

Texas General Land Office

Contract Management Handbook

September 1, 2024

Agency Mission

The Texas General Land Office primarily serves the schoolchildren, veterans, and the environment of Texas. The agency does so by preserving our history, maximizing state revenue through innovative administration, and through the prudent stewardship of state lands and natural resources.

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CHAPTER 1 - INTRODUCTION

1.1 Purpose

This *Contract Management Handbook* (“*Handbook*”) for the Texas General Land Office (“GLO”) complies with Texas Government Code § 2261.256 and is consistent with the guidance found in the *State of Texas Procurement and Contract Management Guide* (“*Guide*”) produced by the Texas Comptroller of Public Accounts.¹ The information contained within this *Handbook* establishes the global principles for contract development, change management, and reporting efforts that are further defined in the policies, procedures, and guidance documents for the GLO Contract Management Division (“CMD”).

The *Guide* may contain policies not found in this document, and the GLO follows the *Guide*. If the information in this document contradicts mandatory requirements of the *Guide*, the *Guide* shall prevail.

The guidance found in this document is intended to promote the efficient use of resources and to provide transparency and accountability regarding the GLO’s expenditure of public funds. This *Handbook* supplements but does not replace existing statutory requirements. It is not intended to be a manual on the law of contracts or constitute legal advice. It is also companion to the GLO Procurement Department’s policies and procedures.

The CMD of the GLO also administers contracts for the Texas Veterans Land Board (“VLB”) and the School Land Board (“SLB”). The *Handbook* refers to all contracts managed by CMD. Both the VLB and the SLB have adopted contract management policies in addition to those found in this *Handbook* that provide further guidance on each board’s review of contracts.

1.2 Definitions

“[Amendment](#)” means a written addition or change to a contract. By definition, an Amendment becomes part of the Contract.

“[Attestation Letter](#)” means a formal certification letter required by the General Appropriations Act, attesting to compliance with various guidelines and regulations.

“[Centralized Accounting and Payroll/Personnel System](#)” or “[CAPPS](#)” means the Comptroller’s statewide financial system.

“[Certified Texas Contract Manager](#)” or “[CTCM](#)” means a Contract Manager that has taken the required training and passed the testing as required by the Comptroller.

“[Comptroller](#)” means the Texas Comptroller of Public Accounts (“CPA”), the state agency with the central authority for state agency procurement guidance, education, and statewide contract development as it pertains to this *Handbook*.²

“[Contract](#)” means a legally enforceable agreement—including, but not limited to, agreements for services and Grants—between two or more parties.

“[Contract Lifecycle Management System](#)” or “[CLM](#)” means an electronic system CMD uses to track and manage contracts throughout their lifecycles.

¹ [State of Texas Procurement and Contract Management Guide](#)

² [State of Texas Procurement and Contract Management Guide](#) – page 1

“[Contract Manager](#)” or “[CM](#)” means a person who is employed by the GLO in the Contract Management Division and is responsible for the development and change process for a certain set of contracts as well as contract-monitoring functions.

“[Contract Management](#)” means actions inclusive of contract development, as well as activities following contract execution, including the assessment of risk, verification of Providers’ performance through monitoring, submissions to meet reporting requirements, reporting of vendor performance, and ensuring that contract performance and practices are consistent with applicable rules, laws, and the *Guide*.³

“[Contract Management Division](#)” or “[CMD](#)” means the GLO department responsible for Contract Management activities on behalf of the Agency.

“[Contract Number Generator](#)” or “[CNG](#)” means an internal system CMD uses to create unique contract numbers for use in CLM.

“[Deliverable](#)” means a unit or increment of work required by a contract, including items such as goods, services, reports, or documents.

“[Extension](#)” means a legally enforceable amendment adding time to a contract schedule.

“[General Appropriations Act](#)” or “[GAA](#)” means the legislation that outlines the budget for the State of Texas for a specific biennium.

“[GLO](#)” or “[Agency](#)” means the Texas General Land Office, Veterans Land Board, School Land Board, and their officers, employees, and designees acting in their official capacities.

“[Grant](#)” means an award of financial assistance (including cooperative agreements) in the form of money, property in lieu of money, or other financial assistance paid or furnished by the state or federal government, and guidance provided by the grantor agency to a grantee entity.

