



# ADMINISTRATIVE POLICIES

<b>SECTION: 400 – Financial Management</b>	<b>POLICY#: 403</b>
<b>TITLE: Contract Administration</b>	<b>R &amp; O #: 19-21</b>
	<b>IMPLEMENTED BY PROCEDURE #:</b>
<b>SPONSORING DEPT/DIV: Support Services/Purchasing</b>	
<b>ADOPTED: 03/19/2019</b>	<b>REVIEWED:</b>

## PURPOSE:

The purpose of this policy is to address the administration of Contracts for goods and/or services to ensure effective and proactive contract management, including Vendor performance management. Contract Administration is critical for timely completion of Contract obligations and requirements within the budget established for the Contract by Washington County.

## DEFINITIONS:

**Contract:** Any written agreement between Washington County and a third party(ies) where one or more parties are to provide a product, services or other deliverables within a period of time.

**Contract Administration (CA):** The post-execution management (or administration) of a Contract to ensure that Contract requirements are fulfilled by the Vendor pursuant to the Contract’s terms and conditions. It also means the timely performance of County responsibilities under the Contract, including but not limited to the timely formulation of contract modifications, invoice management and vendor payment.

**Contract Administrator:** An individual assigned by the contracting department (or division) to perform contract administration.

**Vendor:** for purposes of this policy, “Vendor” means, suppliers, consultants and any other type of contractor that is providing deliverables to the County. Another government entity may be a Vendor.

## **POLICY GUIDELINES:**

1. Any person administering a contract for the County must have adequate education, training, professional experience, or a combination thereof to be demonstrated through completion of the County Contract Administration certification training.

### 2. Responsibilities:

The Contract Administrator shall:

- a) Draft statements of work, contract amendments, change orders, insurance requirements, notices and other documents and communications that are necessary to administer a public Contract.
- b) Read thoroughly, understand, interpret and apply terms and conditions set forth in the Contract.
- c) Monitor a vendor's performance to ensure that the Vendor consistently performs services, provides goods or supplies materials according to the schedule, pricing, specifications and terms and conditions set forth in the Contract.
- d) Monitor County performance to assure compliance with Contract terms and conditions.
- e) Monitor Contract for adequate funding and time, through the continuous monitoring of Contract (purchase order) dollar balances, to avoid exceeding the authorized contracted amount (the dollar "cap" or "not-to-exceed amount") and to avoid exceeding the established Contract expiration date.
- f) Recognize and investigate emerging disputes or other risks, unique requirements, unusual situations or other issues that arise in connection with a Contract. Formulate appropriate responses and resolutions, including seeking advice from legal counsel, risk management or other personnel when necessary.
- g) Understand auditing requirements and procedures that apply to the Contract, including the scope and nature, for which the Contract Administrator is or will be responsible. Organize and maintain appropriate documentation and administrative practices that meet the auditing requirements.
- h) Follow regular County business and department procedures; implement applicable contracting policies and procedures; and, otherwise administer the contract in accordance with best practices.
- i) Timely review and approval of vendor invoices in accordance with the Contract payment terms and conditions and with requirements established by Accounts Payable.
- j) Manage relations between County and the Vendor to ensure the Vendor meets obligations to the County and the County meets obligations to the Vendor.
- k) Complete contract closeout packet, available on the Support Services, Purchasing Division Horizons site, and upload to the contract management system.

- l) Adhere to the Contract Administration procedures available on the Support Services, Purchasing Division Horizons site.

3. Restrictions:

Unless otherwise allowed by Washington County Rules of Procurement Contract Administrators are not authorized to:

- a) Alter (modify or amend) or add to an executed Contract in any way.
- b) Direct the Vendor to perform work, or deliver product, outside the scope of the Contract or beyond the contract expiration date.
- c) Allow the Vendor to perform work, or continue to perform work, that does, or will, exceed the Contract fund amount (the dollar “cap” or “not-to-exceed amount”).
- d) Order or accept goods or services not expressly authorized or included under the Contract.
- e) Render a decision on behalf of the County under the disputes clause in the Contract.
- f) Authorize the use or disposition of County property not authorized by the Contract.
- g) Discuss acquisition plans or provide any advance information (or request advance demonstrations) that might give one Vendor an unfair competitive advantage in any procurement.
- h) Authorize or allow Vendor work to begin until after a contract is fully executed.
- i) Authorize or pay for work/invoices not specified in the contract.
- j) Publicly endorse or criticize or discuss Vendor performance publicly or on social media in any form.
- k) Administer any Contract without training and certification.

4. Exceptions:

Exceptions to this policy may only be granted by the Washington County Board of Commissioners unless such authority has been delegated to the County Administrator.

5. Implementation:

Elected officials, department directors, and or division managers are expected to be knowledgeable of, and shall be responsible for implementing this policy, and utilizing related procedures, within their respective departments or divisions. Observance of this policy is mandatory for all County employees and violation may result in disciplinary action up to and including termination.

6. Periodic Review:

This policy shall be reviewed annually by the Department of Support Services, Purchasing Division and be updated as necessary.