

Modernization Program Contract Management Plan

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Document Maintenance

This document is maintained by the Modernization team and will be reviewed annually to determine whether revisions are necessary. Periodic process reviews assess the effectiveness of program plans and processes. Any identified changes or improvements are incorporated in program processes and reflected within revisions to these program plans. All program plans are stored within the program's file share located here: <\\WPOEDFILL04\Modernization\00 Program Management\Program Plans>

Version	Date	Author	Change Description
V1.0	12/2018	Jenny King, Modernization Contract Project Manager	Initial version of the document.
V2.0	07/2019	Jennifer Hannan, Modernization Program Manager	Added document relationship section, added additional assumptions, included link to Oregon procurement statutes statues and rules, added clarification under some responsibilities, made adjustments throughout to address editorial changes and corrections to accurately reflect current process, refreshed and added process diagrams to reflect current process, refreshed all appendices to reflect current templates.
V3.0	04/2020	Jenny King, Contract Project Manager	Multiple updates made to the plan that are recorded in the respective change log. Most updates made address CSG's feedback from their QC review.
V4.0	06/2021	Jenny King, Implementation Project Manager Sanjuana Cantu, Contract Project Manager	Updated overview paragraph, vendor management section, roles and responsibilities, and other miscellaneous items as part of annual review and updates.
	08/2022	Sanjuana Cantu, Contract Project Manager	Provided updates and conducted annual review.
	06/2023	Sanjuana Cantu, Contract Project Manager	Provided updates and conducted annual review.

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Program Overview

The Employment Department's Modernization Program is a multi-year initiative focused on transforming the agency's business processes and core technology systems. Computer systems supporting receipt of unemployment insurance (UI) taxes, Paid Leave Oregon contributions, payment of UI and Paid Leave Oregon benefits, and delivery of employment services will be replaced or established. Further, business processes will be transformed to take advantage of opportunities and benefits available through new system capabilities.

Document Purpose

This plan describes the processes that will be used to guide contract management activities to ensure both vendor and state compliance for each executed contract under the Modernization Program. This plan describes all roles and responsibilities of individuals and entities involved with contract administration, as well as processes for deliverable review and acceptance, escalation path for vendor disputes, payment of invoices, vendor performance management, and contract amendments. This plan intends to ensure the program manages contracts in accordance with the Oregon Procurement Manual, statutes, rules, policies, and best practices to accomplish agency needs.

Document Relationship

This plan is an extension of the Modernization Program's Program Management Plan. This plan also relies upon or references other plans. For a complete list of document relationships see the Document Matrix in the Modernization Document Registry, located here: Q:\00 Program Management\Program Plans\Document Registry.

Document Audience

This document is intended for these primary audiences:

- **Sponsors and steering committee members** – to understand processes that will be followed. They also have a responsibility to ensure processes are appropriate and enforced.
- **Internal and external oversight entities** – to monitor whether appropriate processes are in place and continue to be followed.
- **Program and project team members and vendor staff** – to understand processes that will be followed.
- **Agency employees and interested parties** – to reference for general awareness.

Risks, Assumptions, and Constraints

RISKS

Risks related to contract management activities are described and managed through the program's risk and issue process. See the Modernization Program Risk and Issue Management Plan for further details

on the risk and issue process. The program Risk and Issue Management Plan is located here: Q:\00 Program Management\Program Plans\Risk and Issue Management Plan. See the Modernization Risk-Issue Registry for a current listing of contract management risks; the Risk-Issue Registry is located here: Q:\00 Program Management\Risk-Issue\Risk and Issue Registries.

ASSUMPTIONS

- The contract management processes developed to support Modernization projects will be based upon and adhere to Project Management Institute's (PMI) *A Guide to the Project Management Body of Knowledge (PMBOK)*, Oregon Procurement Manual, statutes and rules governing procurement and contract management, and agency policy.
- The Modernization Program will have dedicated resources on the program and project teams with responsibilities to manage vendor contracts and maintain contract files.
- The Modernization Program will strive to structure all contracts as deliverables-based contracts. In some cases, time and materials efforts will be warranted. All contracts will include not-to-exceed limitation for the specified deliverables or services provided.

CONSTRAINTS

- Contract management processes will abide by Oregon contracting statutes and rules, and Department of Administrative (DAS) policies. Oregon's Procurement Manual provides resources and links to relevant statutes and rules. This manual is available on the DAS website: <https://www.oregon.gov/das/opm/pages/index.aspx>
- The agency has limited delegated procurement authority, which may change based on statutory authority. Each procurement plan will include a determination, under the direction of the agency Designated Procurement Officer (DPO), of where procurement authority lies. Information on delegated authority can be found on the DAS website: <https://www.oregon.gov/das/OPM/Pages/authority.aspx>.
- Contracts with a value of \$150,000 or more require approval for legal sufficiency by Department of Justice (DOJ) according to Oregon Administrative Rule (OAR) 137-045-003.
- IT Investments require approval by Enterprise Information Services (EIS) and Cyber Security Services (CSS) in accordance to DAS Statewide Policy 107-004-130.
- Existing Agency contracts managed by IT or the business units will be leveraged by the Modernization Program for systems-related development changes to support the project.
- The Modernization Program will identify existing agency contracts and work with the agency Procurement Office and the delegated Contract Administrator to initiate amendments to incorporate system development changes that support the program.

Roles and Responsibilities

Significant roles and responsibilities involved in the contract management process are described below.

Table 1 – Roles and Responsibilities

Role	Responsibilities
DAS Procurement Services (DAS PS)	<p>While DAS PS may be consulted on any contract matter, they are accountable for contracts and contract amendments above the agency’s delegated authority. For contracts above the agency’s delegated authority, responsibilities include:</p> <ul style="list-style-type: none"> • Develops contract and contract amendments exceeding the agency’s delegated authority (\$150,000). • Provides guidance and support to the agency on contract administration processes, policies, risk mitigation, and best practices. • Assists agency in resolution of procurement and contract disputes. • Maintains the official procurement and contract file. • Participates in contract negotiations as requested. • Coordinates contract reviews with DOJ, EIS, and CSS for contracts that exceed \$150,000.
Department of Justice (DOJ)	<p>While DOJ may be consulted on any contract matter, they have the following responsibilities for contracts requiring DOJ review:</p> <ul style="list-style-type: none"> • Participates in contract-related meetings and negotiations that require legal counsel representation. • Provides legal guidance on contract statutes, rules, risk mitigation, and best practices. • Reviews and authorizes contracts and amendments for legal sufficiency when contracts or amendments exceed designated threshold (\$150,000). • Assists agency in resolution of procurement and contract disputes. • Represents the state on contract legal matters.