“[Grant Manager](#)” or “[GM](#)” means the authorized GLO representative responsible for the day-to-day management of the project and the direction of GLO staff as it relates to grant-funded and subrecipient agreements.

“[Guide](#)” means the State of Texas Procurement and Contract Management Guide produced by the Comptroller.

“[Handbook](#)” means this document, the GLO’s Contract Management Handbook.

“[Legislative Budget Board](#)” or “[LBB](#)” means the committee of the Texas Legislature to which various state contract actions are required by statute or the GAA to be reported.

“[Notice to Proceed](#)” or “[NTP](#)” means a written document the GLO issues to a Provider, establishing the date on which Provider may begin work under certain contracts.

“[Project Manager](#)” or “[PM](#)” means the authorized GLO representative responsible for the day-to-day management of a project and the direction of GLO staff and independent Providers performing work under a contractual agreement that is not a grant-funded or subrecipient agreement.

“[Provider](#)” means a business entity or individual that has a contract to provide goods or services to the State.

“[School Land Board](#)” or “[SLB](#)” means the board established to manage the sale and mineral leasing of the Permanent School Fund lands.

³ [Certified Texas Contract Manager Training](#)

“[Subject Matter Expert](#)” or “[SME](#)” means a subject matter expert in a GLO department, typically also serving as a Project Manager/Grant Manager for a related contract.

“[Template](#)” means a contract-related document that has been approved by the Office of General Counsel and added to CLM be merged with CLM data during the contract-drafting process.

“[Unique Entity Identification Number](#)” or “[UEID](#)” means the official 12-character alphanumeric identifier assigned through [SAM.gov](#) and required for doing business with the U.S. government.

“[Vendor](#)” means a potential Provider of goods or services to the State.

“[Veterans Land Board](#)” or “[VLB](#)” means the board established to administer benefits for Texas Veterans.

“[Work Order](#)” means an individually negotiated document authorizing Provider perform specific services or deliver specific goods under a previously executed indefinite delivery, indefinite quantity Contract. Upon execution by both parties, a Work Order becomes a part of the Contract.

CHAPTER 2 - CONTRACT MANAGEMENT DIVISION

CMD performs the daily activities associated with initial contract development, change management, record retention, and all required reporting of GLO contracts. CMD achieves this through the leveraging of a variety of electronic systems and the coordinated work efforts of CMD staff members.

2.1 Electronic Systems

CAPPS

The GLO transitioned to CAPPS for financial administration in September 2023. This software solution is used by Texas state agencies for financial and payroll administration. The GLO uses CAPPS—including its Purchasing, Accounts Payable, General Ledger, and Asset Management applications—to manage financial transactions. CAPPS allows the GLO to enter and process requisitions and purchase orders for purchases and procurements. CAPPS also has a contract module that allows the financial records such as invoices to be connected to the associated contract through the associated purchase order. In addition, agencies can use the contract module to report contracts to the LBB Contracts Database.

Contract Lifecycle Management System

Contract administration is performed in a partnership between the PM/GM and CM assigned to each contract. The GLO utilizes an in-house database known as the CMS to track contract data related to the purchase of goods and services, as well as grant allocations.

Contract Number Generator

The GLO uses CNG, which was built in house, to generate the GLO’s unique contract numbers that are used in CLM. These numbers are considered “smart” contract numbers, as the various digits can identify the type of agreement: independent (i.e., not tied to a series), work order-based, or series-based contracts.

Agreement Type	Example Number	Distinguishing Characteristic
Independent Contract	22-090-000-D242	“000” in the third set of digits
Series-Based Contract (or a Work Order under a Work Order-Based Contract)	22-087-001-D226	not “000” in the third set of digits
Work Order-Based Contract	22-004-046	Shorter length

CMD staff members are the only staff members of the GLO that have assigned accounts for the management of contracts for goods and services. The accounts are assigned to CMD staff members through the GLO’s Information Technology Department.

DocuSign

DocuSign is a secure electronic signature platform that allows individuals to sign and manage documents electronically. The CMD uses DocuSign as the primary method of contract execution between the Agency and Providers/subrecipients.

