



Appeals Case Management System (ACMS)

Contract Management Plan



APPEALS CASE MANAGEMENT SYSTEM

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Approvals



 GUPREET P. ANDHEER, CDSS ISD SYSTEMS ARCHITECT

3/30/2016
 DATE



 MARC GRIJALVA, CDSS ACMS PROGRAM MANAGER

4-4-2016
 DATE



 RICK MURPHY, OSI ACMS PROJECT DIRECTOR

4/8/16
 DATE



 CYNTHIA TOCHER, OSI DEPUTY DIRECTOR

4-08-16
 DATE



 MANUEL ROMERO, CDSS PROJECT SPONSOR

4-12-16
 DATE

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1. INTRODUCTION

1.1 Purpose

This document describes the Contract Management Plan (hereinafter referred to as the "Plan") for the Appeals Case Management System (ACMS) project. The purpose of this plan is to identify the tasks and activities to be performed by the ACMS project to monitor and assess contract activities and Contractor performance.

This plan documents the scope, content, methodology, sequence, and responsibilities to systematically and efficiently execute and manage contracts in order to maximize financial and operational performance and minimize risks.

1.2 Scope

This Plan identifies the activities to be performed or initiated by ACMS project staff to manage, track, amend, and close both time and materials (T&M) and deliverable based contracts. Where applicable, this document references specific detailed processes that are separate from this Plan. Contracts not managed by the ACMS project such as Independent Verification and Validation (IV&V) are not in scope for this plan.

This Plan discusses managing contracts for products and services. It does not discuss contracts with suppliers (e.g., contracts to procure office supplies or other consumables).

1.3 References

1.3.1 Best Practices Website

For guidance on the Office of Systems Integration (OSI) project management methodologies refer to the OSI Best Practices website:

<http://www.bestpractices.osi.ca.gov>

The materials are available through the "By Function-Phase" link. OSI project management methodologies align with the California Project Management Methodology (CA-PMM):

http://www.cio.ca.gov/Government/IT_Policy/SIMM_17/index.html.

Additional references in use to manage the ACMS project contracts include:

- OSI Policy #OSI-AP-07-02, Form 700 – Statement of Economic Interests
- State Administrative Manual (SAM) – Section 3504
- Purchasing Authority Manual (PAM) – Chapter 11 Contract Administration
- Government Code 8546, 19130, and IT General Provisions
- State Contracting Manual, Vol. 3 (SCM 3), IT Goods and Services
- IT California Multiple Award Schedules (CMAS) Agency Information Packet

- IT Master Service Agreement (MSA)

1.3.2 Project Centralized Document Repository

The ACMS project repository is the project SharePoint site for all project-specific documentation. The project repository is located at:

<http://sharepoint.dss.ca.gov/orgs/projects/ACMSpmo>

Contract management items that are stored in the centralized document repository include, but are not limited to:

- Contract Management Plan
- Deliverable Process Management Plan
- Solicitation documents
- System Integration (SI) contract
- Procurement Support consultant contract
- Organizational Change Management consultant contract
- Other contracts as required
- Contract management tracking workbooks

1.3.3 Contract Management Tracking Workbook

The current list and status of ACMS project contracts are kept in contract management tracking Excel workbooks located at:

<http://sharepoint.dss.ca.gov/orgs/projects/ACMSpmo/Lists/Action%20Items/Open%20Items.aspx> . The ACMS project uses Microsoft Excel workbooks to track contracts and amendments, deliverables, work authorizations, Contractor performance metrics, corrective actions, contract budget information, invoicing, liquidated damages, and contract withholds.

1.4 Acronyms

ACRONYM	DESCRIPTION
ACMS	Appeals Case Management System
ACSD	Acquisition and Contracting Services Division
BPWeb	OSI Best Practices Website
CM	Contract Manager
CDSS	California Department of Social Services
CDT	California Department of Technology
CMAS	California Multiple Award Schedule
DGS	Department of General Services
ESC	Executive Steering Committee
IT	Information Technology

ITPOD	Information Technology Project Oversight Division
IV&V	Independent Verification and Validation
OSI	Office of Systems Integration
MSA	Master Services Agreement
PAM	Purchasing Authority Manual
PCA	Program Cost Account
PD	Project Director
SAM	State Administrative Manual
SCM	State Contracting Manual
SCO	State Controller's Office
SI	Systems Integration
SOW	Statement of Work
STPD	Statewide Technology Procurement Division
T&M	Time and Materials
TAP	Task Accomplishment Plan

1.5 Document Maintenance

This document will be reviewed and updated as needed 1) at least annually, 2) and also eight weeks prior to the start of each system development life cycle (SDLC) phase, 3) or on an as needed basis.

