



Administrative Regulation 3322

CONTRACT REVIEW AND APPROVAL

Responsible Office: Office of Business and Finance

PURPOSE

This Administrative Regulation describes the process by which contracts are processed, reviewed, and approved in the Washoe County School District (District).

DEFINITIONS

1. "Bid" Complete sealed solicitation (submitted in competition with other bidders in response to a Request for Bid) to execute specified job(s) within prescribed time that usually includes labor, equipment, services, and/or materials. The bid-receiving party may reject or accept the bid. Once accepted, the bid may turn into a binding contract.
2. "Contract" A voluntary, deliberate, and legally binding agreement between two or more competent parties. Contracts are usually written but may be spoken or implied, and generally have to do with employment, sale or lease, or tenancy. Contracts include Memorandums of Understanding (MOUs), terms of services, terms of use, or any other binding agreement.
3. "Lease" A written or implied contract by which an owner (the lessor) of a specific asset (such as a parcel of land, building, equipment, or machinery) grants a second party (the lessee) the right to its exclusive possession and use for a specific period and under specified conditions, in return for specified periodic rental or lease payments.
4. "Proposal" Complete sealed solicitation (submitted in competition with other proposers in response to a Request for Proposal) to execute specified job(s) within prescribed time that usually includes labor, equipment, services, and/or materials. The proposal-receiving party may reject or accept the proposal. Once accepted, the proposal may turn into a binding contract.
5. "Quotation" A formal statement of promise (submitted usually in response to a request for quotation) by potential supplier to supply the goods or services required by a buyer, at specified prices, and within a specified period. A quotation may also contain terms of sale and payment, and warranties.
6. "Solicitation" The general process of employing competition through any approved solicitation type for a specified product, service, or project. A solicitation can include, but is not limited to: Request for Bid, Request for Proposal, Request for Qualifications, and Request for Quotation.

REGULATION

1. A contract normally results from a competitive solicitation conducted by the District, although there are exceptions such as sole source contracts or contracts with other governmental agencies. When the District joins onto another government entity's contract, that also does not require a competitive selection. In addition, smaller contracts below certain monetary thresholds may not require a competitive solicitation.
2. Authority
 - a. The Superintendent, Chief Financial Officer, and Director of Procurement and Contracts are authorized to enter into contracts for supplies, equipment, materials, labor, and services. The dollar amount that each of these positions can approve contracts is set below. In the absence of the Superintendent, the Deputy Superintendent or the Chief Financial Officer may sign on behalf of the Superintendent.
 - b. The Office of the General Counsel (OGC) may enter into a contract to retain outside legal counsel under specific circumstances.
3. Form
 - a. The District uses a standard Independent Contractor Agreement (ICA) for many contracts.
 - b. A department or office can choose to use a contract form provided by the vendor. This requires review by the Purchasing Department and OGC through the contract document review process. The contract should include the following terms and conditions:
 - i. Term – generally the longest term of a contract with the District shall be four years, but the Purchasing Department can allow longer terms for significant contracts that entail significant costs for conversion. The term can allow for a specific number of renewals (usually annual renewals) that are agreed to by both parties by way of a fully executed amendment;
 - ii. Termination Clause – generally, contracts should always allow the District to terminate an agreement for convenience at no cost, sometimes after an initial period;
 - iii. Compensation – should provide clear terms for how the vendor shall be paid, such as on a fixed term, hourly rate(s), per item, or completion of certain milestones. Vendors should only be paid upon completion of a service or milestone or delivery of products or

services. Vendors shall not be paid in advance or in the case of a commission, prior to receipt of the associated revenue. Rare exceptions can be made by the Purchasing Department under certain circumstances;

- iv. Scope of Services – for professional contracts, the scope of service shall be clearly and comprehensively defined;
- v. Governing Law – contracts should be governed by the laws of Nevada with a venue in Washoe County;
- vi. If applicable, the contract should adhere to FERPA and COPPA and should have language that protects student personally identifiable information (PII);
- vii. If the contract collects personal information or student PII, it should address how and when the destruction of such information will occur after the conclusion of the contract; and
- viii. Contracts should NOT include a provision agreeing to keep the contract confidential as the District is subject to public records and/or Freedom of Information Acts requests and most contracts cannot be confidential.