Role	Responsibilities
Contract Administrator	<p>Handles daily administration of assigned contracts for the Modernization Program and/or its projects which includes monitoring, tracking, and reporting on contract performance and compliance to contract terms and conditions through the life cycle of the contract</p> <p>Participates in vendor-related kickoff, planning, and progress meetings for new contracts, amendments, and change orders.</p> <p>Works with Financial Services to manage the contract not-to-exceed amounts, budget and reporting, and authorizes acceptance of final deliverables, expenditures, and payments to the vendor for goods and services.</p> <p>Works with the Modernization Contracts Project Manager, Agency Procurement Office, and DAS PS to manage disputes, resolution, and vendor management activities.</p> <p>Delegates and assigns reviewers for each deliverable within the assigned contract.</p> <p><i>Note that each contract within the Modernization Program and/or its projects may have a different contract administrator depending on the contract product and/or service. In most cases a member of the Modernization Program’s management team will fulfill this role. Statewide Master Price Agreements are managed through DAS PS.</i></p>
Modernization Program Sponsor (Modernization Director)	<p>Provides input and guidance on contract management decisions and vendor management issues.</p> <p>Authorizes funding for Modernization procurements and contracts, authorizes acceptance of final deliverables, expenditures, and payments to the vendor for goods and services within the budgetary delegated authority.</p> <p>Participates in contract management activities and meetings as needed to maintain vendor relations.</p> <p>Assists agency in resolution of procurement and contract disputes.</p>
Modernization Program Manager	<p>Develops the contract management strategy, and works with the agency’s procurement office and the Modernization Contract Project Manager to develop sufficient management processes that adhere to PMBOK best practices, Oregon statutes and rules, and agency policy.</p> <p>Provides input and guidance on contract decisions, assists in identifying deliverable reviewers, and vendor management issues.</p> <p>Participates in review of contract deliverables as assigned.</p> <p>Participates in regular process assessments to evaluate whether processes are effective, efficient, and are being followed.</p>

Modernization Contract
Project Manager

Manages contracts in accordance to the Procurement Management and this plan in adherence with the Oregon Procurement Manual, DAS PS statues and rules, and agency policy.

Coordinates contract amendments and change order reviews with EIS and CSS for approval, as needed.

Maintains this contract management plan and conducts regular assessments to identify process improvements.

Works with Accounts Payable to add new vendors to the Oregon Employment Department (OED) payment systems and tracks invoices and payments.

Coordinates vendor onboarding activities, ensuring appropriate accommodations are planned, completion of training, criminal background check, non-disclosure, and all other onboarding forms and authorizations are obtained prior to contract staff beginning work.

Manages the deliverable schedule, and ensures deliverable due dates and review timelines are reflected within the program and project schedules and corresponding contract registry. .

Negotiates agreement of deliverable expectations within the purview of a contract.

Receives and evaluates deliverables to ensure completeness and ensure deliverables adhere to contract requirements.

Facilitates review of contract deliverables, and works with designated reviewers to complete an assessment and recommendation to accept or reject deliverables within the purview of the contract.

Works with vendors to correct, adjust, or remedy rejected deliverables or unsatisfactory work according to the contract.

Handles vendor performance issues, manages disputes, and escalates concerns to the Contract Administrator, Agency Procurement Office, and Modernization Leadership Team.

Coordinates with contract administrators, DAS PS, and the Agency Procurement Office to initiate and conduct contract amendments, change orders, and new purchases under existing Statewide Master Services Price Agreements.

Monitors, tracks, and reports on contract performance through regular monthly status reporting and updates to the project schedule to ensure requirements are fulfilled, and terms and conditions are met.

Verifies and validates accuracy of invoices for payment approval. Updates the invoice and payment dates in contract administration tracker for each corresponding contract. Acts as a liaison with OED Budget and Accounting departments.

Role	Responsibilities
	<p>Ensures that all contract communications and documentation is properly recorded and maintained within a project file and incorporated into the official procurement and contract file.</p>
<p>Agency Designated Procurement Officer (Agency DPO)</p>	<p>Accountable for procurements and contracts within agency delegated authority. These contracts and amendments are handled through the Agency Procurement Office.</p> <p>Assists agency in resolution of procurement and contract disputes.</p> <p>Provides signature authority for contracts and amendments within the agency’s delegated authority outlined in the statutes and rules, or in the Agency Delegation Agreement.</p> <p>Represents the state in addressing contract performance issues.</p> <p><i>Note: Agency director designates the Agency DPO and is a co-signer for contracts and amendments exceeding agency delegated authority. The Agency Chief Financial Officer may act on behalf of the Agency DPO in their absence.</i></p>
<p>Agency Procurement Office – Agency DPO or assigned Agency Procurement and Contract Specialist</p>	<p>For contracts or amendments within the agency’s delegated authority:</p> <ul style="list-style-type: none"> • Develops and executes contracts and amendments, ensuring appropriate contracting methods are utilized, risks are mitigated, and contract adheres the Oregon Procurement Manual, rules, policies, or laws. • Acts as point of contact for any disputes with vendors. • Maintains the official procurement and contract file and manages retention processes. <p>For all contracts:</p> <ul style="list-style-type: none"> • Provides guidance and support on contract administration processes, conducts risk assessments and mitigation, and best practices. • Collaborates with the modernization team in administering contracts and developing amendments or change orders. • Drafts new contracts, amendments, and change orders, ensuring compliance with the Oregon Procurement Manual, contract rules, policies, or laws. • Serves as key liaison with DAS PS and DOJ as needed for contracts exceeding the agency’s delegated authority. • Participates in vendor management meetings as needed and provides guidance to resolve vendor disputes or performance matters.

Role	Responsibilities
Deliverable reviewers	<p>Reviews deliverables for adherence to deliverable expectation documents, acceptance criteria, and contract requirements.</p> <p>Provides timely, professional analysis and advice in support of rigorous determination of deliverable quality.</p> <p>Recommends acceptance or rejection of deliverables, including reasoning and any proposed remediation.</p>
Vendor	<p>Performs work per the statement of work and submits deliverables and invoices for work completed.</p> <p>Participates in vendor management meetings and activities to provide progress updates to ensure contract compliance.</p>
Modernization Change Control Board	<p>Reviews and approves, denies, or escalates proposed contract changes, primarily relating to the primary solution vendor contract, that impact scope, schedule, or budget thresholds, and whether consideration of proposed changes should be escalated per the program’s change control and governance processes.</p>
Modernization Senior Quality and Risk Analyst	<p>Monitors and facilitates management of contract-related risks.</p> <p>Conducts quality control reviews of contract management processes.</p> <p>Performs the contract project management and administration duties for the independent quality management services vendor contract.</p>
Independent quality management services (iQMS) vendor	<p>Conducts independent quality control reviews of contract management and administration processes.</p> <p>May participate in selected deliverable reviews as a deliverable reviewer.</p>

Contract Administration

Contract administration begins prior to the execution of a contract and ends once all contract close-out activities are complete.