This document contains a revision history log. When changes occur, the document revision history log will be updated with a new version number to the next increment, the date of the update, and a change description.

2. ROLES AND RESPONSIBILITIES

This section describes the roles and responsibilities of the ACMS project staff with regard to contract management. There are various staff resources and stakeholders involved in managing ACMS project contracts. In some cases, one individual may perform multiple roles in the process.

2.1 OSI Director's Office

The OSI Director, or his/her designee, is the Agency signatory for all contracts and contract amendments. The OSI Director's Office participates in contract dispute resolution and attends ACMS project Executive Steering Committee (ESC) meetings, as needed.

2.2 OSI Acquisitions and Contracting Services Division

To procure ACMS contracts, the OSI Acquisitions and Contracting Services Division (ACSD):

- Assists with solicitations

- Contacts prospective contractors
- Develops or reviews the solicitation packages including the Statement of Work (SOW)
- Coordinates the encumbrance of funds for the contract
- Distributes copies of the signed, executed contract to the appropriate parties
- Participates in contract negotiations

The OSI ACSD also coordinates final approval of contracts with the OSI Director, and advises the ACMS project of new or modified State procurement policies and regulations. Throughout the project life cycle, the OSI ACSD continues to serve the ACMS project with contract amendments and contractor staff replacement.

2.3 OSI Budget Office

The OSI Budget Office verifies encumbered funds versus fund availability, verifies the Project Cost Accounting (PCA) codes, and assists the ACMS Project Team to plan, develop, analyze, execute, and communicate all ACMS project budget-related information.

2.4 OSI Accounting Office

The OSI Accounting Office receives and coordinates approvals of invoices, processes invoice disputes and requests payment from the State Controller's Office (SCO).

2.5 OSI Deputy Director

The OSI Deputy Director is responsible for decisions on contract issues within the ACMS project. The Deputy Director provides overall direction to the ACMS Project Director (PD) to ensure that any procurement needs for the project are executed.

2.6 CDSS Project Sponsor

The CDSS State Hearings Division Deputy Director is the sponsor for the ACMS project. The CDSS Sponsor ensures that ACMS related program policies are addressed, that the ACMS project meets program requirements and is completed according to scope, schedule, and budget.

2.7 ACMS PD

The PD confirms there is a project need for new contractor services. Once this is confirmed, the procurement process initiates. After the contract has been executed, the PD assigns a contract manager and ensures the assignee fulfills associated responsibilities. The PD oversees the administration of the overall project, is responsible for contract management decisions on all contract issues, participates in contract negotiations, and determines when to involve the escalation process. The PD is the final approver of all invoices.

2.8 CDSS Program Manager

The ACMS CDSS Program Manager reports to the CDSS Project Sponsor, represents the CDSS Sponsor on contract management, planning, tasks, and decision issues, and is part of the Project Management Committee (PMC). The CDSS Program Manager works with the OSI Project Director to coordinate program-related efforts and to resolve project issues.

2.9 Project Management Lead Analyst

The PM Lead Analyst oversees the Contractor's and the resolution of funding issues. The PM Lead Analyst monitors contract activities, reviews and revises contract amendments, identifies and resolves dispute issues, and mitigates and manages contract risks.

2.10 Procurement/Contract Analyst

The Procurement/Contract Analyst will act as the ACMS Contract Manager (CM) who administers project contracts for the ACMS project to ensure compliance with appropriate regulations and policies. The CM:

- Researches contract issues
- Monitors contractor performance against the requirements of the contract
- Develops deliverable management tools and procedures
- Works with the ACMS Project Team, CDSS, and Project Sponsor to ensure the expectations and due dates for each deliverable set forth in the contract are clear and complete
- Participates in negotiations and processes contract amendments
- Tracks all contract deliverables and milestones
- Validates deliverable acceptance prior to authorization of payment
- Tracks liquidated damages and withheld amounts
- Tracks invoices and payments
- Monitors contract budgets

2.11 Project Management Analyst

The PM Analyst ensures that the project library contains a copy of all deliverables and associated supporting documentation.

