

POLICY

CATEGORY:	Board Administration	No.: 1.0.113.00
TITLE:	Approval Process for Contracts, Contract Renewals, and Contract Amendments	
SUPERSEDES:	New	
EFFECTIVE:	October 28, 2011	
BOARD APPROVAL:	October 27, 2011	
DATE OF LAST REVIEW:	July 17, 2014	

I. PURPOSE:

To establish a policy for the approval process of all contracts and grants administered and executed by the Board and concurred by the Chief Elected Officials (CEO) Council.

II. DEFINITIONS:

The following definitions clarify the meaning and usage of the various terms used in this policy and is applicable and binding for that purpose. Unless a specific legal authority is cited, they are not intended to be definitions for legal or general use.

Amendment - a Board contract revision occurring during the contract period which is not a renewal or extension of the contract period beyond the current contract end date. An amendment may include an increase or decrease in funds, a change in budget line items, or change in the scope of services or performance requirements.

Extension or Renewal – a Board contract revision to provide additional time and funds beyond the current contract end date. An extension of a contract may include but is not limited to changes and/or renegotiation of terms and conditions, funding and budget, scope of services, and performance requirements.

Board – Board of Directors of the Coastal Bend Workforce Development Board

Contract – a formal or legal binding written agreement between two parties which contains the agreed upon terms and conditions for provision of services and/or goods to be provided by one party for payment by the second party. The TWC - FMGC provides a technical definition in Chapter 15.

Incoming Grant/Contract Awards – Incoming grant or contract awards are financial assistance provided directly to the Board from TWC or other state/federal grantor agencies to provide project or program services to the Coastal Bend Workforce Development Area. Typically these awards are formula funded and allocated to each of the local Workforce Development Areas based on demographics, levels of unemployment and poverty, and local economic conditions. Special demonstration or pilot project awards may also be provided to local LWDAs as the need is determined and areas or Boards are selected through an application process.

Non-Program or non-programmatic – pertaining to contracts for services which are not delivered to or for the job seeker or employer customer, but are allowable services, administrative in nature and necessary for

operation of the Board. These non-program services include but are not limited to legal, audit, marketing, and insurance services, etc.

Program or programmatic – pertains to allowable services provided to or for the benefit of the Board job seeker and employer customers. These program services include but are not limited to Child care, youth programs, and workforce center operations, etc.

Service Providers – an entity that provides a service under contract to the Board

TWC - Texas Workforce Commission

FMGC - The Financial Manual for Grants and Contracts. The FMGC is provided by the TWC as the financial guide and compiles all applicable financial and related federal, state and agency requirements that apply to the Board and other recipients and sub recipients of TWC funds.

Threshold Amount - a local Board and CEO Partnership Agreement for the cumulative dollar amount for the life or duration of a contract to include all extensions or renewals if/when specified and allowed by the solicitation document and contract provisions. Board contract amendments as defined above are not included and do not apply to this definition due to their unforeseen nature and lack of opportunity to provide timely execution and as such do not require similar approval but only notification of the responsible authorities.

III. POLICY STATEMENT:

This policy provides the protocol for approval and execution of all contracts and grants by the responsible authorities. The process follows an order of precedence with approval solicited from and given first by the applicable Board Committee(s), second by a quorum of the full Board of Directors, third the requisite approval and signatory authority of the Board President/CEO, and finally the concurrence of the CEO Council.

The policy stipulates the signatory authorities and necessary steps in this contract review and approval process and outlines the responsibilities, and general guidelines for such review, approval, and execution of all contracts to which the Board is a party to.

All contracts and grants will be subject to this process and shall be executed in compliance with all applicable Federal, State, and local rules, policies, procedures, including but not limited to the Texas Workforce Commission (TWC) Financial Manual for Grants and Contracts (FMGC) and the Board's Procurement Procedural Manual.

It is the responsibility of the Board Staff proposing procurement and contract actions to ensure that appropriate advance planning and adequate time allocation is allowed to implement this process.

All contracts and incoming grants will be reviewed and approved as follows:

A. Approval and Concurrence of Program Service Delivery Contracts and Non-Program Service Contracts over the Threshold Amount.

All Program and non-program contracts which are entered into by and between the Board and its service providers which exceed the threshold amount shall require review and approval of the applicable Board Committee(s) – Child Care, Finance, Operations, Executive, a quorum of the Board of Directors, and the Board President/CEO. Additionally, the CEO Council shall have and exercise authority of concurrence over the Board's approval of these contracts.

If a contract is extended or renewed for a subsequent contract period causing it to exceed the threshold amount in accordance with the provisions of the CEO Partnership Agreement, it shall require a review and approval by the Board, its committees, Board President/CEO, and concurrence by the CEO Council.

Contracts which are only amended to exceed the threshold amount by \$5,000 shall not require approval and concurrence but shall be submitted to the Finance Committee, Board, and CEO Council for notification at the next scheduled meetings. This action will be limited to a one-time occurrence per contract.

B. Approval of Contracts/Subcontracts under the Threshold Amount

All contracts under the *threshold* amount shall require approval only by the Board President/CEO. The President/CEO will provide timely notification of these actions to the Board.

C. Incoming Grant and Contract Awards

Approval Requirements

All incoming grants and contracts awarded to the Board shall require approval and signature of the Board President/CEO.

Notification Requirements

Notice shall be given to the Board, its Committees, and the CEO Council of all incoming grant or contract awards, including amendments or extensions over the Threshold Amount.

IV. PROCEDURES

Board staff will develop procedures for timely notification of contract and grant awards.

V. RELATED POLICY INFORMATION:

N/A

VI. RESPONSIBILITIES:

The President/CEO shall distribute this policy and procedures to the Board of Directors, CEO Council, and Board Staff. Board Staff shall implement the policy and procedures.

VII. FORMS AND INSTRUCTIONS

N/A

VIII. DISTRIBUTION:

Board of Directors Board Staff Contracted Service Provider Staff

IX. SIGNATURES:

Reviewed by EO Officer

Date

President/CEO

Date