Date: December 31, 1981

To: Presidents

From: Harry Harmon
Executive Vice Chancellor

Subject: Service Agreements, Leases, Easements, Licenses — Delegation of Authority — Executive Order No. 372

SB 653 enacted by the 1981 Regular Session of the Legislature as Chapter 867, to become effective January 1, 1982, provides increased Trustees' authority in several areas.

Included in this authority are provisions for entering service agreements under $100,000 and selected property transactions without approval of the Department of General Services. Leasing real property for campus use will continue to be approved and negotiated by the Department of General Services. Specific procedures to implement this new authority are being distributed by Auxiliary and Business Services. These procedures will include monetary levels above which Chancellor's Office approval is required.

The new authority granted to the Trustees by SB 653 terminates January 1, 1987 unless extending legislation is enacted. Thus, the increased flexibility can be maintained only if its effective use is demonstrated. It is your responsibility as President to implement Executive Order No. 372 and the related procedures in a manner which will assist The California State University in gaining legislative support for extending the authority beyond 1987.

We look forward to working with you and your staff in successfully implementing this important phase of our new authority during the next several years of our trial period.

HH: EJF: If

Attachment
Executive Order No.: 372

Title: Service Agreements, Leases, Easements, Licenses — Delegation of Authority

Effective Date: January 1, 1982

Supersedes: Executive Order No. 30 (Item 3)

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.

Authority is hereby delegated to each campus President to execute in the name of the Board of Trustees of The California State University:

1. Agreements for the provision of services to The California State University which do not exceed $100,000. Agreements for services in connection with a project under The California State University and Colleges Contract Law (Education Code Section 90100, et seq.) are excluded from this delegation.

2. Agreements for the performance of work or services by The California State University which do not exceed $100,000.

3. Leases of California State University property for any of the purposes stated in Section 89046 of the Education Code as amended in Stats. 1981, Ch. 867, Sec. 2 in which the term does not exceed 20 years. Such leases shall be subject to approval by the Office of General Counsel.

4. Grants of easements or rights-of-way when either of the following exist:
   a. The acquisition of the easement or right-of-way by The California State University is necessary for the proper utilization of real property of The California State University.
   b. The conveyance of the easement or right-of-way across property of The California State University is in the best interests of The California State University. The conveyance shall be subject to such conditions, limitations, restrictions, and reservations as the President determines will further those interests.

Grants of easements or rights-of-way under either (a.) or (b.) shall be subject to approval by the Office of General Counsel.

5. License agreements for the use of real property of The California State University or for the use of real property by The California State University.

This authority may be further delegated by the President to campus designees subject to the conditions expressed herein.

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.
Selected agreements including those for consulting services, above monetary levels to be established by the Chancellor or designee, shall be submitted to Auxiliary and Business Services in the Office of the Chancellor for approval.

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 or desirable 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.

In exercising authority to provide services, the campus President shall seek to obtain bids from small business firms capable of meeting specifications. Data must continue to be maintained for reporting periodically to the Office of the Chancellor on the volume and value of contractual services from small business firms.

The increased authority delegated herein was granted to the Trustees in the enactment of Education Code Sections 89046 and 89048 and Government Code Section 14780 in Stats. 1981, Ch. 867 effective January 1, 1982. This increased authority terminates January 1, 1987 unless legislatively extended. The Trustees must report to the Joint Legislative Budget Committee by January 1, 1986 the cost effectiveness of the authority granted by SB 653. The report must, to the extent possible, present data verifying the dollar savings resulting from the authority. Consequently, each campus must maintain records related to efficiency and cost effectiveness as prescribed by the Office of the Chancellor. Gaining an extension of the authority will be contingent upon proper and efficient implementation of the authority delegated in this Executive Order.

Glenn S. Dumke, Chancellor

Date: December 31, 1981