CONTRACT DOCUMENTATION

All vendor communications and contract materials are stored and maintained within a procurement and contract file which is the official record for each contract in adherence to Secretary of State retention policies. The OED Procurement Office is responsible for maintaining the official procurement and contract file for contracts within the agency’s delegated authority. For those above the agency’s delegated authority, DAS PS is responsible for maintaining the official procurement and contract file.

The procurement and contract file that the Modernization Contract Project Manager maintains will contain and track the following:

- Procurement record and all documentation pertaining to the procurement for resulting contract

- Contract, amendments, change orders, and any associated documents (i.e., statement of work, insurance certificates, background checks, etc.)
- Contract Administration Tracking spreadsheet that contains:
 - Vendor contact information
 - Vendor onboarding
 - Deliverable registry
 - Invoice registry
 - Amendment and Change Order registry
 - Contract administrator and deliverable review team information
 - Vendor departure checklist
 - Contract close-out checklist
 - A template of the contract administration tracking spreadsheet can be found here: <\\WPOEDFILL04\Modernization\00 Program Management\Contract Management\Administration>
- Deliverable expectation documents (DED)
- Deliverable work products and/or certificates of completion
- Deliverable feedback logs
- Deliverable acceptance and/or rejection letters
- Invoices
- Any communications or documentation related to the contract, deliverable feedback or acceptance, vendor performance, invoice, and payment

See Appendix A for the Agency Procurement Office contract file checklist.

The Modernization Contract Project Manager will store vendor communications and all deliverable artifacts and contract documentation within the program's file share under the respective contract folder. The contract file may contain confidential, trade secret, or proprietary information for a vendor; therefore, this is a secured location with limited access to appropriate modernization and agency staff.

Once the contract is closed and contract close-out activities are complete, the Modernization Contract Project Manager coordinates with the Agency Procurement Office or DAS PS to supply any contract administration materials developed over the life of the contract for long-term recordkeeping within the official procurement and contract file.

In the event of an audit, the agency must be able to provide documentation related to the contract for products or services delivered, vendor performance, and/or financial expenditures. Further, an audit may occur at any time, even years after contract completion. Therefore, the agency must be able to retrieve the contract file, deliverable documentation, or performance and invoice history when requested, in accordance with the state's retention requirements.

DELIVERABLE REGISTRY

A deliverable registry is maintained within the contract administration spreadsheet for each contract. The deliverable registry is used to track and report information on progress related to deliverable submissions, review cycles, and acceptance. See Appendix H for the deliverable registry section within the contract administration spreadsheet. The deliverable registry tracks the following information:

- Deliverable name and/or number if available

- Deliverable due dates, including any related deliverable expectation documents (DED)¹
- Deliverable actual submission dates
- Review and feedback due dates (there may be multiple entries for iterations of deliverable revision submissions)
- Due date if deliverable revision is required after a review
- Date deliverable accepted or ultimately rejected
- Deliverable cost
- Related invoice number
- Retainage amount, if any
- Date retainage released

The deliverable registry, along with the comment logs, and acceptance or rejection documentation, ensures that sufficient documentation is maintained on vendor performance and timeliness of contractually required deliverables, along with timeliness of agency review, feedback, and acceptance. Together with the invoice registry, the deliverable registry tracks dollar and not-to-exceed (NTE) amounts to ensure the contract stays within allocated budget amounts. See *Deliverable Invoicing and Payment* section below.

The Modernization Contract Project Manager will regularly review the deliverable registry with the Contract Administrator to assess vendor and agency performance.

VENDOR ARRIVAL AND DEPARTURE

Before the vendor arrives to begin work, a number of items must be planned and completed. The Modernization Contract Project Manager coordinates with the Administrative Assistant and management to identify each vendor's needs. The Administrative Assistant coordinates with the Agency IT and obtains prior approval for procurement related needs. A vendor onboarding checklist is maintained to ensure items are prepared for the vendor's arrival and initial activities are planned. The vendor onboarding checklist is a part of the contract administration spreadsheet. See Appendix B for the vendor onboarding checklist section within the contract administration spreadsheet.

The Contract Administrator, or designee, meets with the vendor(s) on their first day for an orientation. Vendors receive foundational program and project documents, and review new vendor orientation, security, and access packets required by the agency.

When a vendor leaves or the contract ends, there are activities that must be completed. A vendor departure checklist is part of the contract administration spreadsheet. See Appendix C for the vendor departure checklist section within the contract administration spreadsheet.

¹ There may be multiple entries for all date data fields. The number of deliverable review cycles will be determined by the contract terms. The deliverable registry for each contract will be revised to reflect the number of deliverable review cycles specified in the contract.

