

BURKBURNETT 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 Director of Finance for review.
- ❑ If the proposed vendor is new to the district, a completed BURKBURNETT ISD Vendor Application Packet shall be included with the contract documents.
- ❑ The Director of Finance 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 Director of Finance 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 Director of Finance shall reject the contract and notify the proposed vendor.
- ❑ The Director of Finance or Superintendent shall file the rejected contract.

Contract Approval:

- ❑ The Superintendent shall return the original, signed Contract to the Director of Finance.
- ❑ If the contract also requires School Board approval, the Executive Director of Finance 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 Director of Finance.
- ❑ Upon receipt of the original, signed contract, the Director of Finance shall file the original contract according to the Contract Filing Procedures (below).
- ❑ The Director of Finance shall notify the requestor of the contract approval or disapproval.
- ❑ The Director of Finance or designee shall enter the new vendor in the Skyward database and file the Contract copy pending receipt of a requisition from the originator.

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Purchase Commitment for Contract (Purchase Order):

- ❑ The requestor shall submit a purchase requisition for the annual cost [fiscal year] of the contract.
- ❑ Upon receipt of the purchase requisition, the Director of Finance shall ensure review and approve the requisition in accordance with the district's Purchasing Procedures.
- ❑ The Director of Finance shall attach a copy of the approved contract to the purchase requisition and forward to the Executive Director of Finance for approval of the requisition.
- ❑ The Director of Finance shall review and approve the purchase requisition in accordance with the district's Purchasing Procedures.
- ❑ Upon approval of the purchase order, the Accounts Payable Clerk 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 Director of Finance shall file the contract as noted below:
 - File the original Contract for records retention.

Contract Management:

- ❑ The originator shall be directly responsible to ensure that the contracting party performs the services covered by the Contract.
- ❑ For contracts in excess of \$10,000 a 2nd administrator/supervisor and/or architect shall also review and ensure that the contracting party performed the contracted work.
- ❑ Upon completion of the service(s), the vendor (or the requestor) shall forward an invoice to the Director of Finance to request that payment be made to the contracting party.
- ❑ The Accounts Payable Clerk shall make partial or final payments only upon receipt of an invoice signed by the originator and approved and signed by the Director of Finance. The signature of the originator is verification that the services have been performed and that the payment should be made to the contracting party.