracts of vending machines	<i>Regents' Rule</i> 07.12.3.f	Board
Location of vending machines	<i>Regents' Rule</i> 07.12.3.f	President
Contracts of \$1,000,000 or less per year; amendment or renewal of such contract	<i>Regents' Rule</i> 07.12.4.a and 07.12.6	President
Fiscal approval of contracts greater than \$100,000	ASU Internal rule	Vice President for Finance & Administration
Contracts greater than \$100,000, unless using the standard contract form	TTUS Internal Rule	TTUS General Counsel
Contracts for \$25,000 or less, including amendments and renewal contracts	ASU Internal rule	Appropriate Financial Manager
Contracts for greater than \$25,000, up to \$250,000	ASU Internal Rule	Appropriate Vice President
Amendments or renewal contracts greater than \$25,000, up to \$250,000	ASU Internal Rule	Appropriate Vice President
Approval of all contracts for information technology	ASU Internal rule	Associate Vice President of Information Technology & CIO
Approval of all contracts for independent contractors	N/A Internal rule	Director of Human Resources

Once a contract is reviewed and approved according to the guide above, the Contracting Office will route contracts for signature based on Section 2of 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.

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2. Contract Signature Authorization Process

A Contract Routing Sheet (Attachment A) must be attached to the contract and routed to the Contracting Office for review prior to signing a contract. 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:

ANGELO STATE UNIVERSITY CONTRACT SIGNATURE AUTHORITY

THRESHOLD	Less than \$5,000 over the entire term	Less than \$25,000 over the entire term	Less than \$100,000 over the entire term	Contracts between \$100,000-\$1,000,000 over the entire term	In excess of \$1,000,000 over the entire term but less than \$1,000,000 per annum	In excess of \$1,000,000 per annum (BOR approval required unless detailed below)
TYPES OF CONTRACTS	Authorized*	Authorized*	Authorized*	Authorized*	Authorized*	Authorized*
General Contracts, Letter Agreements, Cooperative Agreements, MOU's, Interagency Contracts, Licenses, Leases, and Permits	Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Appropriate VP, Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Appropriate VP, Executive Director of Materials Management (Up to \$250,000), VPFA	President, VPFA	President, VPFA, Chancellor
Amendments, Change Orders, or Renewals of Existing Contracts	Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Appropriate VP, Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Executive Director of Materials Management (Up to \$250,000), VPFA	President, VPFA	President, VPFA, Chancellor (BOR information notification required)
Purchase Orders and Other Purchasing Documentation	Senior Buyer, Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Senior Buyer, Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Senior Buyer, Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Executive Director of Materials Management, Controller, VPFA	Executive Director of Materials Management, Controller, VPFA	Executive Director of Materials Management, Controller, VPFA (BOR approval not required for purchasing documents)

THRESHOLD	Less than \$5,000 over the entire term	Less than \$25,000 over the entire term	Less than \$100,000 over the entire term	Contracts between \$100,000-\$1,000,000 over the entire term	In excess of \$1,000,000 over the entire term but less than \$1,000,000 per annum	In excess \$1,000,000 per annum(BOR approval required unless detailed below)
TYPES OF CONTRACTS	Authorized*	Authorized*	Authorized*	Authorized*	Authorized*	Authorized*
Information Technology Contracts	Associate Vice President of Information Technology & CIO, Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Associate Vice President of Information Technology & CIO, Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Associate Vice President of Information Technology & CIO, Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Associate Vice President of Information Technology & CIO, Executive Director of Materials Management (up to \$250,000), Controller, VPFA	President, VPFA	President, VPFA, Chancellor
Library Contracts	Executive Director of Library Services	Executive Director of Library Services	Executive Director of Library Services	Executive Director of Library Services	Executive Director of Library Services	President, Provost, Chancellor
Consulting Contracts	Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA (BOR notice required)	Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA (BOR notice required)	President, VPFA, Executive Director of Materials Management (BOR approval required for over \$25,000)	President, VPFA (BOR approval required)	President, VPFA (BOR approval required)	President, VPFA, Chancellor

THRESHOLD	Less than \$5,000 over the entire term	Less than \$25,000 over the entire term	Less than \$100,000 over the entire term	Contracts between \$100,000-\$1,000,000 over the entire term	In excess of \$1,000,000 over the entire term but less than \$1,000,000 per annum	In excess of \$1,000,000 per annum (BOR approval required unless detailed below)
TYPES OF CONTRACTS	Authorized*	Authorized*	Authorized*	Authorized*	Authorized*	Authorized*
Lease of Exhibit or Event Space	Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	n/a	n/a	n/a	n/a
Initial Contract for Vending Machines	Board of Regents	Board of Regents	Board of Regents	Board of Regents	Board of Regents	Board of Regents
Game Guarantees	Athletics Business Manager, President	Athletics Business Manager, President	Athletics Business Manager, President	n/a	n/a	n/a
Non-Disclosure Agreements, Inter-Institutional Agreements, Inter-Agency Agreements, Assignments	Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	Executive Director of Materials Management, Director of Purchasing & Travel, Controller, VPFA	President, VPFA	President, Chancellor	President, Chancellor

*In the absence of Authorized Signers, delegated authority shall follow their division's succession plan

[Major revisions: April 11, 2017]

3. Contract Processing

Once contracts are signed, the Contracting Office will route the signed contract to the Purchasing Office to create a purchase order if applicable.

Attachment A: [Contract Routing Sheet](#)