XI. CONTRACT EXECUTION AND CONTRACT FILE

A. Execution

A contract must be signed [1] by the appropriate Appointing Authority or his/her designee, consistent with Administrative **Bulletin 3.3**, *Delegation of Authority for Signing Documents*, and a fully executed copy maintained in the Contract File. The Agency must provide a copy of the entire contract, as executed, to the contractor.

[1] Signatures may be affixed on the signature page in writing, or through a DII authorized e-signature system. Faxed or scanned copies of hand written signatures are also valid. Counterparts: In situations where signature pages are executed separately by the Parties, each signature page shall be deemed an original.

B. Contract Administration and Contract File

Once a contract has been executed, Agencies must properly administer Contractor performance to ensure compliance with the contract terms. A successful contract is equally dependent on post-award administration as it is on a well-written Statement of Work and thoughtful payment terms. The process of contract administration begins with the solicitation documentation and continues through from the time of contract award until the work has been completed and accepted, any disputes or adjustments have been resolved, final payment has been made and the contract is formally closed out.

The individual administering the contract for the Agency (Contract Administrator) must read and become familiar with the Contract and Contract requirements in order to establish a schedule of activities for ensuring compliance by both the Contractor and the Agency. Contract compliance monitoring will include:

- Ensuring that all required certificates and reports are delivered;
- Monitoring and coordinating subcontractor approval, if any;
- Monitoring Contractor performance and coordinating any State review and approvals of deliverables;
- Monitoring invoicing and payments;
- Amendment processing and administration; and
- Conducting Contract closeout, including ensuring all final Contractor reporting and deliverables have been received an accepted prior to final payment.

The Contractor's performance must be measured by all performance elements and criteria established in the contract. While the reporting, collection, monitoring and evaluation of Contractor performance data may be a collective effort by other contract stakeholders, the contract administration function should act as a repository for all performance data and act as overseer to ensure that contractual performance requirements are monitored and reported.

The Contract Administrator will need to be aware of all Agency-Contractor activities, communications and status surrounding any and all deliverables in the event of a situation affecting any area of the contractual relationship and/or status. For example, if a deliverable is late, unacceptable or there is some other dispute, the Contract Administrator may be responsible for coordinating the required

communication and resolution. Therefore, the Contract Administrator should obtain copies of the relevant paper trail, as the contract file must include complete supporting data regarding such a situation.

The Contract Administrator will process any termination documentation - for breach, default, non-appropriation of funds or if the Agency terminates for convenience. When termination occurs for any reason except the end of the contract term, notices must be given to the Contractor in accordance with the contractual requirements.

An Agency must maintain an up-to-date contract file. Agencies must keep all contracts and the required documents on file as public records for at least three years after the contract's term expires. A Contract File Check List, detailing all required documentation for the official Contract File, is provided in Appendix I. An official Contract file is required for all Requests for Information (RFI), Requests for Proposal (RFP) and all Contracts awarded regardless of type of bid or waiver involved. Agencies must download the Contract File Check List and use it as a tool to ensure compliance with the documentation standard for Public Records and audits.

C. Conflict of Interest

Employees with a conflict of interest or appearance thereof, shall not participate in, control or influence the bidding process, the awarding of contracts, or the approval of payments against said contracts. Department of Human Resources (DHR) ***Employee Policy 5.6*** and the Executive Code of Ethics (Executive Order #09-11, codified as ***3 V.S.A. § E03-53***) set standards that shall be used as the primary guide. Additionally, every effort shall be made to avoid even the appearance of a conflict of interest in the contracting process (see Section III for definitions). Further, every Contractor shall be required to disclose in writing any actual or potential conflict of interest.

D. Statewide and Retainer Contracts

1. Statewide Contracts

To simplify the acquisition process, the OPC maintains numerous statewide contracts for supplies, which include materials, equipment, parts, and commodities. Unless otherwise approved in advance, **these statewide contracts must be used by all Executive Branch entities.** To find out if a statewide contract exists that meets an Agency's need, contact the Office of Purchasing & Contracting or refer to the web site at *http://bgs.vermont.gov/purchasing.*

Other Agencies may create Statewide Contracts, such as statewide marketing contracts, **only when authority is expressly granted by the Secretary or applicable law**.

2. Marketing Master Contracts

The Chief Marketing Officer (CMO) shall be the only named State party on, and point of initiation for, all marketing master contracts. The CMO requires a process similar to the approach to IT Retainer Contracts described below when establishing master marketing contracts as well as the subsequent agreements executed pursuant to them (SOWs). Agencies should access policies and services through master marketing contracts including: a) Media Buying, b) Creative Services, and c) Photography here: http://cmo.vermont.gov/Vendors.

3. IT Retainer Contracts

The OPC maintains a number of Vendors prequalified to allow agencies to quickly and efficiently obtain certain IT consulting and technical services. These prequalified Vendors provide services in many functional areas or categories ranging from strategy and analysis services to information system security and systems engineering. DII manages these IT Retainer contracts. The Vendors have agreed to the standard State terms and conditions.

This results in a two-step approach to procurement. The first step is qualifying a group of Vendors under a set of requirements or functional areas. The second step allows state agencies to solicit responses from those prequalified Vendors for a business need defined in a Statement of Work-Request for Proposals (SOW-RFP), and come to agreement by signing a Statement of Work (SOW) Agreement. The appropriate process and all forms to be used are set forth in each "retainer" agreement for the information of both the Vendors and the agencies. Once an Agency has elected a Vendor using this process, it should obtain a copy of the applicable Retainer Contract for purposes of the complete contract file and contract compliance monitoring.

This SOW RFP process is not intended for projects that would result in contracts of more than $100,000. These larger projects require the formal Request for Proposals process. The limit per Agency SOW Agreement to be entered into using the SOW RFP process is $100,000. Limits may be waived by the Chief Information Officer. Retainer Contracts are subject to dollar limits as well, requiring that agencies verify the Retainer Contract balance remaining before obligating additional SOW Agreements against the Retainer Contract.

Additional information and the procedures required to access these Retainer Contracts is located at: http://dii.vermont.gov/consulting/procurement/retainer.

E. Blanket Delegation of Authority (BDA)

OPC may delegate authority to Appointing Authorities to make certain types of purchases directly. A BDA enables agencies to maintain the continuity of everyday operations. The purchases made under a BDA, however, are still subject to the underlying requirements of competitive bidding as stated in this Bulletin.

BDA#1 authorizes Appointing Authorities to make any single purchase up to $3,500 provided the item being purchased is not available through an existing state contract, is not otherwise restricted by statute or administrative bulletin, and is not an ongoing need of the department. ***BDA #1 may not be used to purchase services, IT purchases, and print procurement (in accordance with the Print Procurement directive issued by the Secretary of Administration dated February 13, 2012 http://bgs.vermont.gov/purchasing/print). All IT purchases shall be made under an existing statewide contract, IT Retainer contract or in accordance with the IT Guidelines.***

For items needed on an ongoing basis, Agencies are expected to work with the OPC to establish a contract. Specific authority covering certain classes of items for example, fresh produce purchased from local farmers at market prices can be requested through the OPC. All BDAs, including BDA#1, are subject to the ongoing approval of the OPC and can be revoked or modified at any time. All purchases made under a BDA may be subject to audit to determine compliance with this Bulletin and with the applicable BDA.

If the needed item(s) are not available under an existing contract and is are not covered by an existing BDA, the Agency must prepare a requisition through the VISION system in accordance with the VISION Requisitions Manual and have the requisition budget checked for sufficient funding by the VISION system.

[END SECTION XI]