

CONTRACT MANAGEMENT AND ADMINISTRATION

Guide to Roles and Responsibilities

The Idaho Division of Purchasing (DOP) has created this guide to help agency staff to better understand the roles and responsibilities for contract management and administration of State contracts.

This guide is intended as an overview of contract management and administration processes and does not modify or replace Idaho Code or Administrative Rules of the Division of Purchasing.

There are two roles related to successful contracts: Contract Management and Contract Administration. In general, agency staff is responsible for management tasks and DOP staff is responsible for administrative tasks.

For the purpose of this Roles and Responsibilities Guide, contracts fall into one of three categories:

I. Contract issued by an agency within its DPA (Delegated Purchasing Authority)

II. Contract issued by DOP on behalf of a State agency. **Most contracts fall into this category.**

III. Statewide (open) Contracts. These contracts are available for use by public agencies in Idaho and are mandatory for State agencies.

Agency Responsibilities

- *Contract management and contract administration* from concept to close-out.
- Sole and complete responsibility to create *specifications or scope of work* (SOW) requirements, assure that all legal requirements are met to create and issue the solicitation, create addendums when necessary, evaluate vendor responses, make awards choices, and issue the contract.
- All *contract management activities* including contract compliance, change orders, disputes, corrective action, cure notices, liquidated damages, and, if necessary, contract termination

DOP Responsibilities

- Assist agencies as requested. The final responsibility for the contract remains with the agency.

The EXCEPTION is appeals of bids and proposals. *DOP has sole responsibility for all appeals.*

II. Contract issued by DOP on behalf of a State agency. Most contracts fall into this category.

Agency Responsibilities

- Specifications (or “scope of work/SOW”) that clearly and precisely identifies its *needs*.
- Technical input during solicitation development, the solicitation period, and the final contract development.
- *Evaluate vendor responses (with DOP assistance)*
- *Award recommendation*
- *Contract management*
- Inform DOP of unresolved disputes and all challenges that may result in *change orders*.
- DOP, at its sole discretion, may authorize an agency to issue *corrective action and cure notices or evoke liquidated damages*. The agency must notify DOP to request any contractual changes before taking action or directing the vendor to take action outside of the contract.

DOP Responsibilities

- Issue the *solicitation*
- Award the contract.
- Appeals (with the assistance of the agency.)
- Dispute resolution (If the agency and the contractor cannot resolve.) Corrective action letter, cure notices, termination of the contract, liquidated damages.
- *Change orders*

III. Statewide (open) Contracts. These contracts are available for use by most public agencies in Idaho and are mandatory for State agencies.

Agency Responsibilities

- Acquisition of goods or services and *monitoring and enforcing usage within their agency.*
- Work directly with the contractors to set up and manage their accounts and *to resolve minor discrepancies in supplier performance (pricing, delivery, invoicing, etc.)*
- Report challenges to DOP. DOP has final responsibility and authority to enforce the contract requirements
- The agency may *request that DOP grant an exception* to the mandatory use requirement.
- If appropriate, enter into a *Service Level Agreement (SLA)* under the statewide master contract. In this situation the agency must issue its own contract document (*Service Level Agreement*) that complies with all the provisions of the statewide contract. The agency is responsible for managing the *Service Level Agreement*.
- Contractual issues that fall outside of the *Service Level Agreement* should be communicated to DOP.

DOP Responsibilities

- Determine the need, practicality, and cost effectiveness of statewide contracts.
- Develop the solicitation
- Issue the contract
- *Change Orders (Amendments)*
- Monitor and enforce the provisions of the contract.
- Produce corrective action letters, cure notices, liquidated damages, and, if necessary, cancellation of the contract.
- *Provide training to agencies on how to use the contract*
- Inform agencies about contract issues and changes.
- *Monitor contract usage and contractor performance*
- Assure compliance to the terms of the contract.
- Serve as a liaison between agencies and contractors to resolve difficult disputes and enforce the provisions of the contract where necessary.