

Contract Manager Training

Office of Contracts & Procurement

Fiscal Year 2017



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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



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