

1= Governance, Organization, and General Policies

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Approvals of Procurements and Contracts

Purpose

The following policy on approvals is adopted by the Tennessee Board of Regents (TBR) to delineate the approval process for procurements and agreements to be entered into by institutions governed by the TBR.

Applies to

All Institutions governed by the Tennessee Board of Regents.

Definitions

Contract – An agreement between parties which obliges each party to take or not take certain actions. Contracts may be called, but are not limited to, agreement, memorandum of understanding, memorandum of agreement, purchase order, and terms and conditions.

Institution – means any of the universities, community colleges, colleges of applied technology and System Office departments within the Tennessee Board of Regents.

System Office – the administrative offices of the Tennessee Board of Regents.

Policy/Guideline

I. Approval By Presidents of Universities and Community Colleges

- A. All agreements and contracts affecting a Community College or University must be approved and executed by the President or the President's designee.
- B. Each Community College / University shall develop written policies and procedures which are in addition to TBR's policies and guidelines and which will further ensure that no contract or agreement is entered into without the approval of the President or the President's designee.

II. Tennessee College of Applied Technology Approvals

All agreements and contracts affecting a Tennessee College of Applied Technology must be approved and executed by the Vice Chancellor for the Tennessee Colleges of Applied Technology, who for purposes of this policy shall have the authority and responsibilities of the presidents of other institutions. The Vice Chancellor for the Tennessee Colleges of Applied Technology may delegate the authority to approve and execute agreements to directors in writing.

III. Approval By Chancellor

- A. The following agreements, contracts or procurements, in addition to being approved as set out above, shall be submitted to the System Office for approval by the Chancellor or the Chancellor's designee:
1. Agreements and contracts involving or related to the purchase or disposal of real property, insurance, and capital outlay projects.
 2. Agreements involving or related to the leasing (institution as lessee or lessor) of real property for more than five (5) years or more than \$150,000 per year.
 3. Any agreement, including purchase orders, for two hundred fifty thousand dollars (\$250,000) or more in annual revenue or expense.
 4. Agreements and contracts involving insurance or other benefits.
 5. Agreements in which the TBR is a named party.
 6. The primary operating agreement between an institution and its foundation and any other agreement between the institution and its foundation which does not conform to the requirements of TBR Guideline G-030;
 7. Contracts, including grant agreements, which do not conform to the requirements of TBR Guideline G-030;
 8. Banking, procurement card and other financial services agreements;
 9. Any agreement between a TBR institution and any other institution, agency, organization or entity which provides for the coordinated or cooperative offering of any credit or non-credit programs or activities or in which certificate or degree requirements are met or credit is given for coursework or activities offered by another institution.
 - a. Examples of such agreements include provisions for either credit or non-credit academic programs or public service activities to private or state agencies and institutions in the fulfillment of that agency's responsibility for state-wide services or governmental training, and
 - b. Agreements which require consortia or cooperative arrangements with other institutions, agencies, or associations.
 11. Any noncompetitive contract with a potential term of more than one (1) year and a cumulative value of two hundred fifty thousand dollars (\$250,000) or more. Institutions shall not enter into multiple one-year

contracts, involving the same vendor for the same service, to circumvent this requirement.

- B. Renewals of the above agreements do not require approval by the Chancellor or the Chancellor's designee if no changes have been made. However, a copy of the executed renewal shall be provided to the System Office.
- C. Purchase orders issued pursuant to purchase orders and/or contracts which have already been approved by the Chancellor or the Chancellor's designee do not require additional approval to the System Office.
- D. The Chancellor may direct that certain or all agreements of any Institution be submitted for prior System Office review and approval.

IV. Other Approvals

Certain agreements may be subject to additional review and/or approval processes as set out in TBR policies, i.e. Fiscal Review, State Building Commission, etc.

V. Exceptions

The Chancellor or designee may approve exceptions to the requirements of this policy in appropriate circumstances. Requests for exceptions must be signed by the President or Director and include sufficient justification documentation.