2.12 Fiscal Analyst

The Fiscal Analyst (FA) reviews contract documents to ensure adequate funds are available to support the payment of invoices; tracks invoice and expenditures; verifies that personnel, classifications, deliverables, and rates in the invoice

correspond to the terms in the contract; and, identifies the appropriate funding codes.

2.13 Legal

The ACMS project uses the OSI Legal staff in partnership with CDSS Legal staff to assist with any contract issues on behalf of the ACMS project.

2.14 Center for Medicare and Medicaid Services

The Federal Center for Medicare and Medicaid Services (CMS) may provide input into the original solicitation document and may request to review and/or approve certain contracts.

2.15 Department of General Services

The Department of General Services (DGS) administers procurement policy and standards, and oversees all procurements within the State, including establishing and maintaining the CMAS and MSA contract lists. The DGS keeps records of contractor performance, and approves any contract amendments over the OSI delegated purchasing authority.

2.16 State Controller's Office

The State Controller's Office (SCO) receives check requests for invoice payment, generates the associated check for payment, and mails the check to the contractor.

2.17 California Department of Technology Statewide Technology Procurement Division

The California Department of Technology (CDT) Statewide Technology Procurement Division (STPD) administers policy and standards and oversees the competitive procurement for the ACMS project SI contractor and any IT procurements that exceed the OSI delegated purchasing authority. The STPD is also participates in negotiations and is involved in resolving disputes or non-performance issues on contracts they provide oversight on.

2.18 Independent Verification and Validation

The Independent Verification and Validation (IV&V) contractor is managed by the Information Systems Division within CDSS and informs the CDSS Project Sponsor and monitors the ACMS project to ensure it is adequately implementing the project. The IV&V contractor may review deliverables, participate in performance and status review meetings, participate in testing, and review the SI contractor's metrics and processes.

2.19 California Department of Technology Information Technology Project Oversight Division

The Information Technology Project Oversight Division (ITPOD) oversees State of California Information Technology IT projects. ITPOD staff ensures project proposals and plans are well thought out and clearly indicate programmatic benefits and feasible alternatives consistent with statewide strategies, policies, and procedures.

3. NOTIFICATION OF CONTRACT APPROVALS

When a contract has been approved and signed, the OSI ACSD sends the original to the contractor (including the standard contract terms and conditions) and provides copies to the SCO, CM, and STPD (when applicable). When the CM receives notification that a contract has been signed, the CM notifies the contractor and confirms their actual start date. A contractor may not begin work without a fully executed contract. The CDSS Program Manager also arranges contractor resource needs as specified in the contract.

The CM reviews contracts for accuracy including verification of dollar amount, deliverables, contract period, etc. If there are corrections needed, the CM works with the OSI ACSD to correct them. If the contract is correct, the CM notifies the ACMS project FA of the encumbrance amounts and gives a copy of the SOW and contract to the PM Analyst for archiving. The CM retains a working copy of the SOW, also housed in the project's document repository.

4. CONFLICT OF INTEREST

The CM understands and adheres to OSI Policy #OSI-AP-07-02, Form 700 – Statement of Economic Interests and completion requirements. Contractors are required to complete a Form 700 – Statement of Economic Interests in accordance with OSI Policy #OSI-AP-07-02 (http://intranet.osi.ca.gov/hr_FPPA.htm)

The PD and CM discuss with contractors the type of work they are to perform. If the work includes providing project management services or project decision-making, the CM reviews OSI's Conflict of Interest policy guidelines with the contractor. This ensures that the contractor and its assigned employees understand the state's conflict of interest laws and the individual's ethical responsibilities resulting from providing services to the ACMS project. Conflict of interest ethical review ensures that each individual involved in the ACMS project's decision-making process related to the proposal evaluation and execution of a contract does not personally benefit. "Decision-making" includes bid analysis, research or investigation of any bid, participation in the decision to accept or reject a bid, and participation in the execution or rejection of a contract. "Personally benefit" means any direct or indirect personal financial interest of the individual, his/her spouse or dependents, that will or may be affected by the ACMS project's decision to contract.