DocuShare

Executed contract documents are maintained in DocuShare, a digital file repository, though some agreements executed prior to 2016 may be either partially or wholly in a paper-file format.

Contract documents will be maintained and retained in accordance with state law. The contract administration file shall at a minimum include the contract, supporting documentation such as

correspondence, amendments, construction change orders, and any attachments included in the contract. If a performance bond, payment bond, or insurance are required on the project, a copy of this documentation is to be included in the file as well.

In accordance with Texas Government Code § 441.1855, the GLO will retain records for each contract it enters. This includes all contract solicitation documents related to the contract. These contract documents will be destroyed only after the seventh anniversary of the date when the contract was completed or expired. For grant funded agreements, there is a longer retention period. If any issues arise from litigation, claims, negotiations, audits, open-records requests, administrative reviews, or other actions involving these documents, the retention period will be extended until the issue is resolved.

2.2 CMD Responsibilities

Contract Manager Responsibilities

For each contract or, in some cases, each group of similar contracts, a CM may perform the following functions as needed:

- Support contract origination activities and advise the PM throughout the contract development and lifecycle of the contract;
- Participate in Acquisition Plan meetings and track the solicitation process to ensure the final contract draft reflects the services contemplated in the solicitation documents;
- Determine if the Provider's compensation structure is appropriate for the work;
- Verify the approval of funds for the initial contract and any financial amendments;
- Draft the contract and any requested changes through the CLM Flow process;
- Obtain appropriate documentation including, but not limited to, the following (as applicable):
 - Certificates of insurance;
 - Bonds;
 - UEID verification;
 - LBB reporting documents; and
 - 1295 forms;
- Document significant events during the life of a contract;
- Monitor Provider's progress and performance through CMD's contract monitoring assignments;
- Implement and manage contract processes documented in the *Guide*, the *Handbook*, and other CMD policies, procedures, guides, and best practices; and
- Ensure the GLO business objectives are met throughout the planning and life of the contract.

Quality Assurance Team Responsibilities

For each contract or, in some cases, each group of similar contracts, a member of CMD's Quality Assurance Team may perform the following functions as needed:

- Complete the Post Process in the CLM Flow;
- Add and maintain contracts and related documentation in DocuShare;

- Report vendor performance for eligible contracts to the CPA;
- Report contracts meeting the LBB's criteria, or other criteria from Texas statute or the GAA, to the LBB's Contracts Database;
- Post contracts meeting the criteria of [Texas Government Code § 2261.253](#) on the GLO's website;
- Coordinate each fiscal year's CMD monitoring program; and
- Conduct contract closeouts for selected vendor contracts.

2.3 Training and Professional Certification

Certified Texas Contract Manager (CTCM)

The Comptroller administers a system of training, continuing education, and certification for state agency contract management personnel. This same law also requires the GLO to ensure that its CMs complete the training and certification developed by the CPA. GLO CMs that work in the CMD must be CTCMs upon hire or as soon after hire as practicable, based on the Comptroller's Statewide Procurement Division's training schedule.

Continuing Education Hours

Certified individuals are required to complete continuing education hours to maintain CTCM certification. Procurement professionals renewing a three (3) year certification are required to take twenty-four (24) hours of SPD-sponsored in-person or online continuing education. One (1) of the twenty-four (24) hours must be ethics, to maintain certification. In addition, one (1) hour may be a non-SPD-sponsored elective of your choice. Your hours are tracked on your transcript.

If renewing under a dual certification, procurement professionals are required to take thirty-six (36) hours of SPD-sponsored in-person or online continuing education. One (1) of the thirty-six (36) hours must be ethics, to maintain certification. In addition, two (2) hours may be a non-SPD-sponsored elective of your choice. Your hours are tracked on your transcript.

Additional information on the CPA's training programs can be found at the following web address: <https://www.comptroller.texas.gov/purchasing/training/>.

