Contract Manager Training

Office of Contracts & Procurement

Fiscal Year 2017
CONTRACT PLANNING

• Planning for contract administration begins simultaneous with the drafting of the SOW for the solicitation, taking into consideration:
  • Proposed contract outcomes and related performance measures
  • Links between contract deliverables and payment schedules
  • Identified contract risk factors
  • Location of the performance of the work
  • Conditions related to acceptance or rejection of the work
  • Key terms and conditions such as:
    • Effective date and completion date
    • Contract extension options
    • Contract termination options
**SCOPE OF WORK (SOW)**

- The SOW is a clear, concise description of the work that is to be completed and provides a roadmap for contract administration.

- The SOW should provide sufficient detail to measure the contractors' performance.

- The SOW in the contract should be substantially the same as the SOW in the solicitation.
  - There may be times when minor modifications are the result of contract negotiations.
CONTRACT MANAGER EXPECTATIONS

• Understand the provisions of the contract

• Communicate contractual obligations to all parties involved
  • Internal staff
  • Contractor staff

• Conduct a kick-off meeting/call with contractor to review contract monitoring plan

• Develop a written contract monitoring plan and closely monitor contract performance over the entire term of the contract

• Be familiar with general contracting principles as they impact the ability to properly administer the contract
**Contract Administration Documentation**

- The contract manager and the Office of Contracts and Procurement must insure that all related information is maintained, ideally in a central repository:
  - Copy of contract and all amendments
  - Copy of specifications, drawings, manuals, and other reference materials
  - Documentation of the procurement process which may include Exclusive Acquisition Justification or Best Value Determination
  - Minutes of meetings with contractors and sign-in sheets
  - Any notices to proceed, stop work, correct deficiencies, and other notices
  - Copy of contractor invoices and supporting documentation including information regarding discounts, contract deductions, and fee adjustments
  - Copy of HUB Subcontracting Plan (HSP) and all HUB Progress Assessment Reports submitted to support payment of invoices
CONTRACT RISK ASSESSMENT

• The Office of Contracts and Procurement along with the Contract Manager will complete a Contract Risk Assessment to categorize the level of risk based on the following factors:
  • Amount of Agreement
  • Term of Agreement
  • Prepayment/Progress Payments
  • Personal, health, student data
  • Data security
  • Accessibility
  • Intellectual property
  • Safety and security
  • HUB subcontracting plan
  • Specificity of contract deliverables
  • Multi-institutional access to the contract
  • Location of work performance
CONTRACT MONITORING

- A written contract monitoring plan:
  - must be submitted by the contract manager to Contracts and Procurement (CNP)
  - must address all medium and high risk factors identified in the Contract Risk Assessment
    - identified risk factors will determine “routine” versus “enhanced” monitoring requirement
  - be shared with the contractor
  - be included in the central contract file

- “Routine” contract monitoring should include:
  - formal or informal award conference with supplier
  - review and approval of all invoices
  - periodic status reports (quarterly or semi-annually) that address status of all risk factors
  - formal or informal contract close-out conference with supplier

- “Enhanced” contract monitoring should include:
  - formal contract award conference with supplier and CNP staff
  - review and approval of all invoices
  - Formal quarterly contract reviews with supplier and CNP staff
  - Formal contract closeout conference with supplier and CNP staff
Terms to Clearly Communicate (if applicable)

• HUB Subcontracting Plan
  • Requires submission of Progress Activity Report on a monthly basis as a condition of payment

• Travel Expenses
  • Review requirement for submission of receipts and compliance with travel expense guidelines

• Criminal Background Check
  • Required if contractor will have employees performing work on UT premises
  • Requires written certification to contract manager prior to individual arriving onsite

• HIPPA/FERPA Addenda
  • Need to communicate conditions under which an addendum would need to be executed
  • Addenda are executed with the institution whose data is being accessed

• EIR Warranty
  • Communicate any requirements for periodic reviews of VPATs or progress on agreed compliance upgrades
REQUIRED REPORTING

• The Executive Vice Chancellor (EVC) for Business Affairs shall receive regular reports on contracts identified for “enhanced” monitoring
  • Reports will be submitted by the contract manager to the Office of Contracts and Procurement (CNP)
  • CNP Director will provide reports to the EVC and provide clarification and address questions as necessary

• Where serious issues or risks are identified, the EVC for Business Affairs shall notify the Board of Regents

NOTE:

Contract performance monitoring does not apply to memoranda of understanding, memoranda of agreement, interagency contracts, interlocal agreements, intergovernmental contacts or contracts where there is no cost
CONTRACT MANAGER RESPONSIBILITIES

• CNP 3.7 – Contract Manager Responsibilities

• Contract Manager **does not have the authority** to:
  • Instruct contractor to start work before the contract is fully executed (signed by both parties).
  • Change the terms or scope of the contract without a formal amendment.
  • Direct contractor to perform work that is not specifically described in the SOW and funded by the contract.
  • Extend the term of the contract without a formal written amendment.
  • Allow contractor to incur costs in excess of the cap or limit set by the contract.
Reference Materials

**Contract Management Handbook**

Contracts and Procurement Procedures:
- [General Purchasing Procedures](#)
- [Special Handling/General Information](#)
- [Contracting Procedures](#)
Discussion