

# Contract Manager Responsibilities

The primary responsibilities of the contract manager are:

- Participating in developing the solicitation and writing the draft documents. Contract administration must be considered during this process.
- Consulting with legal counsel to address any legal concerns and/or issues.
- During solicitation development determine if the contractor's compensation structure is appropriate for the work.
- Serving as the point of contact for disseminating the instructions regarding the work to the contractor/vendor.
- Receiving and responding to communications between the agency and the contractor.
- Managing, approving, and documenting any changes to the contract.
- Managing any state property used in contract performance, e.g., computers, telephones, identification badges, etc.
- Identify and resolve disputes with contractor in a timely manner.
- Implementing a quality control/assurance process.
- Maintaining appropriate records.
- Documenting significant events.
- Monitoring the contractor's progress and performance to ensure goods and services conform to the contract requirements.
- Exercising state remedies, as appropriate, when a contractor's performance is deficient.
- Inspecting and approving the final product/services by submitting a written document accepting the deliverables.
- Monitoring the budgeting/accounting process to ensure sufficient funds are available
- Verify accuracy of invoices and authorize payments consistent with the contract terms.
- Performing contract closeout process ensuring the contract file contains all necessary contract documentation, formal acceptance documented, and document lessons learned.<sup>(4)</sup>

The number of participants in the contract administration process will vary in number from one to many depending on the size, level of risk and complexity of the contract. Early in the procurement process, identify staff to participate in contract management. Identify a single contract manager and others to assist the contract manager. Assign roles and responsibilities which may include:

- Determining the sequence of activities, dependencies, required or desired outcomes, and acceptable performance levels.
- Developing a timetable and start and end date for each performance component. Include milestones with accompanying timeframes, and monitoring and reporting requirements.

- Monitoring and documenting contractor activity on a specified frequency to identify problem areas.
- Meeting with the contractor on a regular basis to review progress, discuss problems and consider necessary changes.
- Providing access to state facilities, equipment, data, staff, materials and information.
- Contacting other staff as necessary to provide equipment and data.
- Establishing scope of authority, clear lines of communication and reporting and specific individuals who will interact directly with the contractor.
- Establishing control of correspondence, data and reports.
- Identifying potential problems and solutions.
- Defining terms or conditions of default.
- Establishing a procedure, identifying a responsible person and establishing a timeframe for handling noncompliance.
- Establishing a procedure, identifying a responsible person and establishing a timeline for making necessary contract decisions, modifications, and changes.

**Contract managers' are not authorized to <sup>(4)</sup>:**

- Instruct the contractor to start work before the contract is fully executed.
- Change the scope of the contract without doing so through the formal purchase document amendment process.

Direct the contractor to perform work that is not specifically described in and funded by the

- Contract;
- Extend the time period of the contract without execution of an approved amendment; and
- Allow the contractor to incur any additional costs over the limit set by the contract.

**Planning**

As stated earlier, planning for the administration of a contract should begin with the drafting of the statement of work. Procedures for contract administration should be described in the solicitation document. After the contract is executed, the planning activities should focus on general administrative activities including, but not limited to management of contract amendments through documentation of any changes to the contract scope, schedule and payment. Another central activity to contract administration is the advance coordination and scheduling of resources to assist in the performance of the contract administration processes.

In order to properly plan for contract administration, the contract manager must ensure that he/she thoroughly understands all of the components of the solicitation and contract. Examples of such contract components include:

- Expected outcome measures – includes staging of deliverables, if applicable. Significant deliverables should be tied to the payment schedule.
- Costs – The total cost, including any indirect cost allocation of the goods and services to be performed.
- Risk – Identifying and managing potential risks.
- Contract Performance - When, where, and how the goods and services are to be delivered.
- Acceptance/Rejection Terms – The agency's right to inspect and accept or reject the goods and services and the conditions of acceptance or rejection.
- Contract Dates - The effective date, completion date, renewal terms, and any additional dates necessary to monitor contract performance.
- Complete addresses – Where correspondence is to be sent, where payments are to be made, etc.

### **Post Award Conference**

A post award conference is a meeting with the contractor and includes the principals responsible for administering the contract. The conference is held soon after the contract is awarded. It is an orientation for the contractor to ensure a clear and mutual understanding of all contract terms and conditions, and the respective responsibilities of all parties. The conference serves as an excellent tool to clarify and resolve any potential misunderstandings early on. Although both the contractor and the agency personnel should be fully aware of the contract requirements, the post award conference ensures those involved directly in the contract administration process understand all requirements of contract performance.

Not every contract requires a formal post award conference, but there should be some form of discussion between the contracting parties after award to ensure all parties agree on the performance requirements and the administrative procedures applicable under the terms of the contract. The post award conference should NOT be used to change the terms of the contract.

Agency personnel should decide if a post award conference is necessary. For less complex, low risk, low-dollar value contracts, a telephone call to the contractor may be sufficient. During the telephone conversation, the agency should review the major points of the contract with the contractor (e.g.; amount of contract, major performance milestones, deliverables, reports, meetings) and time and place of delivery. Factors used to determine the need for a post award conference include:

- Type of contract;
- Level of risk associated with the contract;
- Contract value and complexity;
- Length of contract, period of performance and/or delivery requirements;
- Procurement history of the supplies or services required and expertise of the contractor;
- Urgency of delivery schedule;
- Agency's prior experience with the contractor;
- Any special or unusual contract requirements; and

- Any special or unusual payment requirements.

## **Post Award Conference Agenda**

It should be clearly communicated at the beginning of the conference that the purpose of the meeting is to explain or clarify contract requirements and not to make changes to the contract or re-negotiate the contract terms. The post award conference agenda should cover the following:

1. **Introduction.** Introduce all participants and identify agency and contractor key personnel.
2. **Scope.** Discuss the scope of the contract (i.e., what the agency is buying). Although this may seem overly simplistic, a total and complete meeting of the minds on this point will avoid problems during the life of the contract.
3. **Terms.** Summarize contract terms and conditions, particularly any special contract provisions. This can avoid any misunderstandings later on, and allows the contractor to gain a better understanding of the terms prior to beginning work.
4. **Requirements.** Discuss the technical and reporting requirements of the contract. The technical requirements may be discussed as part of the Scope, above. It is vital that the contractor and the agency have a meeting of the minds regarding technical requirements. The contractor must understand the importance of any reports required under the contract and the importance of submitting them in accordance with contract requirements.
5. **Administration.** Applicable contract administration procedures, including contract monitoring and progress measurement should be discussed.
6. **Rights.** The rights and obligations of both parties and the contractor performance evaluation procedures should be summarized. The agency should explain that contractor will be evaluated on their performance both during and at the conclusion of the contract and that such information may be considered in the selection of future contracts.
7. **Potential Problems.** Potential contract problem areas and possible solutions should be addressed. Any issues or contract areas that the agency believes may lead to a problem later on, or may be subject to differing interpretations, should be discussed.
8. **Payment.** Invoicing requirements and payment procedures should be discussed, especially if the payment will be made according to milestones achieved by the contractor.
9. **Authority.** The roles and responsibilities of the parties' contract managers, contract administrators, project managers, key personnel leads, and any other key staff should be identified. Agency personnel should explain the limits of their authority and obtain the same information regarding contractor personnel.

After the conference, the contract manager shall prepare a summary of the meeting for the contract file which details the topics covered. The summary shall include areas requiring resolution, a list of participants, and in

particular, those individuals assigned responsibilities for further action and the due dates for those actions. Copies of the meeting summary shall be distributed to all conference participants.