

FORT HANCOCK 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:

- The Superintendent has been designated by the Board of Trustees to approve and execute all contracts for the purchase of 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 Superintendent for review.
- The Contract Transmittal form shall be completed by the originator and attached to the Contract document(s).
- The Contract documents shall include the vendor/contractor's contract form or the Fort Hancock ISD Consultant Contract.
- If the proposed vendor is new to the district, a completed Fort Hancock ISD Vendor Application Packet shall be included with the contract documents.
- The Finance Officer shall review the Contract and complete a Contract Review Checklist.
- 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 Finance Officer 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 Superintendent shall reject the contract and the Finance Officer will notify the proposed vendor. The rejected contract shall be forwarded to the Finance Officer.
- The Finance Officer shall file the rejected contract.

Contract Approval:

- The Superintendent shall return the original, signed Contract to the Finance Officer.
- If the contract also requires School Board approval, the Superintendent shall prepare the Action Item for approval at the next regularly scheduled board meeting.
- The Board Secretary shall return the original, signed Contract to the Superintendent.
- Upon receipt of the original, signed contract, the Finance Officer shall file the original contract according to the Contract Filing Procedures (below).
- The Finance Officer shall notify the requestor of the contract approval or disapproval.

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- The Finance Officer shall enter the new vendor in the TxEIS database and file the Contract copy pending receipt of a requisition from the originator.
 - ❑ If the originator does not submit a requisition within 10 business days, the Contract shall be voided. Notification shall be made via email to the originator regarding the Contract cancellation.

Purchase Commitment for Contract (Purchase Order):

- The requestor shall submit a purchase order for the annual cost [fiscal year] of the contract.
- Upon receipt of the purchase order, the Finance Officer shall ensure, review and approve the requisition in accordance with the district's Purchasing Procedures.
- The Finance Officer shall attach a copy of the approved contract to the purchase order and forward to the Superintendent for approval of the requisition.
- The Superintendent shall review and approve the purchase requisition in accordance with the district's Purchasing Procedures.
- Upon approval of the purchase order, the Finance Officer shall forward a copy of **both** the approved contract and purchase order to the vendor.

Contract Filing Procedures:

- Upon receipt of a fully executed Contract and Vendor Application Packet, the Finance Officer shall file the contract as noted below:
 - ❑ File in a Shared Business folder, and
 - ❑ File the original Contract in the fire-proof safe.
- Contracts shall be filed by the length of the contract as noted below:
 - ❑ One-time or single fiscal year contracts shall be filed by fiscal year
 - ❑ Multi-year, term and recurring contracts shall be filed by vendor name
- An Excel spreadsheet of all multi-year contracts shall be maintained. The spreadsheet shall contain the following information (at a minimum):
 - ❑ Vendor name and number
 - ❑ Starting and ending date of contract
 - ❑ Non-renewal or cancellation terms (for recurring contracts)

Contract Management:

- The Superintendent shall be directly responsible to ensure that the contracting party performs the services covered by the Contract. The contract originator shall sign the invoice to certify that the work was completed to satisfactory standards.
- For contracts in excess of \$10,000 a 2nd administrator shall also review and ensure that the contracting party performed the contracted work. The 2nd administrator shall sign the invoice to certify that the work was completed to satisfactory standards.

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- Upon completion of the service(s), the vendor (or the requestor) shall forward an invoice to the Business Office to request that payment be made to the contracting party.
- The Finance Officer shall make partial or final payments only upon receipt of an invoice signed by the originator. The signature of the originator is verification that the services have been performed and that the payment should be made to the contracting party.