

9. ASSESSING AND MONITORING CONTRACTORS

PURPOSE

When the FSAB contracts with outside parties, such contracts must be monitored by the Vice President and controlled for cost, schedule, and deliverables.

CONTRACT TYPES

Most contracts are likely to be for support activities such as audits, editing, software support, administrative management, etc. These contracts are fee for service and shall be billed by the hours used at an agreed upon rate. Some services contracts may have a finite goal (i.e., set up a website) and be executed at an agreed upon fixed cost. Other contracts may involve delivery of hardware or equipment at a fixed cost.

PROCEDURE

The procedure for contracting shall be as follows:

- All contracts must be approved by the Executive Committee.
- On contracts exceeding \$10,000, a minimum of two competitive bids shall be obtained whenever possible.
 - Any contracts over \$10,000, shall contain a list of milestones and a schedule for achieving each milestone.
- All contracts shall contain a list of deliverables and a schedule for their delivery.
- All fixed price contracts shall contain a designation of the cost to complete and a completion date.
- All contracts shall be accompanied by an FSAB-prepared description of how they shall be monitored by the Vice President.
- All contractors shall sign the *Annual Agreement and Disclosure Concerning Impartiality, Conflict of Interest, and Confidentiality for Persons Involved in FSAB Accreditation Activities* prior to starting work.
- The status of all contracts shall be reported to the Board annually and be included in the Management Review report.

EVALUATION

Upon completion of each contract, a brief satisfaction report shall be filed by the designated FSAB representative with the Treasurer and archived. The report shall specify if the work was completed satisfactorily and on time. If those items were not satisfactory, the report shall specify the details of the deficiency and recommend whether or not the contractor should be hired again in the future and whether remedial action should be taken.