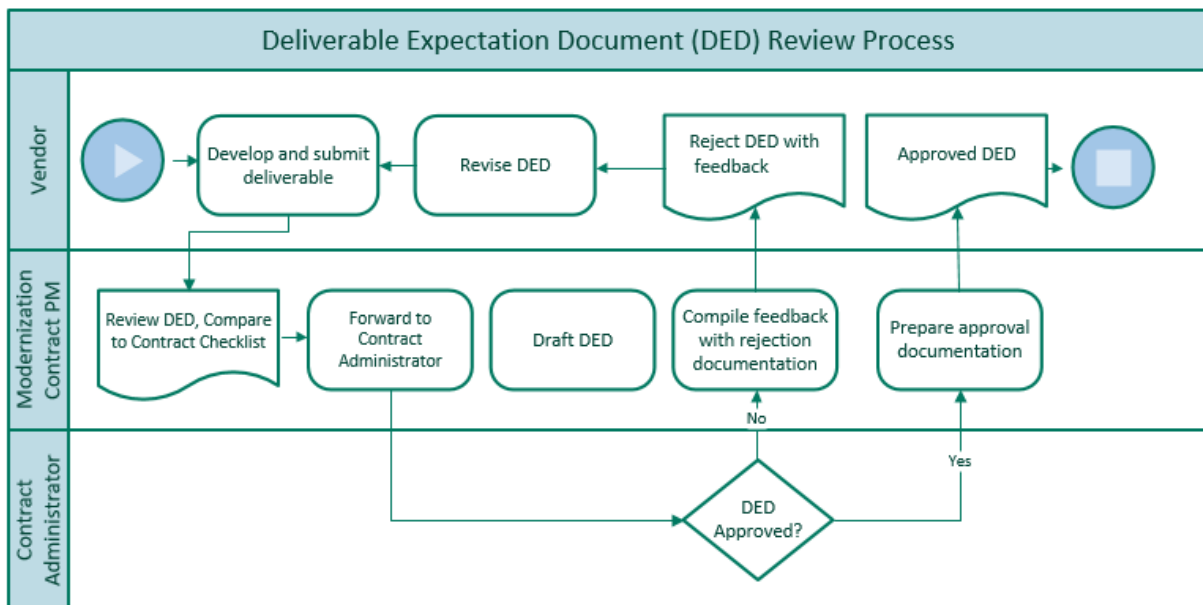
Deliverables Expectation Document

While the specified DED template is not required, any other format used must be approved by the Contract Administrator. In addition to adherence to deliverable acceptance criteria outlined within the contract, a DED will be used to obtain agreement on deliverable content, format, and any additional acceptance criteria not identified within the contract. Use of DEDs will be a requirement included within each contract. If the vendor does not have a DED template, or alternately a template for a deliverable, the Modernization DED template will be used and can be modified as needed. See Appendix D for DED template.

The vendor shall be required to complete and submit a DED for most deliverables. The DED must be approved by the Contract Administrator or a designated reviewer before the deliverable may be submitted. Vendors are encouraged to seek DED approval before or soon after beginning work on any deliverable. The content and depth of detail contained within the DED may vary depending on the size and complexity of each deliverable. For complex deliverables, multiple stages of DED may be required; for example, a large deliverable that must be completed in stages, delivered as part of a larger system component, or large deliverables that may be assessed in stages but cannot be fully evaluated until complete. In these cases, the DED should outline the stages where the deliverable requires review.

The Contract Administrator and any other designated reviewers will review and approve the DED. The DED is compared to the statement of work within the contract and any quality checklist applicable to the deliverable to identify any gaps that need to be addressed prior to accepting the DED. The DED goes through the same acceptance process as deliverables.

Figure 1 – DED Review Process



Deliverable Submission

Most deliverables will be submitted electronically to the Modernization Contract Project Manager by close of business on the due date, unless otherwise indicated in the contract or agreed to by both parties.

The deliverable submission process may vary slightly depending on the contract terms and the specific deliverable. Therefore, contracts should be reviewed prior to establishing and finalizing the deliverable submission process for each contract.

Deliverable Review and Acceptance

Terms of deliverable review and acceptance or rejection will be determined by each negotiated contract. The following describes Modernization's internal processes in the context of a generic contractual framework. Modernization will negotiate specific provisions with each vendor that are generally consistent with the process described here, and may construct per-contract processes optimized for each contract while supporting the state's objectives for rigorous contract management.

The Modernization Contract Project Manager works with the Contract Administrator to identify appropriate reviewers for each contract deliverable. Reviewers will be drawn from those outlined in the contract as well as any appropriate subject matter experts. Reviewers will be listed within the contract administration tracking spreadsheet.

Once a vendor completes and submits a deliverable, the deliverable moves through the review and acceptance process. The Modernization Contract Project Manager reviews the deliverable to ensure compliance with contract requirements and approved DED criteria and works with the vendor to ensure the submission meets these basic requirements. The Modernization Contract Project Manager then initiates facilitation of the review process with designated reviewers. Reviewers are key sources of expertise and are expected to provide significant input so that the Contract Administrator can make a determination on the deliverable.

Assigned reviewers assess the deliverable for accuracy and quality, and compare the deliverable to the contractual acceptance criteria and DED. The Modernization Contract Project Manager consolidates the reviewer feedback in to one deliverable comment log and submits it to the Contract Administrator for a review and determination. See Appendix E for the deliverable comment log template. The deliverable comment log will be sent to the vendor electronically at the end of each review cycle until the deliverable is approved and accepted by the Contract Administrator.

Acceptance of the deliverable will be based on the following:

- A review of the contract to see whether the deliverable meets contractual acceptance criteria thresholds.
- A review of the deliverable to see whether the deliverable meets criteria set forth in the related DED.
- A review of the deliverable to determine accuracy and level of conformity to business, functional, and technical requirements.
- A review of the deliverable and the degree to which the deliverable meets users' expectations for usability, functionality, and maintainability.

- A review of the deliverable and degree to which the deliverable meets relevant quality criteria.

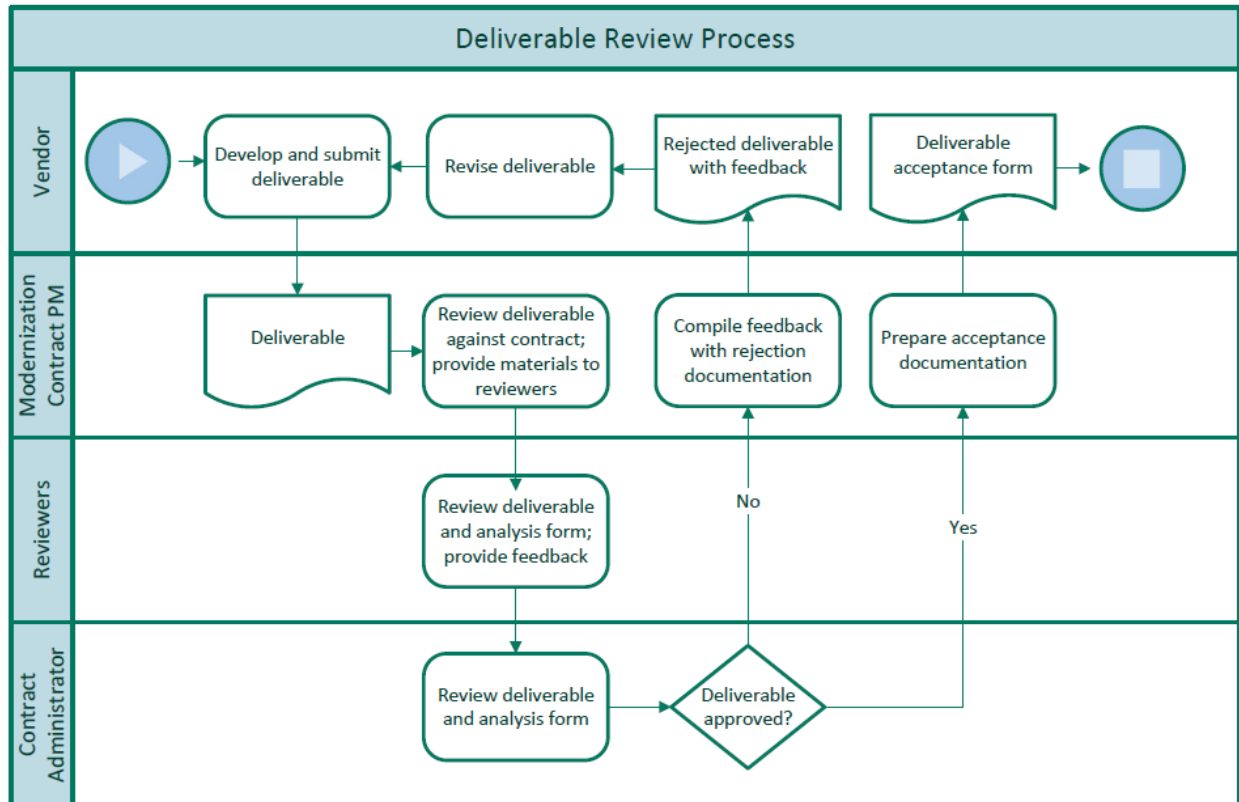
Work products or deliverables developed by a vendor or firm will not be reviewed by the same vendor or firm.