2.4 Ethics

Employees of the GLO are expected to adhere to the highest standards of conduct. This includes adherence to the ethics policies as stated in the *Texas General Land Office Employee Handbook*. It is the policy of the State of Texas that a state officer or state employee may not have a direct or indirect interest, including financial and other interests; engage in a business transaction or professional activity; or incur an obligation of any nature that is in substantial conflict with the proper discharge of the officer's or employee's duties in the public interest.⁴

CMD staff members must review and adhere to the ethical laws and professional standards outlined in the *Guide*, which include but are not limited to policies relating to the following: nepotism, state ethics policy, state standards of conduct, bribery, gifts to public servants, misuse of official information, misuse of government property, and suspected fraud, waste, and abuse.

Reports of fraud, waste, or abuse involving state resources may be submitted through the [SAO website](#), by phone at 1-800-TX-AUDIT (892-8348), or by mail to State Auditor's Office, Attn:

⁴ Tex Gov't Code § 572.001

IAS, P.O. Box 12067, Austin, TX 78711-2067. Someone who reports fraud may choose to remain anonymous.

Members of the CMD must adhere to additional ethical requirements as outlined in the GLO's Procurement Manual when attending meetings involving a solicitation's evaluation process.

CHAPTER 3 - PLANNING

3.1 Goods and Services

Any successful project that requires contracted services will follow common steps as detailed in the *Guide*. The GLO follows the same steps as highlighted in the image below.

The Procurement division in the GLO's Financial Management department is responsible for procuring a variety of commodities and services for the Agency. The assigned Contract Manager attends procurement meetings for informational purposes and to ensure proper contract development and execution.



Procurement Planning

Identify contracting objectives and strategy.

Procurement Method Determination

Select the most qualified Vendor(s) using a fair and objective process.

Vendor Selection

Fairly and objectively select the vendor that provides best value to the State.

Contract Formation and Execution

Ensure the contract contains provisions that hold the Provider accountable for producing desired results, including all relevant terms and conditions as well as establish processes that are cost-effective and aligned with the cost of providing the goods and services.

Monitor and enforce the terms of the contract.

Contract Management

PM managing vendor deliverables

CM overseeing contractual change management and monitoring the term of the contract.

Acquisition Plan (“AP”)

The CM's first notice of the need for a new contract for goods or services may begin when the CM receives an invitation to an Acquisition Plan meeting. The purpose of this meeting is to review the written AP as submitted by the GLO Project Manager. This formal review of the AP helps to ensure the project is solicited, negotiated, executed, and managed in a way that delivers the best value to the State.

The AP will provide critical information, including the following:

- Key points of contact such as the PM, CM, Purchaser, and Attorney;
- Scope of services;
- Proposed budget;
- Schedule of procurement activities; and
- Statutory authority for the procurement.

Notice of Award

Once a vendor is selected by the evaluation team, the Purchaser will send the CM a Notice of Intent to Award signed by the vendor. This is the indication that the procurement process has ended and contract development may begin.

3.2 Grant Awards

The GLO is the recipient of grant funds from state and federal entities, as well as private parties. In addition to being used to procure goods and services through the procurement process, these grant funds may also be distributed through subrecipient agreements based on a request for applications (“RFA”).

Request for Applications

For some grant funds, a formal notice is issued by the GLO to announce the availability of grant funding. When an RFA is released, it informs entities that they have the opportunity to submit proposals outlining how the grant funds could be utilized. The RFA typically includes details about the project or program for which the funding is intended, as well as information on how applications will be evaluated. Once the lead department has selected the subrecipients of these grant funds, the assigned CM is provided the list of subrecipients and award values, as well as other supporting documentation to support the grant awards.

3.3 Interagency

Chapter 771 of the Texas Government Code, the Interagency Cooperation Act, provides authorization for the GLO to contract with other agencies “for the provision of necessary and authorized services and materials and equipment”.⁵

3.4 Interlocal

Chapter 791 of the Texas Government Code, the Interlocal Cooperation Act, provides authorization for the GLO to contract with local governments.

CHAPTER 4 – CONTRACT FORMATION

GLO contracts and grants include standard provisions that are applicable to most contracts. These provisions include administrative and financial provisions, statement-of-work provisions, contract term (including termination and dispute resolution) provisions, provisions that relate to the rights and ownership of work products, and provisions that allocate risk.

