

THE CALIFORNIA STATE UNIVERSITY  
Office of the Chancellor  
400 Golden Shore  
Long Beach, California 90802-4275

(310) 985-2800

Date: March 23, 1994

To: Presidents

From: Barry Munitz  
Chancellor



Subject: Delegation of Acquisition Authority for Personal Property and Services—Executive Order No. 615

The purpose of the memorandum is to transmit Executive Order No. 615 which delegates the procurement authority granted under AB 1191 (chapter 1097, Statutes of 1993) to campus presidents. A draft version of this executive order along with proposed policy guidelines was distributed to campuses for review this past December. The final order differs from the proposed policy in that provisions relating to the Chancellor's Office approval of sole source transactions exceeding \$100,000 have been clarified to apply to *all* purchases, contracts and consulting agreements. This policy is applied at this time to reinforce the CSU's commitment to competition and will be reevaluated during the post-implementation review process. Existing policy and procedures relating to the lease, sale or license of CSU-owned property are not affected by this order.

Except as provided herein, campuses will continue to use established policies and procedures as defined in applicable SUAM and SAM sections, except that purchases and contracts exceeding \$100,000 are no longer subject to the approval nor involvement of Department of General Services (DGS). Revisions to SUAM, along with specific procedures to implement this new authority, are being developed and will be distributed as a part of a general rewrite and update of the SUAM manual.

AB 1191 also provides for the trustees to lease real property for use by the CSU without the involvement or approval of Department of General Services. A separate memorandum addressing the leasing delegation thresholds will be issued once the CSU real property leasing acquisition program has been developed and campuses have been appropriately trained in the new program policies and procedures. In the interim, campuses which have real property leasing requirements should follow existing SUAM procedures by submitting requests to the Contracts and Procurement Department. Once the project has been reviewed and approved, the transaction will be delegated back to the campuses for processing. This office will also be providing necessary technical support to campuses which may not be familiar with real property leasing transactions.

BM:as  
Attachment

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**Distribution:** Vice Presidents for Administration/Business Affairs  
Business Managers  
Procurement and Support Service Officers  
Chancellor's Office Staff  
Staff Trustees' Audit Staff

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**Executive Order No.:** 615  
**Title:** Delegation of Acquisition Authority for Personal Property and Services  
**Effective Date:** March 23, 1994  
**Supersedes:** Executive Order Nos. 372 (Items 2 & 3) and 409

This Executive Order is issued pursuant to Sections 1, 2, and 4-e of Chapter III of the Standing Orders of the Board of Trustees of The California State University. Provisions related to the sale, lease or license of personal property belonging to the CSU addressed in prior Executive Order No. 409 are not changed by this Order.

Authority is hereby delegated to each campus president to execute and implement the following transactions without regard for dollar limits on behalf of the Board of Trustees in accordance with the requirements of this Executive Order:

- A. To purchase, lease or license personal property and incidental services related to the procurement of personal property.
- B. To enter into service contracts and consulting service agreements which are not in connection with a construction contract.
- C. To purchase information technology resource goods and services (previously referred to as electronic data processing and telecommunications) in accordance with the provisions of Public Contract Code 12100 *et seq.*

This authority is subject to the condition that the following transactions must be submitted to the Office of the Chancellor for review and approval:

- 1. Any transaction subject to the authority delegated in paragraphs A - C above which exceeds \$100,000 and is awarded without the taking of competitive bids (sole source). This condition does not apply to sole brand acquisitions which are acquired under competitive procedures;
- 2. Transactions which contain systemwide or multicampus obligations, liabilities or encumbrances;
- 3. Transactions which contain provisions for the tax-exempt financing of equipment or services;
- 4. Transactions which contain unusual requirements;
- 5. Agreements with auxiliary organizations (leases, operating, services, etc.);
- 6. Contracts to obtain legal services to be performed by outside (non-CSU) counsel.

These transactions must be submitted with all related documentation and an explanation of the transaction to the Contracts and Procurement Department in the Office of the Chancellor to coordinate program and legal reviews.

In exercising the authority conferred by this delegation, the campus President shall comply with all applicable law, policies, and procedures of the Board of Trustees, the Chancellor and designees, including those policies and procedures in the California State University Administrative Manual. This authority may be further delegated by the President to campus designees subject to the conditions expressed herein.

The authority delegated herein may be further conditioned or rescinded on a system or campus basis by the Chancellor or designee as may be necessary for legal, economic, or policy reasons. Appropriate policies and procedures will be adopted and communicated to the campuses in coded memoranda and/or in the California State University Administrative Manual.

The increased authority delegated herein was granted to the Trustees in the enactment of Stats. 1993, Ch. 1097, known as Assembly Bill 1191, effective January 1, 1994. In order to periodically apprise the Chancellor and Board of Trustees concerning the effectiveness and efficiencies gained by this increase authority, Presidents should implement appropriate accountability mechanisms to document the efficiencies realized.

Date: March 23, 1994

  
Barry Munitz, Chancellor