Deliverables should be of high quality upon first or second submission. Deliverable submissions, reviews, and feedbacks will be tracked (See *Deliverable Registry* section above) and vendor's quality will be measured by the number of iterative submissions required before deliverable acceptance.

Once the deliverable passes through the review process and is approved by the Contract Administrator, the Modernization Contract Project Manager notifies the vendor of the approval electronically in accordance with the acceptance process defined in the contract. A deliverable acceptance letter along with any accompanying documentation may be sent to the vendor as part of the electronic acceptance process. See appendix F for an example of the deliverable acceptance letter template.

If a resubmitted deliverable is ultimately deemed unacceptable, the Contract Administrator and Modernization Contract Project Manager will work directly with the vendor to remediate or resubmit the deliverable in accordance with the contract requirements, terms and conditions, and/or specifications. The Contract Administrator and Contract Project Manager will act on issues and properly document disputes, risks, or unusual situations as they arise. The Contract Administrator must formulate appropriate responses and resolutions, seeking advice from legal counsel, risk management personnel or other persons when necessary. If the issues or dispute is unresolvable between the parties, the Contract Project Manager will escalate to the Agency Procurement and Contract Specialist and/or the Agency DPO to identify the next steps and determine the best approach for remediation if no immediate resolution can be reached with the vendor. See the *Performance Issues and Escalation* section below. In the event more formal intervention is needed, the Agency DPO may request DOJ or DAS PS provide additional assistance and guidance on remedy options. If necessary, a deliverable rejection letter will be drafted by a procurement professional or the Modernization Contract Project Manager with consent of DOJ and the Contract Administrator, and sent to the vendor along with any accompanying feedback and documentation supporting rejection of the deliverable. See Appendix G for the deliverable rejection letter template.

Figure 2 – Deliverable Review Process



Deliverable Invoicing and Payment

An invoice registry is maintained within the contract administration spreadsheet that tracks and records all invoicing and payments made related to the contract. The invoice registry contains the following:

- Invoice date
- Invoice number and description
- Associated deliverable number
- Invoice amount
- Date invoice approved and submitted for payment
- Actual paid date

See Appendix I for the invoice registry section within the contract administration spreadsheet.

Vendor invoices should be submitted to, at minimum, the Contract Administrator, Modernization Contract Project Manager, and accounts payable at OED_ACCT_PAY@employ.oregon.gov, with copies to others specified within the contract. The Modernization Contract Project Manager documents the invoice within the invoice registry and reviews the invoice against contract terms and conditions for completeness, deliverable acceptance, and ensures the amount invoiced is appropriate for the work performed. This review and payment process is intended to ensure that the following questions are answered in the affirmative prior to payment:

- Did the vendor actually perform the work and has the deliverable been accepted?

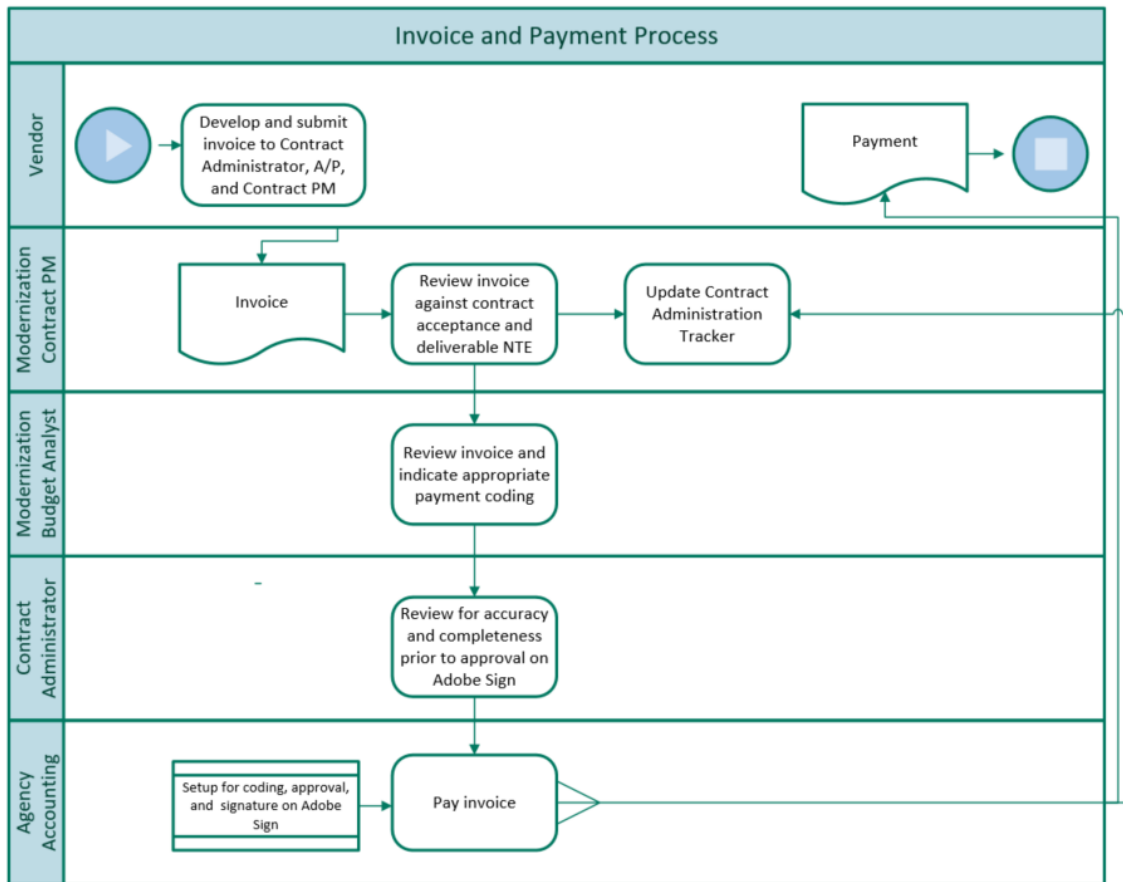
- Was the work performed consistent with the terms of the contract?
- Are the hours, rate per hour charged, and/or the deliverable consistent with the terms of the contract and statement of work, and hours commensurate in relation to the work and deliverable being invoiced for?
- Has retainage been withheld and noted on the invoice according to contract terms?

