



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

**OP 30.02: Contract Authority Policy**

**DATE:** October 18, 2021

**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 contracts and materials management (CMM), who is responsible for the Contracting Office, with recommended revisions forwarded through the vice president for finance and administration to the president.

**POLICY/PROCEDURE**

**1. Authority**

Departments are required to follow *Contracting Policy and Procedures, OP 30.01* when routing all contracts and attach a *Contract Routing Sheet*, which can be found in RamPort under Employee, Administrative Forms. **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:

[Major revision: October 18, 2021]

Contract Term	Regents' Rules/ ASU Internal	Approval Required
Contracts in excess of \$1,000,000 over the entire term of the contract.	Regents' Rule 07.12.3.a	Board
Contracts in excess of \$1,000,000 over the entire term, but less than \$1,000,000 per annum; amendment or renewal of such contract	Regents' Rule 07.12.4.a and 07.12.6	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> )	Regents' Rule 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> )	Regents' Rule 07.12.3.d(1)(b)	Board
Renewals, extensions or amendment	07.12.3.b	Chancellor or President
	07.12.4.d; and 07.12.5.b or 07.12.6.b	Chancellor or President
	Regents' Rule 07.12.e(1)	Board
Consulting contracts in excess of \$25,000 and all modifications that increase such contracts	Regents' Rule 07.12.e(1)	Board
Consulting contracts of \$25,000 or less ( <i>Contracts Office will provide a report of the contract as an Information Agenda item at the next board meeting</i> )	Regents' Rule 07.12.e(2)	Chancellor or President, as appropriate -- Review by TTUS CFO prior to execution
Contracts with search firms ( <i>so long as contract amount does not exceed \$1,000,000 per year</i> )	Regents' Rule Due to 07.12.4.e(3) and 07.12.4.a: 07.12.5 or 07.12.6	Chancellor (for TTUSA searches) or President (for institutional searches)
Initial contracts of vending machines	Regents' Rule 07.12.3.f	Board
Location of vendor machines	Regents' Rule 07.12.3.f	President
Fiscal approval of contracts greater than \$100,000	ASU Internal Rule	Vice President for Finance & Administration (VPAA)
Contracts greater than \$100,000, unless using the standard contract form.	TTUS Internal Rule	TTUS General Counsel review
Contracts for \$40,000 or less, including amendments and renewal contracts	ASU Internal Rule	Appropriate Financial Manager
Contracts for greater than \$40,000, up to \$250,000	ASU Internal Rule	Appropriate Vice President
Amendments or renewal contracts greater than \$40,000, up to \$250,000	ASU Internal Rule	Appropriate Vice President
Approval of all contracts for independent contractors	ASU Internal Rule	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 2 of 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.

[Major revision: October 18, 2021]

## 2. Contract Signature Authorization Process

A Contract Routing Sheet (Link 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:

(See next page.)

[Major revision: October 18, 2021]

Angelo State University Contract Signature Authority							
THRESHOLD	No dollar value	Less than \$5,000 over the entire term	Less than \$40,000 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)
<b>**Can be any authorized individuals listed below, or a delegated authority from the succession plan.**</b>							
General Contracts, Letter Agreements, Cooperative Agreements, MOU's, Interagency Contracts, Licenses, Leases, and Permits		Exec Dir CMM, Financial Managers,	Exec Dir CMM, Financial Managers,	Appropriate VP, Exec Dir CMM,	Up to \$1,000,000: President, VPFA. Up to \$250,000: Appropriate VP	Chancellor or President as appropriate	Chancellor or President as appropriate
Amendments, Change Orders, or Renewals of Existing Contracts		Exec Dir CMM, Financial Managers,	Exec Dir CMM, Financial Managers,	Appropriate VP, Exec Dir CMM,	Up to \$1,000,000: President, VPFA. Up to \$250,000: Appropriate VP	Chancellor or President as appropriate	President (BOR information notification required)
Purchase Orders and Other Purchasing Documentation		Exec Dir CMM, Purchasing & Travel Supervisor	Exec Dir CMM, Purchasing & Travel Supervisor	Exec Dir CMM, Purchasing & Travel Supervisor	Exec Dir CMM, Controller, Purchasing & Travel Supervisor (with approval from VPFA)	Exec Dir CMM (with approval from VPFA), VPFA	VPFA, President (BOR approval not required for purchasing documents)
Information Technology Contracts		Financial Managers Exec Dir CMM,	Financial Managers Exec Dir CMM,	CIO, Exec Dir CMM,	CIO, Controller, VPFA	Chancellor or President as appropriate	CIO Approval; President, Chancellor Signers
Consulting Contracts		President, VPFA, and reviewed by TTUS CFO, (Information Item next Board Mtg)	President, VPFA, (< \$25,000 Information Item next Board Mtg; > \$25,000 BOR approval required)	President, VPFA, (BOR approval required for over \$25,000)	President, VPFA, (BOR approval required)	President (BOR approval required)	President
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
Healthcare Clinical Affiliation Agreements	Department Chair or Dean of College	n/a	n/a	n/a	n/a	n/a	n/a
Education Field Placement Affiliation Agreements	Dean of College	n/a	n/a	n/a	n/a	n/a	n/a
Other Department Student Training Program Agreements	Department Chair or Dean of College	n/a	n/a	n/a	n/a	n/a	n/a

### 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.

Link A: [Contract Routing Sheet](#)