



## UNIVERSITY POLICY

<b>SUBJECT:</b>	PURCHASING SERVICES	<b>TITLE:</b>	CONTRACT MANAGEMENT		
<b>CATEGORY: Check One</b>	<b>Board of Trustees</b> <input checked="" type="checkbox"/>	<b>Presidential</b> <input type="checkbox"/>	<b>Functional</b> <input type="checkbox"/>	<b>School/Unit</b> <input type="checkbox"/>	
<b>Responsible Executive:</b>	Vice President for Supply Chain Management		<b>Responsible Office:</b>	Contract Management	
<b>CODING:</b>	00-01-60-15:00	<b>ADOPTED:</b>	03/20/07	<b>AMENDED:</b>	09/28/10

**LAST REVIEWED:** 09/28/10

### I. PURPOSE

To establish a University wide process that provides oversight and management of contract terms and conditions, establishes timelines, deliverables, acceptance of contract deliverables and authorization for payment, while minimizing contractual risk and exposure. This policy is intended to, and shall, supplement the “Purchasing Process” policy and “Waiver of Bids” policy and not in any way supersede any provision thereof.

### II. ACCOUNTABILITY

Under the direction and authorization of the Vice President for Supply Chain Management, all individuals authorized to commit University funds for the execution of University Contracts shall ensure compliance and shall implement this policy.

The responsibilities of each party involved in the Contract Management process are clearly delineated in Section VI., below. All parties are accountable and responsible to comply with the established procedures designed to perform Contract Management.

**Sanctions:** Any employee who fails to comply with the requirements of the UMDNJ policies regarding the management of contracts for the procurement of goods and services may be subject to appropriate disciplinary actions up to, and including, termination. Any party to this process that knowingly misrepresents information, or participates in such misrepresentation, and any party that fails to follow directions given regarding this process, may be held liable to the University for any sums of money due and owing to any vendor that provided goods or services to the University in reliance upon representations made by the UMDNJ employee. Instances of non-compliance with established procedures will be identified through the Vice President for Supply Chain Management for documented appropriate action, including reporting to the Senior Vice President/Chief Compliance Officer, if necessary.

### III. DEFINITIONS

- A. **Contract Manager:** Individual employed through the University to establish, train and enforce the Contract Management standard operating procedures and to ensure compliance.
- B. **Contract Analyst:** Individuals employed by the University, reporting directly to the Contract Manager and responsible for implementing contract management policy and procedures.

- C. Vice President for Supply Chain Management: The officer who oversees, and is in charge of, all aspects of University procurement including, without limitation, the departments of Purchasing Services, Contract Management, Supplier Diversity, Logistical Services, Material Management, and Strategic Services, and any other additional departments which may, from time to time, be created by Central Administration.
- D. Supply Chain Management Process: An all inclusive business approach that links skills of participants with defined processes to ensure best total value of purchased goods and services. It begins with the requesting departments' purchase order process, accesses the competitive market place and ends with the supplier selection and acquisition of goods and services.
- E. Deliverable: Includes the specific contractual obligations as specified and agreed to in the contract scope of work.
- F. Employee: As defined in Section IV. K. of the Purchasing Process policy, 00-01-60-05:00.
- G. Goods and Services: As defined in IV. E. of the Purchasing Process policy, 00-01-60-05:00.”
- H. Timeline: A schedule covering when products will be delivered and or services will be performed.
- I. Milestones: A list of major completion dates and or objectives upon which payments can be based.

#### IV. REFERENCES

- A. Purchasing Process [00-01-60-05:00](#)
- B. Contract Management (Legal Services) [00-01-90-40:00](#)
- C. P.L. 2005, Chapter 336, State Contracting Process C.52:34-10.7
- D. Circular, State of New Jersey, Department of The Treasury, No: 07-03-DPP,  
Date: 07-14-06

#### V. POLICY

- A. All contract requests for the purchase of goods and services that are in excess of the Public Bid Threshold (for amount please refer to <http://www.umdnj.edu/purchweb/faq/>) will be analyzed and managed by a member of the Contract Management Department. Contract Management will work collaboratively with the Requesting Department and Purchasing Department to ensure that the contract scope of work aligns with the Requesting Department's objectives and provides the vendor community with a clear understanding of UMDNJ requirements.
- B. It is the responsibility of the Contract Management Department to develop a plan to manage the contract. The plan will identify all major objectives/deliverables and incorporate them into a comprehensive project plan with a timeline for completion.
- C. The Manager for Contract Management and the Contract Analysts will ensure departmental compliance with this policy.
- D. The Vice President for Supply Chain Management, will provide the leadership to the process and the necessary assurances that compliance under this policy is achieved.

#### VI. PROCEDURES and RESPONSIBILITIES

- A. The Contract Management Department will:
  - 1. Participate with the Requesting Department and Purchasing Services in the development of contract specification/scope of work.

2. Work with the Requesting Department, Purchasing Services and Legal Management to identify contract specific Terms and Conditions.
3. Provide guidance and support to Purchasing in the development of the Request for Proposal (RFP).
4. Work jointly with Purchasing Services and the Requesting Department when a Request for Information (RFI) is required to develop a broad view of the work to be performed to send to potential vendors to solicit their level of expertise and interest in a particular project.
5. Participate with the Requesting Department and Purchasing Services in the vendor selection process that includes joint development of the criteria to be used in the decision process.
6. Be responsible to approve all proposed changes in project scope/deliverables throughout the term of the contract.
7. Work objectively to resolve any contract compliance issues that arise. In extreme cases of non-conformance the Contract Management Department may recommend termination of the contract.
8. Develop management reports jointly with Requesting Department and Vendor to manage the project plan and track the project timeline.
9. Track milestones and deliverables throughout the term of the contract to be certain all contract objectives are being met. Including documenting Requesting Department approval that deliverables are acceptable.
10. Review invoices against project plans and schedules to be certain that agreement is reached between the Requesting Department and Vendor and that objectives and deliverables have been met and accepted. This accountability provides the operational approval for invoice payment.
11. Ensure comprehensive auditable results.

By Direction of the President:

## **Signature on file**

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Vice President for Supply Chain Management