



Rule Statement

This rule constitutes the provisions that govern administration of West Texas A&M University's (WTAMU) contracting authority.

Reason for Rule

The following rule is promulgated pursuant to The Texas A&M University System (system) contract administration policy 25.07.

Responsibilities

1. GENERAL

- 1.1 The Director of Purchasing, Inventory Services and HUB program (Contract Administration) is tasked with the responsibility of preparing and documenting WTAMU's written delegation of authority, in conjunction with the Office of Risk Management, for contract administration. This document is reviewed on an annual basis, with updates made as needed.
- 1.2 Written contracts shall be executed whenever WTAMU enters into a binding agreement with another party that involves any stated or implied consideration.
- 1.3 Contracts are construed to include, but not be limited to, the following: purchase orders, service agreements, cooperative agreements, memoranda of understanding, interagency contracts, grants, loans, easements, licenses, leases, and permits, and amendments, modifications, and extensions of those contracts. Other parties include, but are not limited to: federal, state and local governmental agencies, non-profit organizations, business entities (such as corporations or 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, vice president, or the president.
- 1.5 Approval of, and signature on a contract constitutes approval to commit funds towards the contractual arrangement (if applicable). Funding sources should be identified (as

applicable) and provided to Contract Administration with the contract to be reviewed. Contract Administration is responsible for creating and maintaining well-defined administrative controls that ensures management exercises its fiduciary responsibilities when executing contracts on behalf of WTAMU.

2. CONTRACTS REQUIRING BOARD OF REGENTS APPROVAL

2.1 Contracts requiring board approval (as outlined in system policy and WTAMU'S Delegation of Authority) are forwarded through the Vice President for Business and Finance who will prepare the agenda item and appropriate documentation in support of the agenda item, after consultation with the President and the system Office of General Counsel.

2.2 Contracts shall be signed as specified in the approved board minute order.

3. CONTRACTS REQUIRING CHANCELLOR APPROVAL

3.1 Contracts requiring Chancellor approval shall be forwarded to the Chancellor's Office through the Vice President for Business and Finance and the appropriate system offices.

4. PRESIDENT'S DELEGATION OF AUTHORITY

4.1 The President delegates the authority to approve and sign certain contracts, after fulfillment of the indicated routing and review process, as outlined in the President's Delegation of Authority for Contract Administration.

5. OTHER DELEGATION OF AUTHORITY

5.1 The President has granted to the Director of Purchasing, Inventory Services, HUB program, the authority to approve and sign contracts for goods and services procured in accordance with system procurement policies. The purchase of goods and services secured through a State of Texas issued or managed contract will be processed in accordance with guidelines established by the State Comptroller's Office.

6. GENERAL COUNSEL REVIEW

6.1 An administrative officer's delegated authority to approve and sign contracts must ensure that such documents have been reviewed as to form and legal sufficiency by Contract Administration and the system Office of General Counsel. Requests for contract review by the Office of General Counsel shall be routed through and administered by Contract Administration.

7. REVIEW OF CONTRACTS AND USE OF CONTRACT ADDENDUM

7.1 All contracts received by Contract Administration will be reviewed in accordance with State guidelines and system policy and regulation. If problematic clauses are found in the contract, the first means of addressing those will be through the use of a standardized, system Office of General Counsel-approved contract addendum. The contract and addendum will be signed by the authorized WTAMU representative and submitted to the

vendor for review and acceptance. If accepted and returned fully executed by the vendor, the payment mechanism will be released to the vendor.

- 7.2 If the vendor will not accept WTAMU's contract addendum, Contract Administration will then ask for an electronic version of the vendor's contract which can be modified and submitted to the system Office of General Counsel for legal sufficiency review.
- 7.3 If the vendor is not willing to negotiate their standardized terms and conditions, the WTAMU employee who submitted the contract for review will be contacted and asked if there are other avenues to obtain the product/service. If there are none, then a memo will be prepared by Contract Administration, outlining the processes that have been taken, and forwarded to the contract originator for review and acknowledgment of acceptance of the business risk associated with doing business with the desired vendor. Pending Vice President of Business and Finance approval and possibly the President's depending on the contract amount; why the contract requestor wants to do business with the vendor and why WTAMU needs to accept responsibility. The memo will be returned to Contract Administration, and all actions documented accordingly.

8. CONTRACT ADMINISTRATION, CLOSEOUT, AND REPORTING

- 8.1 Contract Administration is responsible for verifying that all contractual obligations have been fulfilled, for closing out each contract, and for fulfilling all contract reporting required under System policy and regulation, applicable law, and the terms of the contract. Contract management must be in accordance with the system Contract Management Handbook.

Related Statutes, Policies, or Requirements

[Supplements System Policy 25.07 and System Regulation 25.07.01](#)

[President's Delegation of Authority for Contract Administration](#)

[Tex. Educ. Code § 51.159](#)

[Tex. Educ. Code § 51.9335](#)

[State of Texas Contract Management Guide](#)

[System Contract Management Handbook](#)

[System Policy 01.03, Appointing Power and Terms and Conditions of Employment](#)

[System Policy, Chapter 41, Real Property](#)

[System Policy 51.04, Delegations of Authority on Construction Projects](#)

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

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

Contact Office

Vice President for Business and Finance
806-651-2095

Approval




President/CEO

April 6, 2016
Date

System Approvals*

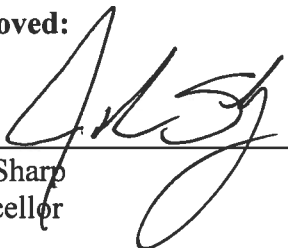
Approved for Legal Sufficiency:



Ray Bonilla
General Counsel

10/12/16
Date

Approved:



John Sharp
Chancellor

10/14/16
Date

***System approvals are contingent upon incorporation of any and all System-required changes in the rule's final posting.**