4.1 Contract Terms

Essential Provisions

The Texas Government Code details essential provisions that must be included in a contract to protect the interests of the State. Each contract must include terms which address the following:

- Scope of work (the description of the products and/or services to be provided by the vendor);⁶
- Financial provisions (price, payment terms, reimbursement methodologies);⁷
- Contract term and termination provisions;⁸ and
- Identification of the contracting parties.

Texas-Required Contract Clauses⁹

State agency contracts are statutorily required to contain certain contract clauses. The *Guide* provides a detailed list of these contract clauses, as well as standard and alternate text for compliance with applicable statutes. The GLO includes these required contract clauses within the contract or the General Affirmations attachment.

Texas-Recommended Contract Clauses¹⁰

The Office of General Counsel makes the determination as to which recommended clauses are included in the contract and/or attachments and templates.

4.2 Development of Contract Documents

Contract Templates

The GLO uses contract templates that include standard terms and conditions, as well as any relevant or required terms and conditions for the type of agreement, type of contracted service, and source of funding. The CMD works with the Office of General Counsel to develop these templates. Templates must be reviewed and approved by the Deputy General Counsel of the GLO in order for these documents to be entered into CLM and used.

CLM Flow

The contract formation process is conducted through the Flow in CLM. The Flow guides the CM through a series of stages and steps to complete the development of the contract documents. CMs also have access to supplemental documents, including but not limited to CMD's *CLM Record Creation & Review Guide*, the *CLM User Guide*, and other training materials.

⁶ [State of Texas Procurement and Contract Management Guide](#) – page 53

⁷ [State of Texas Procurement and Contract Management Guide](#) – page 56 - 57

⁸ [State of Texas Procurement and Contract Management Guide](#) – page 108-110

⁹ [State of Texas Procurement and Contract Management Guide](#) – page 85

¹⁰ [State of Texas Procurement and Contract Management Guide](#) – page 85

4.3 Required Information for Drafting

Whether drafting a new contract, grant, work order, or amendment, the CM requires certain information to be able to draft the document. The initial information required is general project information: essentially, what is desired to be done, with whom, for how long, and why. Additionally, the CM would need to know any project-specific information that is used by the requesting division, such as a project identification number or project name.

In addition to this information, the CM also requires the following:

- Approved funding, including the following:
 - Approved requisition in CAPPs; and
 - Supporting information identifying the grant award funding the contract, if applicable;
- Payment type and billing schedule;
- Provider's Federal Employer Identification Number / Texas Identification Number;
- Texas Multiple Award Schedule or Department of Information Resources contract number, if applicable;
- Insurance requirements, if applicable;
- Performance/Payment bond requirements, if applicable;
- Names and email addresses for all GLO and Provider staff who will need to review and sign the documents to ensure proper execution;
- Provider's UEID (if the contract is federally funded); and
- Disclosure of Interested Parties ("Form 1295"), if applicable.

As each drafting situation is unique, each contract may be additional required information.

4.4 Methods of Contract Execution

DocuSign

The GLO uses a cloud-based electronic signature application to obtain signatures for the execution of Agency contracts. CMD best practice is for Contract Managers to apply a DocuSign template that predetermines the signatory path depending on the type of contract and the Agency's requesting department. A typical DocuSign template includes the following people:

- The assigned attorney;
- Key requesting-department staff members;
- The Deputy General Counsel;
- The General Counsel;
- Provider/subrecipient's signatory; and
- The GLO/VLB binding signatory.

Other

From time to time, the GLO may accept a physical signature on a paper contract if required by Provider. CMD will route the contract through DocuSign in the normal manner to obtain the GLO initials, and Provider can then print, sign, and return the document. Best practice is for this hand-

signed document to be added back to DocuSign for the binding signatory for the GLO/VLB to execute the contract within DocuSign.

From time to time, certain circumstances require the Agency's binding signatory to delegate authority to another staff member to approve certain terms and conditions. The delegation of authority is documented in writing.

4.5 Binding Signatures

GLO Contracts

The GLO Chief Clerk has the authority to bind contracts for the GLO.

SLB Contracts

The GLO Chief Clerk has the authority to bind contracts for the SLB.

