

03.900 Delegation of Authority for Contracts and Agreements.

03.901 Purpose and Scope. The effective administration of contracts is essential to the operation of the System and the Institutions. This Regents Rule establishes authority for the System, the System Administration, and the Institutions to approve and execute contracts.

03.902 Authority of the Board. Pursuant to Texas Education Code § 105.108, the Board has authority to contract on behalf of the System, the System Administration, and the Institutions, and may delegate to an employee of the System Administration or an Institution the authority to negotiate, execute, and approve contracts. No person has the authority to bind the System, the System Administration, or an Institution contractually

03.904 Board Approval. Board approval is required for the following types of contracts:

1. Any contract that exceeds \$5,000,000 in the current fiscal year.
2. Any contract that exceeds \$2,000,000 per year for a multi-year contract.
3. Any contract with a term that exceeds five-years, including option years, with a cumulative value in excess of \$10,000,000.
4. Employment contracts with a chancellor or president.
5. Employment contracts having

of the cost or monetary value of the original contract approved by the Board, unless a maximum cap is expressly adopted by the Board for that contract.

- 03.906 Contracts Related to Real Property. All contracts for: (a) the purchase or sale of real property; (b) the lease, license or use of real property; (c) the granting or acceptance of easements or rights-of-way; and (d) any other acquisition or disposition of real property or real property interests is governed by Chapter 11 of these Rules.
- 03.907 Contracts Related to Major Construction Projects. All contracts related to major construction projects are governed by Chapter 11 of these Rules.
- 03.908 Contracts Related to Gifts, Grants and Naming Oppor0 G(us)0.00000912 0 612 792 reW0.0000.00000912

contingent on a determination by the Chancellor, President or Chief Financial Officer that the contract is in the best interest of the System, System Administration or respective Institution and the contract shall be required to meet all other requirements of Texas Education Code §51.948.

03.911 Legal Review. All contracts must be approved as to form by the Office of General Counsel before execution, unless exempt under this Regents Rule. In his or her sole discretion, the Vice Chancellor and General Counsel may exempt from individualized legal review: