

4.02.01.00 Approvals of Agreements and Contracts (formerly 1:03:02:10)



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Policy/Guideline Area

Business and Finance Policies

Applicable Divisions

TCATs, Community Colleges, System Office

Purpose

The following policy identifies which procurements and contracts must be approved by the TBR System Office.

Definitions

- Contract – An agreement between parties which obliges each party to take or not take certain actions. Contracts may be called any number of things, including, but not limited to, agreement, memorandum of understanding, memorandum of agreement, purchase order, procurement, letter of intent, and terms and conditions.
- Institution – means any of the community colleges, colleges of applied technology and System Office departments within the Tennessee Board of Regents (TBR) system.
- System Office – the administrative offices of the Tennessee Board of Regents.

Policy/Guideline

I. Approval By Presidents

- A. All agreements and contracts affecting an institution must be approved and executed by the President or the President's designee.

- B. Each institution may develop written policies and procedures in addition to TBR policies and guidelines, as necessary, to further ensure that no contract or agreement is entered into without the approval of the President or the President's designee, and where necessary, by the Chancellor.

II. Approval By Chancellor

- A. The following contracts, including procurements, in addition to being approved as set out above, shall be submitted to the System Office Procurement, Contracts, and Payment Services Department for approval by the Chancellor or the Chancellor's designee:
1. Contracts involving or related to the purchase or disposal of real property, insurance, and capital outlay projects.
 2. Contracts 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 contract, including a purchase order, for two hundred fifty thousand dollars (\$250,000) or more in annual revenue or expense.
 4. 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
 5. Contracts involving insurance or other benefits.
 6. Contracts in which the TBR is a named party.
 7. The primary operating contract between an institution and its foundation and any other contract between the institution and its foundation which does not conform to the requirements of [G-030, Contracts Guideline](#).

8. Contracts, including grant agreements, which do not conform to the requirements of [G-030, Contracts Guideline](#).
 9. Banking, procurement card and other financial services contracts.
 10. Any contract with an organization conducting a study (as permitted by 34 C.F.R. § 99.31(a)(6), to develop, validate or administer predictive tests; to administer student aid programs; or to improve instruction) that may obligate a college to share information relating to a student. *I.e.*, the “studies exception” in FERPA that permits colleges to share personally identifiable student information under limited circumstances.
 11. Any contract executed on behalf of a TCAT or in which a TCAT is a party, unless there is a policy provision exempting the contract from review.
- B. Renewals of the above contracts 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. Contracts between a TBR institution and another entity providing for the coordinated offering of a credit program are not required to be submitted to the System Office for approval, unless required by another TBR policy. E.g., [2.01.00.05 Early Postsecondary Opportunities](#).
- D. 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 by the System Office.
- E. The Chancellor may direct that certain or all contracts of any institution be submitted for prior System Office review and approval.

III. Other Approvals

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

IV. Exceptions

- A. 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 and include sufficient justification documentation.

Sources

Authority

T.C.A. § 49-8-203; All State and Federal statutes, codes, and/or rules referenced in this policy and Guideline G-030- Contracts Guideline.

History

TBR Meetings, March 5, 1976; June 26, 1981; September 30, 1983; December 13, 1985; September 22, 1989; June 28, 1991; December 5, 1997; December 2, 2005. Revision approved by Board, September 15, 2016; Ministerial change to B & F policy June 25, 2019; Revision approved by Board, September 20, 2024.

Related Policies

[4.02.10.00 Purchasing Policy](#)

[G-030 Contracts Guideline](#)

[4.02.20.00 Disposal of Surplus Personal Property](#)