VLB Contracts

The VLB Executive Secretary has the authority to bind contracts for the VLB.

CHAPTER 5 – CONTRACT ADMINISTRATION (Post Execution)

Once a contract is executed in DocuSign, the contract administration process instantly begins.

5.1 CLM Flow Continuation

The Flow in CLM continues through additional stages and steps to ensure the following:

- All associated records are updated in CLM;
- The executed contract documents are appropriately added to DocuShare;
- Contracts are reported as required; and
- Contract Managers complete additional activities with the assignment of a Post Process Workflow.

5.2 Required Reporting of Certain Contracts

Expenditure Report – GLO Website

[Texas Government Code § 2261.253](#) requires state agencies to post contracts for the purchase of goods or services from a private vendor to the Agency website. The Agency must post the following:

- Contracts the GLO enters into, including contracts entered into without inviting, advertising for, or otherwise requiring competitive bidding before selection of the contract, until the contract expires or is completed;
- The statutory or other authority under which a contract, that is not competitively bid, is entered into without compliance with competitive bidding procedures; and
- The request for proposals related to a competitively bid contract until the contract expires or is completed.

Contracts Exceeding \$100,000 – GLO Website

Agency vendor contracts that have a value exceeding \$100,000 are listed on the GLO's website. This listing shall, at a minimum, include the name of the vendor and a description of the contract.¹¹

Legislative Budget Board Contracts Database

Contracts that have a value that exceeds certain thresholds must be reported to the LBB. The reporting submission must include any required documentation such as the solicitation documents, contract documents, and attestation letters.¹² All such required reporting goes to the LBB Contracts Database located on the LBB website.¹³ The LBB Contracts Database is the single point of data entry for all contract information the Agency is required to report to the LBB by statute or the General Appropriations Act.

Prior to the implementation of CAPPs in September 2023, the Agency manually reported the contracts to the LBB Contracts Database. Once CAPPs was implemented, the Agency modified policies, procedures, and associated guides to accommodate reporting through the contracts module in CAPPs.

¹¹ [TEX. GOV'T Code § 2054.126\(d\)\(4\)](#)

¹² [TEX. GOV'T. Code § 322.020](#)

¹³ [Legislative Budget Board](#)

Vendor Performance Reports

[Texas Government Code § 2155.089](#) requires state agencies to file a vendor performance report through the TPASS Web Portal.¹⁴ These reports are filed upon completion or termination of the contract on every purchase over \$25,000, including delegated purchases, TPASS contracts, and exempt purchases. If the value of the contract exceeds \$5 million, a report must be filed at least once each year during the term of the contract and at each key milestone identified for the contract.

State agencies are required to use the Vendor Performance Tracking System to determine whether or not to award a contract to a vendor that has been reviewed in the tracking system.

5.3 Monitoring Performance

The GLO's contract monitoring program begins in the planning phase of the procurement process when the contract's risk is determined. After contract execution, selected GLO contracts will be monitored to verify that the contracted work is being performed effectively and efficiently in accordance with contract terms and conditions. Contract monitoring includes planned, ongoing, periodic, or unscheduled activities that measure and ensure compliance with the terms, conditions, acquisition, service delivery, and related requirements of a contract.

By assessing risk and allocating monitoring resources accordingly, the GLO can more effectively focus limited resources on contracts that pose the highest risk to the State. A risk-based approach does not mean lower-risk contracts are not monitored; rather, more-complex or higher-risk contracts may receive more frequent or more in-depth monitoring. If new or greater risks are identified for a contract during the fiscal year, the contract may be added to the monitoring plan.

Enhanced Contract Monitoring

Tex. Gov't Code 2261.253(c) requires state agencies identify each contract that requires enhanced contract or performance monitoring. The enhanced monitoring is an increased level of monitoring in addition to and beyond the regular monitoring process conducted by the PM or GM.

5.4 Change Management

During the term of the contract, it may become necessary to make changes. These changes can range from simple administrative changes such as clerical corrections, to substantive changes such as adjustments to delivery schedules.

Drafting Request Form

The best practice associated with the amendment process at the GLO is for the PM or GM to complete and submit a Drafting Request Form to the assigned CM. The contracting teams may use other methods to verify data required for drafting amendments, as warranted by certain situations (e.g., large volume of contracts requiring the same changes).