Before allowing any contractor staff to begin work, either at the beginning of a new contract, leaving the ACMS project, or as a substitute staff member, the CM provides contractor staff designated in the policy all materials to complete the Form

700. The CM forwards all completed forms with original signature to the OSI Administrative Operations Branch Manager.

5. CONTRACTOR ORIENTATION

When a contractor arrives on-site, the PD, CM and/or CDSS Program Manager provides the contractor with an orientation to the ACMS project and its current status, project processes, and administrative and facility information. Contractor expectations are discussed, such as work hours, on-site vs. off-site work, attendance at status meetings, task oversight, and expectations for the products and services to deliver. The CM provides the contractor with a copy of the Vendor Handbook that describes administrative details.

5.1 Task Accomplishment Plan (T&M Contracts Only)

Each contractor provides a Task Accomplishment Plan (TAP) for planned expenditures for the life of the contract. The TAP is revised and resubmitted any time there is a change to the scope of work (due to a contract amendment).

5.2 Status Reports

Unless otherwise stipulated in the contract, contracts with a term of longer than two (2) months require status reports. Contractors report status verbally in weekly meetings and in writing in monthly status reports. Status descriptions include a discussion of planned and actual accomplishments, deliverables planned and submitted, issues, risks, or concerns, hours and costs expended during the period and to-date (T&M contracts only), and any other required metrics.

Project status reporting may include periodic meetings and presentations as required by the ESC (meets monthly), and PMC (meets weekly).

6. MANAGING AND TRACKING CONTRACTS

Monthly or as needed, the CM reviews with the PD the status of the ACMS project's contracts, contract activities, contract budgets, and contractor performance, including any deficiencies or corrective actions. The CM uses State and contractor schedules, Contract Management Tracking Workbooks, and management plans to monitor contractor's progress on a monthly basis.

6.1 Deliverable Management

The CM manages ACMS project contract deliverables using a Microsoft Excel workbook that contains deliverable management data including:

- Deliverable identification numbers
- Deliverable titles and descriptions
- Deliverable due dates
- ACMS project deliverable review periods

- Deliverable acceptance, conditional acceptance, and/or rejection
- Contract budget balances
- Invoice payment status

The workbook also contains deliverable metrics such as on-time delivery trends, late delivery trends, and ACMS project deliverable review trends.

6.1.1 Deliverable Review and Approval

Reference the ACMS Project Deliverable Management Process Plan, located in the project library, for deliverable review and approval processes.

6.1.2 Deliverable Metrics

The PD, CM, and the ACMS Project Team work together to collect and analyze metrics used to monitor the deliverable process effectiveness and a contractor's performance. Refer to the Project's Quality Management Plan for more information on metrics used to monitor and improve project processes. The ACMS project uses the following metrics:

Table 1 - Deliverable Metrics

METRIC	PURPOSE
Number of late deliverables	Monitor contractor's ability to meet schedule
Number of days deliverable is late	Monitor degree of lateness
Number of rejected deliverables	Monitor quality of contractor's deliverables
Number of days to review deliverable	Monitor contractor's ability to meet schedule
Number of days to approve deliverable	Monitor Project's ability to meet schedule

6.1.3 Invoice Processing

Reference the ACMS Project Cost Plan, located in the project library, for invoice processing procedures.

6.1.4 Invoice Metrics

The FA, PD, CM, and the ACMS Project Team work together to collect and analyze metrics in use to monitor the invoice process effectiveness and Contractor performance. The following metrics are in use:

Table 2 - Invoice Metrics

METRIC	PURPOSE
Amount of each invoice	Monitor contractor against their spending plan
Contract budget balance	Monitor contractor against their spending plan
Number of days to process invoice	Monitor Project's ability to meet deadlines
Number of rejected invoices	Monitor contractor's ability to submit correct invoices

6.2 Contractor Performance Management

The OSI Deputy Director, PD, CM, and CDSS Program Manager routinely meet with contractors to discuss work status and any performance issues or concerns. In particular, the planned and actual cost and schedule values are compared and discussed, as well as any requirements which are not being met. If appropriate, the CDSS Project Sponsor and ISD may be involved in the performance reviews and discussion of concerns.

Cost and schedule deviations of more than ten (10) percent may require a corrective action plan (Appendix A), depending on the impacts to later activities and the schedule. The status of corrective actions and their effectiveness is reported to the PD weekly and as required, reported to the CM, Program Manager, Sponsor, and ISD.

