

25.07.99.01 CONTRACT ADMINISTRATION

Approved: January 15, 2016

Revised: August 29, 2019

May 6, 2021

Next Scheduled Review: May 6, 2026

RULE STATEMENT

This rule establishes processes at Texas A&M University-San Antonio (A&M-San Antonio or University) for originating, recommending, approving, executing, administering, closing out, and reporting on University contracts.

An employee must have authority to enter a contract that binds A&M-San Antonio. Only an authorized employee may commit A&M-San Antonio to perform under a contract or obligate University funds to pay for goods or services.

Additional rules, procedures and guidelines may apply to specific commercial activities, such as [travel](#) and [purchase card](#) transactions.

REASON FOR RULE

[The Texas A&M University System \(System\) Policy 25.07, Contract Administration](#) requires A&M-San Antonio to develop and implement a contract administration rule.

OFFICIAL RULE

1. APPOINTMENTS AND DELEGATIONS

Delegations of authority pursuant to this Rule shall be valid only if in writing. All contracts must be routed through the appropriate administrative channels as delineated in the A&M-San Antonio delegation of authority contract administration chart.

1.1 Each fiscal year, the President shall issue a [Delegation of Authority for Contract Administration](#) (Delegation) on the System-approved form in accordance with [System Regulation 25.07.01, Contract Administration, Delegations and Reporting](#). For each contract listed on the form, the Delegation shall indicate (i) how the contract should be routed for review, (ii) the officials authorized to execute the contract, and (iii) dollar limits on each official's authority.

1.2 The Director of Procurement Services shall prepare the annual Delegation and submit it to the Vice President for Business Affairs for review.

- 1.3 The Vice President for Business Affairs shall review the annual Delegation, obtain presidential approval, and submit the approved document to the System Office of Budgets and Accounting for review prior to commencement of the new fiscal year.
- 1.4 All A&M-San Antonio employees authorized to execute a contract or commit University funds must complete training on (i) procurement methods, (ii) purchasing technologies, and (iii) ethics. Training must be completed successfully before an employee may exercise delegated authority.

2. CONTRACT ADMINISTRATION PROCESSES

- 2.1 A written contract shall be executed whenever A&M-San Antonio enters into a binding agreement with another party that involves stated or implied consideration.
 - 2.1.1 Contracts include, but are not limited to, the following: purchase orders, agreements, cooperative agreements, memoranda of understanding or agreement, interagency contracts or agreements, grants, loans, easements, licenses, leases, permits, restrictions on acceptances of gifts and bequests and amendments, modifications, or extensions of those contracts.
 - 2.1.2 Other parties include, but are not limited to: federal, state and local agencies, non-profit organizations, private businesses, partnerships and individuals.
 - 2.1.3 The respective operational or academic unit to which a contract pertains will be responsible for all operational elements of the contract but must communicate with the Office of Procurement regarding any breach of the contract or actions deemed necessary to amend or cancel a contract. The Office of Procurement will handle all amendments, cancellations or negotiations related to fulfillment of contract provisions.
- 2.2 The Office of Procurement Services shall:
 - 2.2.1 Ensure contracts negotiated for the use of A&M-San Antonio departments with vendors to provide services internationally must be routed through the Director of Purchasing and assigned Vice President following the established delegation of authority.
 - 2.2.2 Review contracts to determine appropriate contracting provisions are utilized for the benefit of A&M-San Antonio; and in the case of contracts requiring payment for goods or services will ensure a requisition is created to bind the appropriate funding source.
 - 2.2.3 Be responsible for creating and maintaining a well-defined administrative control environment that assures management exercises its fiduciary responsibilities when executing contracts on behalf of A&M-San Antonio. The director of Procurement will provide oversight and leadership for the control environment.
 - 2.2.4 maintain accurate contracting and purchasing records;

- 2.2.5 assist departments engaged in contracting activity, including planning, evaluation, selection, administration, and close-out;
 - 2.2.6 create all contracts and obtain signatures from the appropriate university official with delegated procurement authority; and
 - 2.2.7 identify, document, and report non-compliance with contracting and purchasing processes.
- 2.3 A department that makes a requisition is responsible for administering the resulting contract. The requestor shall, for each contract, appoint an administrator who will monitor performance, deliverables, and payment, keep records, and handle close-out. The administrator shall notify Procurement Services when close-out is complete and provide confirming documentation.
- 2.4 A&M-San Antonio shall comply with the standards set forth in the System [Contract Management Handbook](#) at each phase of the contracting process, including planning, procurement, contract formation, and administration.

3. CONTRACTS REQUIRING BOARD APPROVAL

- 3.1 The Vice President for Business Affairs, upon approval by the President, shall submit to the Board of Regents each contract requiring Board approval, along with an agenda item and supporting documentation.
- 3.2 The contract, once approved, shall be signed by the Chancellor or as otherwise specified in the Board's minute order.
- 3.3 Sections 2 and 3 of [System Policy 25.07, Contract Administration](#) identify contracts that do and do not require Board approval.

4. CONTRACTS REQUIRING CHANCELLOR APPROVAL

The Vice President for Business Affairs, upon approval by the President shall submit to the Chancellor each contract requiring the Chancellor's approval in accordance with Section 6 of [System Policy 25.07, Contract Administration](#).

5. CONTRACTS REQUIRING GENERAL COUNSEL REVIEW

- 5.1 The Director of Procurement Services shall determine whether a contract requires or is appropriate for review and approval as to form and legal sufficiency by the System Office of General Counsel (OGC).
- 5.2 In general, contracts that exceed \$100,000, involve a significant commitment of University resources, present substantial risks, or involve complex relationships must be reviewed by OGC.
- 5.3 The OGC [Contract Review and Approval Procedures and Guidelines \(Section D\)](#) describe situations that do and do not trigger mandatory legal review.

6. CONTRACT REPORTING REQUIREMENTS

- 6.1 Procurement Services shall handle contract reporting required by federal or state law, Legislative Budget Board rules, the HUB program, and System policy.
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RELATED AUTHORITIES

[System Policy 25.07, Contract Administration](#)

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

[A&M-San Antonio Guideline 25.07.01.00-G1 Agreement Initiation and Processing](#)

[System Regulation 25.07.03, Acquisition of Goods and/or Services](#)

[A&M-San Antonio Procedure 25.07.03.00.01 Acquisition of Goods and/or Services](#)

A&M-San Antonio [Delegation of Authority for Contract Administration](#)

System [Contract Management Handbook](#)

System OGC [Contract Review and Approval Procedures and Guidelines \(Section D\)](#)

[System Contract Administration](#)

CONTACT OFFICE

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