It is expected that large Modernization contracts will include a retainage clause. In these cases, the retainage amount is expected to be 10% per deliverable, but this may vary according to each contract. The Modernization Contract Project Manager tracks the amount withheld from each invoice or deliverable within the deliverable and invoice registry and will work with the agency's accounting department to ensure retainage is paid in accordance with the contract.

The Modernization Contract Project Manager will work with the vendor to resolve any invoicing errors. Once review of the invoice is complete, the Modernization Contract Project Manager routes the invoice to the Modernization Budget Analyst for proper coding, and then the Contract Administrator or Modernization Sponsor (depending on the contract) for signature authority approval.

Once the invoice is approved for payment, the invoice and approval documentation is submitted to the agency's accounting department for payment processing. Any retainage that should be withheld will be indicated when the invoice is routed. The Modernization Contract Project Manager will maintain copies of invoices along with the deliverable acceptance letter, comment logs, email communications, and approvals within the Modernization contract files.

Figure 3 – Invoice and Payment Process



Contract Change Management

When the need arises to make contract changes, a written request should be submitted to the Contract Administrator describing the change requested. The request will be reviewed with the Modernization Sponsor, Modernization Program Manager, and Contract Administrator to determine the affect the change could have on scope, schedule, budget or other terms of the contract. If it is a requested change that impacts a project’s baselined schedule, scope, or budget, the change may need to be reviewed by the Modernization Change Control Board before proceeding. The program’s change control process is described within the Modernization Program Change Control Plan.

If it is determined that a contract change is appropriate and should proceed, the Contract Administrator will work with the vendor to come to mutual agreement on the change prior to moving forward with the amendment or change order process whichever is determined appropriate. If an amendment or change order is recommended, the Modernization Contract Project Manager will engage with the Agency’s Contract and Procurement Specialist assigned to the contract to develop and process the contract amendment or change order. Information describing proposed changes to the statement of work should be provided, including adjustments to specific deliverables, costs, timelines, new products or services, and/or terms and conditions. If changes impact the overall cost, the cumulative contract cost should be evaluated to determine if the delegated authority thresholds are exceeded, requiring engagement with DAS PS and/or DOJ.

No services will be performed related to any amendment, and no payment will be made for any new products or services, until the amendment is fully approved and executed.

Contract Closure

As the contract nears completion, a close-out checklist will be used to ensure that contract close-out activities are conducted, any state equipment or badges are returned, and remaining administration tasks are complete. The Modernization Contract Project Manager will work with the Contract Administrator, OED Management, and/or Modernization Administrative Assistant to collect agency equipment, revoke accesses that were granted, and conduct a final inventory. See Appendix J for the contract close-out checklist section within the contract administration file.

Vendor Management

Vendor management will be conducted primarily by gauging performance against contract deliverables and statement of work detailed within each respective contract. Vendor management will be focused on three areas:

- Performance management
- Relationship management
- Multi-vendor management

Vendors will be contractually obligated to comply with processes and rigor required to manage modernization projects, including oversight requirements. Failure by a vendor to adhere to contract requirements and scope outlined within the contract will require escalation per the *Performance Issues and Escalation* section below.

PERFORMANCE MANAGEMENT

Performance management begins with the onboarding process and will be monitored primarily through ensuring compliance with contractual requirements, including the deliverable management process. Performance management includes activities and outputs such as, but not limited to:

- Kickoff meetings
- Regular communications and check-ins
- Status reports
- Deliverables
- Schedule management
- Contract administration meetings

Kickoff meetings will be utilized to confirm common understanding of all contract documents, including the deliverables, their acceptance criteria, and related timelines. The meetings will also be used to confirm roles and responsibilities and to complete any outstanding onboarding activities.

Regular standing check-ins will be conducted to ensure progress is made according to the agreed upon schedule as a part of schedule management activities. Check-ins will also allow for the opportunity to

discuss deliverables in progress to ensure vendor will meet contractual acceptance criteria and criteria outlined in the DEDs, and any potential roadblocks that may prevent the vendor from completing a deliverable.

Status reports will be used to ensure progress is made according to the agreed upon schedule. In addition, they will track planned versus actual activities/tasks and ensure vendor tasks are appropriate and within scope as they relate to the contract.

Deliverables will also be used to gauge performance using the deliverable review process. See the *Deliverable Review and Acceptance* section above. Each deliverable's quality will be reviewed and measured against acceptance criteria set forth in the contract and DEDs.

RELATIONSHIP MANAGEMENT

Vendor relationship management is a crucial activity and aspect of building and maintaining a healthy long-term partnership. Vendor staff will be held to the same standards as state employees, including ethical guidelines and policies. Vendor staff will be managed by their firms, who ensure their staff remain in compliance with contractual agreements and state laws, regulations, and policies. Any perceived issues with specific vendor staff will first be raised to vendor leadership by the Contract Administrator or modernization leadership. If the behavior or issue still continues, the escalation process will be followed as outlined in the *Performance Issues and Escalation* section below.

Vendors will be required to submit a request and rationale for any staffing changes to key persons. All requests will be reviewed and must be approved by the Contract Administrator or modernization leadership. In some cases, the Contract Administrator may request to be involved in the evaluation and interviews of replacement staff.

MULTI-VENDOR MANAGEMENT

The Modernization Program will have executed contracts with multiple vendors simultaneously. To reduce risks and issues related to managing multiple vendors, the following steps or activities will be utilized:

- Require all vendors to sign and agree to any non-disclosure agreements requested of another vendor
- Clearly identify scope for all vendors
- Develop clear roles and responsibilities matrices
- Identify all leadership roles and ultimate decision makers
- Common understanding of rules of engagement and expectations
- Hold regular check-ins with each vendor
- Maintain a contract administration tracking file for each vendor (See *Contract Administration* section above)


Performance Issues and Escalation

Any perceived or actual performance issues or deliverable deficiencies identified will first try to be resolved directly with the vendor. If the parties cannot come to agreement for resolution, the issue will be escalated by the Contract Administrator, Modernization Contract Project Manager, and/or modernization leadership to the Agency Procurement and Contract Specialist and the Agency DPO. The Agency Procurement and Contract Specialist and/or the Agency DPO will review the remediation and recourse process and options outlined within the contract. Whenever possible, it will be preferred to develop a corrective action plan with the vendor. The vendor will implement and track progress as agreed to per the corrective action plan.