6.2.1 Status Meetings

At weekly project status meetings, contractors discuss the status of the tasks, services, and/or deliverables they are contractually responsible for in addition to upcoming tasks and any coordination needed for those tasks, and any concerns or problems. The PD decides if any potential delay or performance issue is acceptable or unacceptable, and what steps need to be taken to resolve an issue and subsequently, the PD informs the CDSS Program Manager, Sponsor and ISD. The CM meets with each contractor regularly to discuss progress and status updates.

Contractors may also participate in meetings with the CDSS Project Sponsor, stakeholders, ITPOC, and IV&V to discuss current status, impacts to stakeholders, and any coordination needed.

6.2.2 Deficiency Reporting

If at any time during the performance of a contract, the PD, CM, or CDSS Program Manager deem a contractor's products or services as unacceptable, the CM sends the contractor a formal letter of contract non-compliance or deficiency. The CM also requests a formal corrective action plan from the contractor with a specified deadline for submission and implementation.

The contractor develops a plan that addresses the concerns and includes specific tracking measures to ensure progress is made. If the corrective action plan is acceptable, the contractor implements the corrective actions and the CM tracks progress through resolution. Depending on the requirements specified in the contract, payments may be withheld until the deliverable is accepted.

If the corrective action plan is unacceptable or if the implementation of the corrective action plan is not addressing the deficiencies, the PD may instruct the CM to begin the contract dispute process. Throughout this process, the CM consults with Legal and the OSI ACSD to ensure that the dispute process is conducted according to contract terms and legal guidelines. Additionally, throughout this process, the PD informs the, CDSS Program Manager, Sponsor and ISD.

6.2.3 Dispute Resolution

In the event there is a disagreement with a contractor, the dispute resolution process may be invoked by either the PD, Contract Manager, or the contractor. Disputes may arise from several areas including change control, deficiencies, configuration management, and invoice management. The PD and contractor always attempt to resolve any disagreements at the lowest level possible. However in the event of an impasse, the dispute process is triggered to ensure timely resolution of the item to avoid impacts to the project. If the dispute process is triggered, the PD will inform the CDSS Program Manager, Sponsor and ISD.

The process involves formal notification of the dispute and a meeting is scheduled to resolve the issue. First level meetings include the OSI Project Director, CDSS Program Manager, Sponsor, and ISD and if resolution cannot be achieved then second level meetings occur and the meetings typically involve project representatives including the OSI Deputy Director, PD, CDSS Program Manager, Sponsor, ISD, Legal, and OSI Chief Deputy Director level (and the equivalent from the contractor's organization). If the dispute cannot be resolved at this level or within the required timeframes, the item may be escalated to the ESC.

6.2.4 Replacement of Contractor Staff

When a contractor employee or subcontractor departs from the ACMS project, the prime contractor shall immediately notify the PD and document activities and timelines to transition and train new or reassigned replacement staff. The PD will inform the CDSS Program Manager, Sponsor and ISD of any contractor staff changes.

The State recognizes that a resignation or other event may cause the contractor project team members to be unavailable. The PD in agreement with the CDSS Program Manager, Sponsor and ISD reserves the right to approve or deny all of the contractor's proposed replacement project team members designated to fill any one of the key staff roles.

For T&M contracts, substitute personnel shall not automatically receive the hourly rate of the individual or positions being replaced. The State and the contractor may negotiate the hourly rate of any substitute personnel to the contract. The hourly rate

negotiated is dependent, in part, upon the experience and individual skills of the proposed substitute personnel. The negotiated hourly rate shall not exceed the hourly rate for that position as set forth in the contract.

6.2.5 Staffing Metrics

The CM and the ACMS Project Team work together to collect and analyze metrics in use to monitor the staffing process effectiveness and contractor performance. The following metrics are in use.