This form is also used for CMD to work with PMs or GMs prior to contract expiration to determine if a contract will be allowed to expire or will require the start of a change management process.

The Drafting Request Form includes the following:

- Reason for the amendment;
- Explanation of the necessity of amendment;
- Requested change in funds;

¹⁴ [Vendor Performance Web Portal](#)

- Requested change in time;
- PM information; and
- CLM data validation.

Substantive Changes

Substantive changes affect both contract parties and typically affect the scope of the contract and/or rights of the involved parties. Some examples of substantive changes include, but are not limited to, the following:

- Price;
- Delivery schedule;
- Specifications; and
- Terms and conditions.

The Project Manager will serve as the point of contact for initiating the substantive changes to the contract, whereas the assigned Contract Manager may initiate administrative changes. The Project Manager will work with the Contract Manager to ensure that any proposed change to the contract is done in line with the state and contracting laws, agency policies, terms of the contract, and scope of the original solicitation, if applicable.

Administrative Changes

Administrative changes to the contract do not affect the scope of the contract or the rights of the involved parties. Some examples of administrative changes include, but are not limited to, changes regarding the following:

- Billing instructions and payment address;
- Clerical corrections (e.g., typographical, spelling, and grammar errors);
- Personnel assigned to the contract; and
- Other adjustments as permitted by specific contract language.

Construction Change Orders

If changes to work, time, or money associated with a construction contract become necessary to ensure the accuracy and completion of the construction project, a Change Order must be issued by the Construction Services Project Manager. Upon completing a change order in compliance with the GLO's Construction Services division's policy on change orders, a completed version is provided to the Contract Management Division for inclusion in the contract file.

5.5 Termination

A contract may be terminated due to no fault of either party ("Termination for Convenience") or because the Provider breached the contract ("Termination for Default").

Termination for Convenience

A termination for convenience may happen at any time, in whole or in part, if the termination is in the best interest of the GLO. If a contract is terminated for convenience, the GLO will provide a written notice to the Provider explaining the date the termination is effective and whether the termination is in whole or in part. If only part of the contract is being terminated, the notice needs to specify which parts are terminated.

Termination for Default

A termination for default may happen if a Provider fails to perform or in any way breaches the contract. Prior to a contract being terminated for default, a cure notice should be sent to the Provider, informing Provider of its performance failures or other breaches and giving Provider a time period in which to correct the issues. If a Provider cannot or will not correct the problems, the contract may be terminated for default.

Termination Flow in CLM

A termination record in CLM has a separate flow specific to this action. The CM drafts the termination letter using an approved template. The letter is reviewed by CMD Management and the assigned Attorney. The Attorney's supervisor may also review the document. Following approval, the Attorney informally briefs the General Counsel about the termination. The document is then placed in DocuSign for signing by the General Counsel.

As most termination letters have a 30-day period from the date of the letter to the effective date of the termination, the Flow requires an event be created to remind the CM of the effective date. During the 30-day period, the status of the contract is changed to a status indicating that a termination is pending.

5.6 Contract Closeout

The CMD performs contract closeouts for selected vendor contracts. The purpose of the contract close-out process is to ensure the contract file contains all necessary contract documentation, report vendor performance, and document lessons learned. The closeout process is administered with a Flow process in CLM. Closeouts are completed when the following has been completed or verified:

- Final payment has been issued;
- Vendor performance has been reported to the Vendor Performance Tracking System (when applicable);
- Any outstanding monitoring issues have been resolved;
- The Project Manager has indicated that all property inventory and ownership issues are resolved, including disposition of equipment or licenses purchased under the contract;
- The Project Manager has indicated the final acceptance of all deliverables/tasks (if applicable);
- Any deficiencies identified during the contract closeout process have been documented and communicated to the appropriate parties and documented as a "lesson learned."

Finally, a contract closeout checklist is completed at the close of each contract and maintained as part of the contract administration file.

CMD also supports the closeout efforts of subrecipient grant agreements as needed by the GM departments. This typically includes CMD routing close-out documents in DocuSign and updating relevant contract records.