



Contract Education Revenue Generating Contracts with Colleges Survey Responses

A one-question survey was conducted the week of July 17, 2017 to solicit information regarding the sharing of monetary limit that each college has before needing board approval. Thirty-five colleges responded. See responses listed below.

Q1. For Revenue generating contracts (Contract Training programs with the contract getting your business office to approve prior to the start of training) what is the dollar amount you are allowed before you are required to obtain your Board Approval on the contract?

Response:

1. We only have to have our Business office approve the contract if we are spending (expenses) rather than for income (revenue). At least that is how it is now, but things often change.
2. Any contract over \$87,800 requires our board approval.
3. Contracts \$64,000 and above require the college's Board of Trustees approval prior to the start date.
4. I haven't faced this scenario yet so I don't know what dollar amount limit is before I need to obtain board approval.
5. All contracts need Board Approval.
6. All contract education contracts are reviewed and approved by the Board of Trustees regardless of the dollar amount.
7. \$0, technically, all contracts must first go to the Board. However, if there isn't enough time to meet the client's needs the board will ratify.
8. All contracts within the college require BOT approval regardless of department, intent, or dollar amount.
9. Contracts generating revenue do not go to our board. They go through approvals in our business office, then to risk and business services. Board approval occurs after as a consent item on the Board agenda. But we do not wait for that, once the Vice Chancellor has signed off, we are good to go.





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10. All contracts go to board as information but contracts over \$88,000 must have board approval/consent.
11. All are board approved.
12. The only time I recall having to get our board approval, was when the funds used to pay us for the services were originating from federal dollars. I was over 100k and we simply made sure we also followed all expending guidelines.
13. We are not given minimum or maximum contract amounts as guidelines from our board.
14. All contracts are approved by the board. We have no dollar amount set. I have had as small as \$2500 to \$125,000.
15. The way that it is structured is that we have our own contracts and are not required to go to our board. For contracts that do not require us to go through board, we must have them ratified prior to starting work.
16. \$24,999.00
17. Our Board has to approve all contracts, even ones that generate revenues. That being said, I can have my President and Vice President okay lesser amount agreements that are revenue generating so we can get started. Since revenue generation requires an up-front commitment of resources like instructional or administrative costs, the idea is to ensure that the college or district doesn't take on high risk in case something falls through and we never can collect the funds. So for that reason, if we are talking about \$50k and above, we usually defer and have our district contract's person sign any agreements then. Since our district is a big bureaucracy and it generally takes many months to get a program executed, we have proceeded before contracts are fully executed if we have a solid relationship with the contracted customer, especially if they are a state agency or other school.
18. Any contract training program with a total amount above \$10,000.
19. A \$50,000 cost to the District and there are no restrictions for monies coming from Contract Education to the District. But we do not use ETP funds for Contract Education/Training.



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20. The District allows the department to begin a contract (with business services approval) if it is under \$25,000 and requires board approval for larger amount contracts. The department can also have contracts through the Foundation to expedite the process when we have shorter timelines with a company ready to start immediately. However, for the contracting flexibility, the department must revenue share a percentage with District and Foundation.
21. For revenue generating contracts at or above \$175,000 require Board approval. Contracts over \$175,000 must be approved by the Board before they can be signed by the District and work can begin. If it is less than \$175,000 the Board has delegated signature authority to the Vice President of Administrative Services to sign off on these contracts. After full execution of the contract they are listed on a Board Agenda for ratification. Work can begin in advance of Board ratification, but not before execution. (This is standard for any contract with revenue or expenses - including grants.)
22. We are required to obtain board approval for any of our contracts regardless of the amount of the contract.
23. A contract in an amount that is less than \$50,000 requires a Vice President signature and does not require Board Approval. However the contract agreement must include some standard language that was previously approved for such contracts.
24. All contracts go to the board.
25. College Board approval is for contracts greater than \$84,000.
26. \$124,999.00 unless the contracts are subcontracts for a larger contract that has been approved by our Board.
27. \$0.00. Below \$86,000, we can have CFO sign and board can ratify after the fact. Above \$86,000, we must secure board approval in advance.
28. We must have our Board approve "all" contracts. To speed the process, we can have our Vice President ratify contracts up to \$83,000; however it still goes before the Board for approval.
29. \$100,000
30. Over \$25,000





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31. Contracts for services up to \$125,000 are not subject to Board Approval or action. Approval is through the District Executive Director of Economic Development and Contract Education.
32. All revenue generating contracts for Contract Education training programs require Board of Trustees approval of a “Master Agreement” before proceeding with the training program for a client company no matter the value of the contract. Each individual training program with that company is then “attached” to the Master Agreement as an “Exhibit,” and these Exhibits do not require Board approval.
33. We need board approval for all contracts regardless of dollar amount.
34. In the past 20 years I’ve accepted contracts for as low as \$5,000 and as high as \$750,000 with individual clients and have never been asked or required by the college to get their prior approval. I have been asked by various CA State Agency clients to secure proof of signed board approval before they would countersign a contract. These are generally, but not always large ones.
35. For revenue generating contracts, we are allowed to begin training once the contract has been reviewed by our Risk Services and/or General Counsel, and fully executed. The Board will ratify contract, but we do not have to wait for ratification to begin training.

For Additional Information Contact:
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