Table 3 - Prime Contractor Staffing Metrics

METRIC	PURPOSE
Number of days to process staff request	Monitor Project's ability to meet deadlines
Number of departed staff	Monitor contractor's staffing turnover rate
Number of new staff	Monitor contractor's staffing turnover rate
Number of contractor staff vacancies	Monitor contractor's ability to fill positions

7. AMENDING A CONTRACT

A contract amendment is used to make modifications to an agreement between the State and a contractor. The contract and State contracting policies must be consulted to determine if a contract amendment is appropriate. All contract amendments must be in writing and approved by all appropriate parties. The following are examples of events that require a contract amendment:

- Changes to the contract period of performance (either reduction or extension)
- Changes to the dollar amount of a contract
- Change to the scope of work, such as new activities or tasks
- In some cases, changes to contractor personnel (either additions or replacements)

If there is a significant change to contract scope, tasks to be performed, staffing, contract duration, or cost of the contract, an amendment is not appropriate. In these cases, an entirely new contract is executed and the existing contract closed. If the total dollar amount of the contract changes, a change in encumbrance is also required and is coordinated with the OSI Accounting Office.

The CM, PD, CDSS Program Manager, Sponsor, ISD, ACSD, Legal staff, and STPD (when applicable) approve all contract changes prior to their execution. If the work is related to the tasks that are in the SOW, an amendment is appropriate to add new

tasks. The terms and conditions of the contract contain basic procedures to initiate a contract amendment (as appropriate to the contract).

Before amending a contract, the CM reviews the current contract to determine if any deliverables, due dates, personnel or evaluation criteria need to be updated. The CM also considers if the proposed amendment may impact current services, in-progress deliverables or other contract provisions and consults with ACSD, Legal staff, and STPD (when applicable) regarding the proposed changes.

The CM notifies the OSI ACSD and STPD (when applicable) that a contract change is planned and confirms the current process and required approvals for an amendment.

To amend a contract, the CM makes the required updates, completes a Standard Agreement 213A and coordinates internal reviews, including Legal review and approval from the PD, CDSS Program Manager, Sponsor, and ISD. After initial approvals are received, the CM reviews the draft amendment with the contractor to ensure the changes are clear. If the contractor proposes changes, the amendment is again reviewed by the PD, CDSS Program Manager, Sponsor, ISD, ACSD, Legal, and STPD (when applicable).

The CM sends the draft-amended contract to the OSI ACSD electronically for processing. The CM faxes the OSI Project Document Approval Slip with approval signatures to OSI ACSD. An amendment goes through the same approval process as when the contract was first executed. After an amendment has been executed, the OSI ACSD provides copies of the amendment to the CM and the contractor.

The OSI ACSD requires five (5) weeks to process contract amendments. No new work (specified in the amendment) may begin until the amendment is approved. If STPD approvals are required, it will take an additional four (4) weeks to process the amendment.

Once an amendment is approved and copies received, the PM Analyst files the amendment in the project library. The PD communicates approved changes to all appropriate and affected parties, including the users, stakeholders and CDSS Project Sponsor, as appropriate.

8. WORK AUTHORIZATIONS

Work authorizations clarify work or explicitly authorize a contractor to perform specific tasks and services. Often work authorizations are used to address changes in legislation or regulation and high priority change requests. Work authorizations can only be used for work that is considered in scope. If a contract contains provisions for work authorizations, the contract describes the high-level approach to work authorizations.

9. CLOSING THE CONTRACT

A contract is closed when all work described in the contract is complete, when all contract dollars are expended, or when the PD (or other official of the Department) terminates the contract.

A contract is terminated when a letter of termination is sent to a contractor. OSI Legal staff review the termination letter before it is sent to a contractor. The provisions of the termination clause begin as of the date of the letter. The termination provisions are part of the OSI ACSD standard contract template and are part of IT General Provisions (GSPD 401-IT).

Approximately 30-60 days prior to the end of a contract, the CM reviews the status of contract activities and deliverables, and ensures the Contractor is on target to complete all obligations by the contract end date. At that time, an audit of the contract file is performed and a Contract Close-Out Checklist (Appendix B of this document) is used to ensure all contract documentation is complete and up-to-date. This enables the CM to resolve any discrepancies before the contractor leaves.

9.1.1 Contractor Evaluations

The CDSS Program Manager completes the Contractor Evaluation Form (DGS STD 4) and forwards it to the PD for review. If a negative evaluation is made, the CM forwards a copy of the STD 4 to DGS within five (5) days of the evaluation. This evaluation is considered confidential and is marked and stored accordingly. The CM sends a copy of the evaluation to the OSI ACSD and the PM Analyst files a copy of the form with all pertinent contract notes in the project library¹.