If the corrective action plan does not repair the issue or deficiency, the Agency Procurement and Contract Specialist and/or Agency DPO will assist in identifying next steps. In the event more formal intervention is needed, the Agency's DPO may request DOJ or DAS PS provide additional assistance and guidance on remedy options.

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Approving Authorities


Renee ROYSTON (Jun 30, 2023 16:45 PDT)

Renee Royston, Modernization Program Sponsor
Modernization Director Date


David B Ford (Jun 30, 2023 16:33 PDT)

David Ford, Modernization Program Manager Date


sanjuana cantu (Jun 30, 2023 16:28 PDT)

Sanjuana Cantu, Modernization Contract Project Manager Date

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Appendix A – Agency Procurement Office Contract Checklist



Contract File Checklist

According to OAR 125-246-0556, agencies must ensure procurement files contain the following items.
This checklist helps maintain complete procurement files.

**CONTRACT
REFERENCE:**

[Click here to enter text.](#)

- All Written documents delivered to an Agency from DAS Procurement Services, whether the documents relate to approvals, revocations, orders, modifications, or other actions, related to the documents' subject matter and Action
- An executed Contract, if awarded, and any Ordering Instruments and Amendments
- The record of the actions used to develop and administer the Contract
- A copy of the Solicitation, if any
- The Contract Administrator and any delegates
- Any required findings or statement of justification for the selection of the Provider and sourcing method according to ORS 279A.200 through 279A.220 (Cooperative Procurement); 279B.055 through 085 (seven methods for Supplies and Services); 279C.100 through 279C.125 (Architectural, Engineering, Photogrammetric Mapping, Transportation Planning or Land Surveying Services or Related Services); or ORS 279C.300 through 279C.450 (Public Improvements);
- Documentation of Contract Administration according to OAR 125-246-0555 and if required by the selected procurement method:
 - A list of prospective Providers notified of any Solicitation;
 - The method used to advertise or notify prospective Providers;
 - A copy of each Offer that resulted in the Award of a Contract;
 - The record of any Negotiation of the Statement of Work and results;
 - A record of all material Communications regarding the Solicitation by interested Providers according to OAR 125-246-0635;
 - All information describing how the Provider was selected, including the method and basis for awarding the Contract;
 - A copy of the Request for Special Procurement, if any;
 - Documentation for a Federal Program purchase according to OAR 125-246-0360; and
 - Documentation related to Cooperative Procurements according to OAR 125-246-0400.

Appendix B – Vendor Onboarding Checklist

Vendor Onboarding Checklist	
<input type="checkbox"/>	Background checks completed
<input type="checkbox"/>	Workspace set-up
<input type="checkbox"/>	Computer or laptop ordered and set up with necessary software
<input type="checkbox"/>	Network and/or system access request submitted
<input type="checkbox"/>	Badge(s) for building access
<input type="checkbox"/>	Provide parking and local area information
<input type="checkbox"/>	Provide evacuation procedures and collect an emergency contact form for each key person
<input type="checkbox"/>	Confidentiality agreements signed by all key persons
<input type="checkbox"/>	Provide the leave process to vendor manager
<input type="checkbox"/>	Provide a contact list for program/project team
<input type="checkbox"/>	Orientation documents supplied including plans or other program/project artifacts as relevant
<input type="checkbox"/>	First day activities outlined including any mandatory Agency related orientation activities or trainings
<input type="checkbox"/>	Conduct introductions to all program, project, and Agency staff as relevant to contract activities



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Appendix C – Vendor Departure Checklist

Vendor Departure Checklist	
<input type="checkbox"/>	Badge(s) returned
<input type="checkbox"/>	Network and/or system access revoked
<input type="checkbox"/>	State issued equipment including computers returned
<input type="checkbox"/>	Any proprietary documents or artifacts received and stored in appropriate repository
<input type="checkbox"/>	All knowledge transfers completed and documented
<input type="checkbox"/>	Exit interview conducted as deemed appropriate

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Appendix D – Deliverable Expectation Document

											
<h3>Deliverable Expectation Document (DED)</h3>											
<p><CONTRACT NUMBER> <Deliverable Name/Number></p>											
<p><MONTH DD, YYYY></p>											
<p><CONTRACTOR NAME> <Contractor Contact> <Contractor Contact Info></p>											
<p>CHANGE LOG [Note: Version number must match version in project repository.]</p> <table border="1"> <thead> <tr> <th>Version</th> <th>Date</th> <th>Summary of Changes</th> <th>Authors</th> <th>Reviewers</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>mm/dd/yy</td> <td>Initial Draft</td> <td></td> <td></td> </tr> </tbody> </table>		Version	Date	Summary of Changes	Authors	Reviewers	1	mm/dd/yy	Initial Draft		
Version	Date	Summary of Changes	Authors	Reviewers							
1	mm/dd/yy	Initial Draft									
<p>DELIVERABLE EXPECTATION DOCUMENT INTRODUCTION A Deliverable Expectation Document (DED) describes a deliverable or an artifact for the Modernization Program. This document contains the purpose, scope, organization, content, and review schedule for the deliverable. Reviewers determine whether to approve and accept the deliverable by evaluating it against the acceptance criteria within this document for the deliverable.</p>											
<p>OVERVIEW OF THE DELIVERABLE For artifact deliverables, this section outlines and describes the proposed Table of Contents or format (e.g., MS Word or Excel) of the deliverable.</p> <table border="1"> <thead> <tr> <th>Section</th> <th>Title/Description</th> </tr> </thead> <tbody> <tr> <td>1</td> <td> <p><section name> [Description of section] The subsections are: 1.1 <subsection name> 1.2 <subsection name></p> </td> </tr> <tr> <td>2</td> <td> <p><section name> [Description of section] The subsections are: 2.1 <subsection name> 2.2 <subsection name></p> </td> </tr> </tbody> </table>		Section	Title/Description	1	<p><section name> [Description of section] The subsections are: 1.1 <subsection name> 1.2 <subsection name></p>	2	<p><section name> [Description of section] The subsections are: 2.1 <subsection name> 2.2 <subsection name></p>				
Section	Title/Description										
1	<p><section name> [Description of section] The subsections are: 1.1 <subsection name> 1.2 <subsection name></p>										
2	<p><section name> [Description of section] The subsections are: 2.1 <subsection name> 2.2 <subsection name></p>										
<p>S:\00 Program Management\Contract\DED Process\DED Template 2018-10-01.docx Last revised: 10/1/18 12:17 AM</p>											
<p>Page 1 of 2</p>											



