



BASIC CONTRACTING GUIDELINES

A reference tool for use in executing agreements with outside parties.

The initial idea to enter into an agreement can originate in a variety of ways for the Twin Rivers Unified School District. Sometimes, it is simply the need to facilitate basic operations. Often, it comes out of creativity and the desire to expand District services to the community. Whatever the source, contracts are required to solidify the scope of services and terms of the agreement, while also encumbering funds and protecting the District from legal or liability claims. Public Contract Code and Education Code dictate much of what we do in these agreements. The information contained in these guidelines will serve as an overview of the contracting process. Contracting & E-Rate Services can help with the process, and employees of the District are encouraged to seek this assistance whenever necessary.

When a department or program wishes to enter into an agreement, the first step is to consider the type of agreement and dollar amount of the agreement, if there will be any fee for services or costs for the project. The dollar amount will dictate whether or not the District is required to formally compete and advertise the project or need for services.

Construction, or Public Works, projects have their own set of requirements and these are not addressed here, except to say that for most construction projects, bid thresholds differ from those for non-construction services, equipment, materials, supplies, and non-public project repairs [Public Contract Code Section 20111(a)].

To initially determine the dollar amount of an agreement, it is common to get a budget estimate from a vendor or seek input from other school districts or county offices of education which may have recently secured similar services. If the dollar amount of the project and/or services does not exceed the bid threshold (at the time of this writing, \$76,700.00 – this amount is adjusted annually for inflation by the State Superintendent of Public Instruction), formal bid will NOT be required to secure the vendor of choice. Generally speaking, if the dollar amount will exceed the bid threshold, formal bid WILL be required, unless certain other conditions will be met (data processing equipment, textbooks, perishables, piggyback contracts, etc.). Formal bids must be advertised for a specific period of time, and the process is a bit more involved. Program coordinators are advised to seek input from Contracting & E-Rate Services if their services or project will exceed the bid threshold.

Program coordinators should make sure the services they seek (or similar services) are not already being performed within the District. There are cost and administrative benefits that may be derived from consolidating services through a single vendor. Contracting & E-Rate Services maintains a central agreement matrix and can provide input on what kinds of agreements already exist within TRUSD. Be sure to consult your department or Program Administrator before you get too far along in this process. If you are concerned about adequate funds for your project or services, seek verbal input from Fiscal Services and Budget before you proceed. These departments review all contracts and may reject any agreements where funding is not available.

In cases where a formal bid is NOT required, it is generally acceptable to obtain three proposals, or quotes, based upon a set scope of work/services, from three vendors. The vendors may be chosen at will, but must be qualified to do the work. If any of the chosen vendors do not wish to participate or submit a proposal, there is no need to seek a fourth vendor's participation. There are a few things to remember when seeking proposals:

1. Record your contact with and invitation to the three vendors, naming each company and their contact information, and making a note of the current date.
2. If a vendor chooses not to participate, document that fact and state their reason for declining.
3. Supply the same scope of services or work that you are considering, identically to each of the vendors.
4. Tell each vendor what criteria you will use to select the winning vendor (price is always a factor, but there can be other criteria used to determine who will be the best vendor to perform your services).
5. Set a fair due date for submittal of the three quotes. Give the vendors ample time to prepare and submit them, and make sure they know where and how you want them delivered.
6. Select the winning vendor by comparing criteria equally. (Contracting & E-Rate Services can supply customizable evaluation/selection criteria tables for this process.)

The District maintains contracting templates for use in writing your agreements. These agreement templates can be found online at the Twin Rivers website. Our two main service agreements are (1) for services with a dollar amount of \$15,000 or less, and (2) for services with a dollar amount of greater than \$15,000. Responsibility for each step in the contract review and approval process is explained in the first few pages of each template. Agreements for dollar amounts over \$15,000 will require TRUSD Board approval. Refer to the templates for further instructions.

If the agreement will be with another agency or agencies (non-profit, school district, county office of education, state or local government entity), the proper agreement template to use is the Twin Rivers Memorandum of Understanding (MOU). It is also available on the Twin Rivers website. When an MOU is used, a tracking sheet is available on the website (Outside Agreement & MOU Routing & Approvals Tracking Sheet) which must be attached to the MOU to ensure adequate routing, review, and approval of the agreement.

The District directs use of our standard service agreement templates or MOU whenever possible. There are times, however, when an outside party will not accept a Twin Rivers agreement. Any **outside** agreements must be reviewed *early in the process* by the Director of Contracting & E-Rate Services. In an effort to control legal fees charged to the District, Program Coordinators are cautioned NOT to seek legal counsel input on any agreements without first consulting the Director of Contracting & E-Rate Services. The tracking sheet described above will also be required for any outside agreements.

ALL agreements must be fully-executed and if applicable, approved by the Twin Rivers Board BEFORE services may begin. Please allow ample time for the review and approval process, prior to the start of services.

When agreements expire, there may be a need for renewal or extension of the original agreement. For this reason, Twin Rivers maintains Amendments to Service Agreements, also available online. The amendment templates are simple documents meant to identify and secure approval for any changes to the original agreement.

Please consult Contracting & E-Rate Services for assistance with any District contracting matters.