Exit interviews are conducted with contractors to discuss the contracting experience, lessons learned, and general performance. The PD and/or CM hold the Exit Interviews and document interview results in the contract file for historical purposes.

9.1.2 Final Invoices

A contractor submits an invoice reporting the final hours and tasks completed under their contract prior to termination. If a withhold is contractually required, the contractor also submits a bill for the withhold at this time (as a separate invoice clearly marked as "withhold"). The final invoice cannot be paid until the audit of the contract file is complete and all open issues from the audit are resolved.

After final invoices are paid, the CM and/or FA notify the OSI Accounting Office to disencumber any remaining funds.

9.1.3 Archiving Contract Records

All invoices, records, and relevant documentation is archived consistent with record retention schedules for at least three (3) years after final payment is made (GC §

¹ Section 9.09, item A.9 of the State Contracting Manual indicates the evaluation forms are not considered public record and should not be kept in the contract file.

8546.7 located at <http://leginfo.legislature.ca.gov/faces/codes.xhtml>). (See also SCM 1, section 7.50 located at <http://www.dgs.ca.gov/pd/Home.aspx>)

The following format is used for the maintenance of contract records:

- 1) A file folder for each contract administered labeled by contract number and contractor name. Each file folder includes:
 - A file guide labeled "Invoices." A copy of all invoices are filed in this file guide;
 - A copy of the executed contract and other pertinent documentation, such as a copy of the original contract request and any correspondence related to the contract or contractor.
- 2) Hard copies of contract documents are stored in accordance with the ACMS Project Document Management Plan.
- 3) Electronic copies of contract documents are stored in accordance with the ACMS Project Document Management Plan.

Appendix A : CORRECTIVE ACTION PLAN TEMPLATE

#	Deficiency Description	Actions to be Taken (Prospective & Preventative)	Indicator the Deficiency is Resolved	Resources Involved	Lead	Planned Completion Date	Actual Completion Date	Completion Confirmed Review Date
1								
2								
3								
4								
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Appendix B : CONTRACT CLOSE-OUT CHECKLIST

The ACMS Contract Manager (CM) ensures that the work under a contract is complete and the contract is ready for closeout prior to final payment. This checklist serves as a tool to assist the CM during that process. Each contract is unique and the CM customizes the checklist as required to meet its particular circumstance. The contract file contains all necessary documentation at the time of closeout. **Final payment is never made until all work is complete and all deliverables are received and accepted.**

Contractor Name	Contract Number	Project Completion Date
Person Completing Checklist	Project Title	

Task	Date Completed	NA
Administrative Issues		
Contract administration files are consolidated upon completion of the close-out process		
The central file is complete, organized and conforms to regulations governing contract administration		
The Contractor has notified the ACMS Project Director (PD) and CM that all required contract work is complete		
The Contractor has complied with all contractual terms and conditions		
All file documents are signed with original signatures. This includes invoices, vouchers, letters to the Contractor, memoranda, official correspondence, etc.		
All optional provisions have expired		
All time extensions have expired		
All change orders and/or modifications are defined and included in the central file		
Settlement of any subcontracts by the Prime Contractor is complete		
Monitoring		
All monitoring issues are resolved		
All project required approvals are received		

The Contractor has complied with all contractual terms and conditions		
Deliverables		
All contract deliverables have been received, reviewed, and accepted including all required reports		
Final Property Close-Out		
All State owned property either furnished by the State or acquired by the Contractor for the project is accounted for		
All property inventory and ownership issues are resolved including disposition of any equipment, licenses purchased, or warranty information under the contract		
Final Security Close-Out (if applicable)		
There has been a disposition of all classified material (proprietary, trade secrets, sensitive, confidential, personal/privacy) generated to or accessed by the Contractor in the performance of the contract		
Final Payments and Invoices		
All disallowed payments, performance, deliverables, or suspended costs are resolved		
All reconciliation is complete in conjunction with a financial report to verify that all payments have been paid		
Refunds, rebates, and/or credits are annotated in the file		
The contract file contains a record of all payments made to the Contractor		
All excess funds, such as un-liquidated obligations have been verified and the disencumbrance of funds has been accomplished		
Final invoice was received, reviewed and accepted and paid		
Contractor Performance Report		
The DGS STD 4 is complete and if a negative evaluation is made, a copy of the STD 4 was sent to DGS		