SAMPLE CONTENTS

[Include screen shots, sample graphics, or sample sections from the deliverable, if applicable; e.g., screen shot of spreadsheet column headers]

PROPOSED ACCEPTANCE CRITERIA

The Modernization Program will approve and accept the deliverable if it meets the following criteria, derived in part from the statement of work and other contract requirements as stated in Contract No. <Number>:

[Guidelines:

- ✓ Each criterion is a question; e.g., “Does the document contain numerous spelling errors?”
- ✓ Criteria reflect the requirements and standards as listed from the statement of work.]

Acceptance Criteria	Source (e.g., SOW, p. 50)
Does the deliverable contain numerous spelling errors?	
Does the deliverable include agreed upon table of contents?	SOW, p. 49

DELIVERABLE REVIEW CYCLE

DAS contract No. <Number> specifies that the Modernization Program has five (5) days to review this deliverable, unless otherwise agreed to by both parties. If the Modernization Program does not accept the initial or revised deliverable, the vendor has two (2) days to make revisions and resubmit to the Modernization Program. The deliverable review cycle will be repeated until the deliverable is accepted at Vendor’s expense.

DED APPROVAL

The signatures following indicate this DED has been reviewed by all necessary project stakeholders and that the authorized signers reviewed, accept, and approve the content herein.



Approver Name and Title	Approver Signature	Date
<Name, Title>		mm/dd/yy

Appendix E – Deliverable Comment Log Template

State of Oregon Employment Department				Modernization Program	
Deliverable Comment Log					
Agency Name: Oregon Employment Department					
Project Name: OED Modernization Program					
Deliverable Name:					
Version: DED, Draft or Final					
Date Deliverable Submitted:					
Instructions					
1. State reviewers use columns A through E and G.					
2. State will number each comment with a Comment ID number.					
3. Adjust column widths as needed.					
Initial Submission (DED)					
Comment ID #	Section	Page #	Para. #, Line #	State Reviewer Name	Comment or Requested Change
1	4	9-11	Table 14		
Comment Log (+)					

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Appendix G – Deliverable Rejection Letter Template

	
<h3>Deliverable Rejection</h3> <hr/>	
Deliverable <#, Name>	
Date:	<Month DD, YYYY>
To:	<Contact Name, Vendor Name>
Subject:	Rejection of Deliverable <#, Name>
The Modernization Program has reviewed and rejects Deliverable <#, Name> based on the feedback accompanying this letter. The attached feedback must be addressed prior to resubmission of this deliverable.	
Sincerely,	
<Name>	
Contract Administrator	
Cc: Modernization Contract Project Manager	
Attachments: Deliverable <#, Name> feedback	
<small>S:\00 Program Management\Contracts\Contract Administration\Deliverable & DED Process\Deliverable Approval Letter Template.docx Last revised: 3/12/19 11:50 AM</small>	
<small>Page 1 of 1</small>	

Appendix I – Invoice Registry

Date	Invoice#	Associated Del#	Description	Amount	Date Approved for Payment	Submitted for Payment Date	Paid Date
				\$ -			
				\$ -			
				\$ -			
				\$ -			
				\$ -			
				\$ -			
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				\$ -			
				\$ -			
				\$ -			
				\$ -			
				\$ -			
TOTAL				\$ -			

Appendix J – Contract Closure Checklist

Contract Closure Checklist	
<input type="checkbox"/>	Vendor departure activities and checklist are completed
<input type="checkbox"/>	Ensure all deliverables have been submitted and approved, and included in final contract file
<input type="checkbox"/>	Ensure all related review and approval documentation is included in final contract file
<input type="checkbox"/>	Ensure all work and deliverables have been appropriately invoiced
<input type="checkbox"/>	Ensure there are no outstanding invoices and all paid in accordance with the contract including retainage amounts
<input type="checkbox"/>	Ensure copies of all the contract file content is signed as appropriate and included in the final contract file
<input type="checkbox"/>	Ensure all change orders, amendments, and related documentation is included in the final contract file
<input type="checkbox"/>	Ensure any issues have been appropriately remedied and no outstanding issues remain
<input type="checkbox"/>	If a warranty period applies, ensure related documentation is retained and maintained
<input type="checkbox"/>	Conduct performance reviews and provide feedback regarding vendor performance to appropriate procurement offices
<input type="checkbox"/>	Conduct lessons learned related to contract and vendor management processes as related to the specific contract
<input type="checkbox"/>	Identify and record areas for improvement for future procurement, contract, and vendor management activities
<input type="checkbox"/>	Meet with procurement staff to complete closeout documentation
<input type="checkbox"/>	Validate the entire contract file is complete and all contract close-out activities have been completed

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Modernization Contract Management Plan V4.0

Final Audit Report

2023-06-30

Created:	2023-06-30 (Pacific Daylight Time)
By:	Lori JANE (lori.jane@employ.oregon.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAABAKBI0GVcMCfIDSyC0wIRtgrsA23PgaERp

"Modernization Contract Management Plan V4.0" History

-  Document created by Lori JANE (lori.jane@employ.oregon.gov)
2023-06-30 - 4:23:29 PM PDT
-  Document emailed to sanjuana cantu (sanjuana.cantu@oregon.gov) for signature
2023-06-30 - 4:25:08 PM PDT
-  Email viewed by sanjuana cantu (sanjuana.cantu@oregon.gov)
2023-06-30 - 4:25:48 PM PDT
-  Document e-signed by sanjuana cantu (sanjuana.cantu@oregon.gov)
Signature Date: 2023-06-30 - 4:28:41 PM PDT - Time Source: server
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2023-06-30 - 4:31:57 PM PDT
-  Signer david.b.ford@oregon.gov entered name at signing as David B Ford
2023-06-30 - 4:33:15 PM PDT
-  Document e-signed by David B Ford (david.b.ford@oregon.gov)
Signature Date: 2023-06-30 - 4:33:17 PM PDT - Time Source: server
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-  Document e-signed by Renee ROYSTON (renee.royston@employ.oregon.gov)
Signature Date: 2023-06-30 - 4:45:51 PM PDT - Time Source: server

✔ Agreement completed.

2023-06-30 - 4:45:51 PM PDT