ONALASKA ISD
PROCEDURES: CONTRACT MANAGEMENT

Goal: To ensure a systematic process to review and approve contracts with vendors to include purchases, services, maintenance agreements, construction, and other contracts as appropriate.

Contract Approval Authority [Board Policy CH Local]:

- The Superintendent has been designated by the Board of Trustees to approve and execute all contracts for the purchase or goods or services for all single purchases that are less than $50,000.
- The Board of Trustees retains the authority to approve all contracts for the purchase of goods or services for any single purchase that exceeds $50,000.

Contract Review:

- The requestor [campus or department] shall forward the Contract document(s) to the Business Manager for review.
    - Contracts may be vendor-originated, or
    - Onalaska ISD's Professional Services (Consultant) Agreement
- If the proposed vendor is new to the district, a completed Onalaska ISD Vendor Application Packet shall be included with the contract documents.
- The Business Manager shall review the Contract for the followins provisions:
    - If the contract will be funded with federal grant funds, the following provisions must be included in the contract [Per TEA's Guidance and Best Practices].
        - The contract is only effective upon receipt by the sub-grantee of the NOGA from the awarding agency.
        - The contract period is aligned to the grant period of availability as stated on the NOGA from the awarding agency (period of availability).
        - All services will be completed during the effective dates of the contract.
        - All services will be invoiced monthly after services are received (rather than paid lump sum at the beginning of the period of availability before services are rendered) and paid upon verification of receipt of services.
        - The regulations for procurement in 2 CFR §§200.318-323 are followed in issuing the contract.
        - All professional services provided under the contract will follow the provisions of 2 CFR 200.459 Professional service costs.
        - The contract identifies the funding sources that will be charged for the services provided, including the specific amount and/or percentage of the total contract amount to be charged to each funding source.

        - The contract identifies and lists only reasonable, necessary, and allocable services to be provided during the period of availability of the funding sources listed in the contract.
        - The administrative costs charged to the grant in the contract must comply with any limitations for administrative costs for funding sources (if applicable).
        - The contract specifies that the invoice provided by the contractor will include the list of services provided, dates of services, and location(s) where services were provided during the billing period.
    - If the contract will be funded with federal grant funds, the following provisions must be included in the contract [Per EDGAR Appendix II Part 200 Contract Provisions for Non-Federal Entity Contracts Under Federal Awards].
        - Contracts over $150,000 must address administrative, contractual or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties.
        - Contract over $10,000, must address termination for cause and for convenience by the District including the manner by which it will be effected and the basis for settlement.
        - Equal Employment Opportunity clause
        - Davis-Bacon Act clause for construction contracts, including compliance with prevailing wages. [The District must place a copy of the current prevailing wage determination is used by the Department of Labor with each solicitation.]
        - Contract Work Hours and Safety Standards Act clause related to the computation of wages of every mechanic and laborer on the basis of a standard work week of 40 hours.
        - Rights to Inventions Made Under a Contract or Agreement clause if the federal award meets the definition of “funding agreement”
        - Clean Air Act and Federal Water Pollution Contract Act clauses if the contract is in excess of $150,000
        - Debarment and Suspension clause which prohibits awarding a contract to a contractor who has been debarred, suspended or otherwise excluded from federal awards.
        - Byrd Anti-Lobbying Amendment clause which applies to contractors that apply or bid for an award exceeding $100,000 who must file the required certification.
        - Procurement of recovered materials (200.322) clause

- If the Contract is recommended as is, the Contract will be forwarded to the Superintendent and/or School Board for final review and approval (signature).
- If the Contract is not acceptable as is, the Business Manager shall contact the contracting party to attempt to resolve the deficiency(ies).

- Legal advice from the district's legal firm shall be obtained as necessary to remedy the contract deficiencies.

- If the Contract is not acceptable and cannot be corrected to an acceptable form, the Business Manager shall notify the Superintendent who will reject the contract. The Business Manager will notify the proposed vendor.
- The Business Manager shall file the rejected contract.

Contract Letter of Intent [Per TEA's Guidance and Best Practices]:

- The Superintendent may execute a Letter of Intent with a third party (contractor) prior to a fiscal year or state/federal grant period only if the following provision is included in the Letter of Intent:
  - The final execution of the contract is contingent upon availability of local funds or receipt of a Notice of Grant Award (NOGA) from a state/federal granting agency.

Contract Approval:

- The Superintendent shall return the original, signed Contract to the Business Manager.
- If the contract also requires School Board approval, the Executive Assistant shall prepare the School Board Action Item for approval at the next regularly scheduled board meeting.
- The Executive Assistant shall return the original, signed Contract to the Business Manager.
- The Business Manager shall verify that the contract document(s) have been executed and take the following steps:
  - Ensure that both parties (District and Contractor) have executed the contract. Notify the contractor by letter, email and/or phone call, as appropriate, that the contract has been approved, but is pending encumbrance of funds.
  - Notify the contractor that the services cannot begin until the contractor receives the fully executed contract and Purchase Order.
  - Notify the contractor that the services cannot begin until the contractor submits any bonds, Certificate of Insurance, Criminal History, etc. documentation, as appropriate.
  - Notify the contract originator (campus or department) of the contract approval and request that the originator submit a requisition to encumber the funds associated with the contract.
  - File the original contract.

Purchase Commitment for Contract (Purchase Order):

- The requestor shall submit a purchase requisition for the annual cost [fiscal year] of the contract.
- Upon receipt of the purchase requisition, the Business Manager shall review and approve the requisition in accordance with the district's Purchasing Procedures.
- The Administrative Assistant shall attach a copy of the approved contract to the purchase requisition and forward to the Business Manager for approval of the requisition.
- The Business Manager shall review and approve the purchase requisition in accordance with the district's Purchasing Procedures.

Contract Filing Procedures:

- Upon receipt of a fully executed Contract and Vendor Application Packet, the Business Manager shall file the contract as noted below:
    - Scan the Contract to a PDF, and
    - File the original Contract in the fire-proof safe.

Contract Management:

- The contract originator shall be directly responsible to ensure that the contracting party performs the services covered by the Contract.
- For contracts in excess of $10,000 a Department Director or Superintendent shall sign the invoice to certify that the work was completed to satisfactory standards.
- Upon completion of the service(s), the vendor shall forward an invoice to the Business Office to request that payment be made to the contracting party.
- The Administrative Assistant shall make partial or final payments only upon receipt of an approved invoice.