OFFICE OF CONTRACT ADMINISTRATION

CONTRACTS REMAIN IMPORTANT THROUGHOUT THEIR LIFESPAN.

BEST PRACTICES FOR CONTRACT MANAGEMENT

Contract Administration

VS

Contract Management

includes all the activities required to get a contract in place. These activities can include soliciting bids, evaluating proposals, negotiating terms and conditions, obtaining Board of Regents approval, drafting legal documents and executing contracts.

includes all activities *after* the contract is in place, such as monitoring performance of contracting parties, verifying payments (when applicable), ensuring compliance with contract terms and contract.



CONTRACT LIAISON

Each department or school whose area has cause to enter into contractual agreements should have at least one Contract Liaison delegated each fiscal year to manage its contracts.

MAKE SURE YOUR COLLEAGUES UNDERSTAND THE CONTRACT

In addition to the Contract Liaison, anyone involved in the contract should understand the effective dates, terms, conditions and obligations of each party to the contract.

DOCUMENT CONTRACTUAL CHANGES

Properly document any changes to the terms of the agreement and follow established UNTHSC contracting procedures to ensure the changes are recorded properly.

MAKE SURE EVERYONE IS FOLLOWING THE TERMS

Don't assume the other contracting party is complying with the contract terms. Monitor milestones and when applicable, ensure any progress payments are made only after verifying completion.

MONITOR TARGETS AND MILESTONES

Make sure you revisit them regularly to drive and measure performance and to avoid a potential breach of contract.



COMPLY WITH NOTICE CONDITIONS

To get out of a contract, check the termination clause. Many people see the words "3 months' notice" in a termination clause and think they can get out of a contract at any time if they give 3 months' notice. This is not necessarily the case. The conditions of the notice will often determine who you can give notice to, how, and when you can provide the notice.

DON'T IGNORE IMPORTANT EMAIL REMINDERS FROM OCA

•The Office of Contract Administration sends notifications from TCM when important contract dates are upcoming. The department or school responsible for the contract **MUST** take action.

"Contracts may turn out to be unenforceable if contract documents are not properly executed, monitored, updated and renewed in a timely manner." email from HSC Office of the CFO dated 10/9/2018

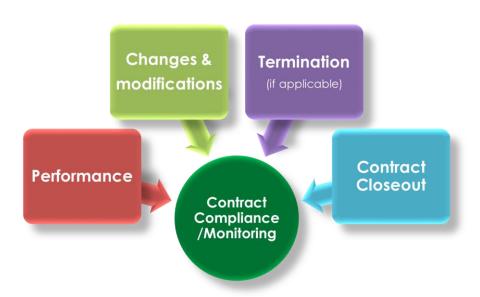
THE DO'S AND DON'TS OF CONTRACT MANAGEMENT

DO

- Involve Procurement Services early in the process if a proposed contract will involve an expenditure
- •Continue open communication with the 2nd party to the contract even after a contract is in place
- Approve compliance with deliverables specified in contract
- •Verify accuracy of invoices and approve payments
- Verify all contract activities are completed by expiration date
- Initiate any renewal or extension of contract as needed
- Report any contract disputes to OCA and/or Procurement Services
- Verify all contract activities are completed by expiration date
- Perform contract closeout activities

DON'T

- Instruct any party to the contract to start work before the contract is fully executed.
- Change the scope of the contract without doing so through the formal contract amendment process
- Direct any party to the contract to perform work that is not specifically described in and funded by the contract
- Incur any additional costs over the limit set by the contract
- •Sign a contract unless specifically authorized in writing by contract delegation memo from the UNTHSC President
- •Sign any 2nd party's form that commits the university to anything



Office of Contract Administration

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