4. Review

- a. The user department initiates the contract review process unless the contract is a result of a formal solicitation conducted by the Purchasing Department, in which case the Purchasing Department will initiate the review.
- b. All contracts and contract renewals must be reviewed and approved by the Purchasing Department and OGC or Grants Department, as determined by the funding source, prior to execution. Additional reviewers, such as the Office of Information Technology and Curriculum and Instruction, may be appropriate depending on the scope of services.
- c. All contracts must be formally reviewed by the Purchasing Department and OGC when there is an exchange of money (when the District is paying for goods or services or when the District is receiving money for providing goods and services). No school or department shall take receipt of goods or services where a contract is required until a fully reviewed, approved, and executed contract and a signed Purchase Order (PO) has been provided back to the requesting school or department.
- d. All contracts with no exchange of money (i.e., a MOU where two parties are exchanging services at no cost) must be reviewed and approved by the OGC.

No school or department may take receipt or provide services until the contract is fully reviewed, approved, and executed.

- e. Independent Contractor Agreements are excluded from the review process unless the Independent Contractor requests revisions, addendums, etc., to the District's standard Independent Contractor Agreement.

5. Board Approval

The following contracts and optional contract renewals must be submitted to the Board for approval:

- a. Contracts and optional contract renewals where the total District obligation is \$100,000 or more; and/or any type of contract not addressed in an approved Board Policy.
- b. Previously approved contracts in which an amendment or other change to the contract results in an increase of 10% or more of the original value or is \$100,000 or more.
- c. Purchase requisitions for products or services in the amount of \$100,000 or more that are for items exempt from the bidding requirements of Nevada Revised Statutes (NRS) Chapter 332, Purchasing: Local Governments, where a solicitation was not conducted and which are not specific line items previously approved by the Board during the budget approval process.

6. Signatory Authority

- a. Authority to enter into negotiations, approve and/or sign contracts on behalf of the District shall be granted through:
 - i. Formal action of the Board;
 - ii. A valid delegation of authority from the Superintendent or the Board; or
 - iii. A purchase made in accordance with a Board Policy.
- b. The signator for contracts in the amount at or above \$100,000 shall be the Superintendent. In the absence of the Superintendent, the signatory designee shall be either the Deputy Superintendent or Chief Financial Officer.
- c. Contracts with an annual amount between \$50,000 and \$99,999 shall be signed by the Superintendent or Chief Financial Officer.

- d. Contracts with an annual amount up to \$49,999.99 shall be signed by the Superintendent, Chief Financial Officer, or Director of Procurement and Contracts.
7. Purchase Orders – PO’s are in effect a contract to provide goods or services at a specific price. If there is no other contract, the PO acts as the contract. No school or department may take receipt of goods or services that do not otherwise require a specific written contract, other than the PO, until the PO has been fully approved, printed, and signed by the appropriate person based on the thresholds listed above. A requisition must be entered first, receive all necessary approvals, and be turned into a PO that is signed by the appropriate person prior to services or goods being provided. Schools and departments should not construe a PO as final by simply looking up the PO number in the enterprise system as the PO must be signed to be final. Entering a requisition into the enterprise system after services or goods have been provided is prohibited.

LEGAL REQUIREMENTS AND ASSOCIATED DOCUMENTS

- 1. This Administrative Regulation reflects the goals of the District’s Strategic Plan and aligns/complies with the governing documents of the District, to include:
 - a. Board Policy 3321, Contract Review and Approval;
 - b. Board Policy 3320, Procurement; and
 - c. Board Policy 9165, Legal Counsel.
- 2. This Administrative Regulation complies with Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC) to include:
 - a. Chapter 332, Purchasing: Local Governments.
 - b. Chapter 338, Public Works.

REVISION HISTORY

Date	Revision	Modification
9/25/1984	1.0	Adopted
9/12/1989	2.0	Revisions
4/5/1990	2.1	
12/10/1991	2.2	
5/12/1992	2.3	
11/23/1993	2.4	
11/11/1997	2.5	
2/6/2007	2.6	

11/13/2007	2.7	
10/12/2009	A	Converted to an ISO Procedure
8/27/2013	3.0	Converted to Administrative Regulation and revised to align with revised Board Policy
3/13/2018	4.0	Revised to clarify District staff authorized to enter into and sign contracts
03/15/2022	5.0	Revised: Updated language and process, changed name from Bids/Quotations and Contracts.