

Contract Management Process

Contract Management is the final step in the procurement process. The objective is to ensure contracts are performed satisfactorily by all parties, including the Child Nutrition Program – South Texas Cooperative (CNP-STC), its members, and vendors/contractors.

Monitoring Methods

- Cooperative members are responsible for the selection of goods and/or services available to meet the needs of their district.
- Monitoring Methods used include, but are not limited to member forecasts, velocity/usage reports, CNP-STC Problems & Concerns e-Form, and annual vendor performance surveys.

Inspection, Testing and Acceptance

- CNP-STC members are responsible for ensuring product received is the awarded item and price.
- Orders and deliveries to be arranged and approved by each CNP-STC member.
- Vendors are encouraged to schedule services/deliveries to accommodate the cooperative members. Typically, deliveries are only accepted only during normal working hours, 6:30 AM to 2:00 PM, Monday through Friday at designated CNP-STC member facilities, biweekly, weekly, bimonthly, monthly or as needed by the CNP-STC members.
- Transportation: All merchandise must be delivered in marked company owned and operated vehicles.
- Product delivered in personal vehicles and/or in violation of health code regulations will not be accepted.
- Temperature: All merchandise must be transported and delivered at the proper temperature and condition and show no signs of thawing or refreezing. Dry goods should be maintained at a temperature of 50-70 °F, refrigerated goods should be maintained at a temperature of 41 °F or below, and frozen goods should be maintained at temperature of 10 °F to (-10) °F. Product delivered not within the proper temperature range will not be accepted.
- Region One ESC, and/or its cooperative members, reserve the right to inspect driver temperature logs and any equipment utilized by a carrier. Region One ESC and/or its cooperative members reserve the right to reject the use of any equipment utilized by a carrier not found to be in clean, sanitary condition.
- Receiving: CNP-STC members are responsible for ensuring product received is the awarded item. Product that is not the awarded item, or product that is damaged, delivered in a state not appropriate for the item or otherwise not in good condition, should be refused at the time of delivery. In instances of damaged case goods, CNP-STC members should accept the product that is in good condition and return the portion of the shipment that is damaged.
- Quality: If there is an issue or concern with the quality of a product, the CNP-STC member should retain the product case, label intact, under appropriate storage conditions until the product is inspected by the vendor/manufacturer.
- Bill of Lading: A copy must be provided upon delivery to Region One ESC and/or the cooperative member.
- Delivery Personnel: will be in company uniform and have company issued identification
- Drivers/delivery personnel must meet all requirements for license and driving record as required by the Texas Education Code 22.085.
- Any product substitutes should be approved by the CNP-STC member prior to delivery. Substitutes must be of equal, or better, quality than the awarded item. No auto-fill, auto-conversions, or long-term and/or permanent replacement products are allowed without CNP-STC authorization.
- Vendor and/or sales agents acting on the Vendors behalf, shall give 72-hour prior notice to the ordering entity of any anticipated shortages, back orders, and/or out-of-stock items prior to delivery.

Invoice Review and Payment

- Invoices shall be directed to Region One ESC's, or its cooperative members', Accounts Payable Department as identified by Region One ESC or cooperative member. Vendor shall submit invoices within a timely manner during Region One ESC's, or its cooperative members', fiscal year in which the good(s) and/or

service(s) are purchased, and:

- a. Submit separate invoices, in duplicate, on each purchase order after each delivery.
 - b. Invoices shall indicate the purchase order number.
 - c. All invoices shall be itemized to include a description of each good(s) and/or service(s) rendered.
 - d. Items should be shown in numerical order and must correspond with the item numbers shown on the purchase order.
 - e. Quantity, unit and price of each item must be shown. All prices should be extended on the invoice.
 - f. Total all extensions on the invoice.
 - g. Discount, if applicable, must be stated, extended and deducted to arrive at a Net Total for invoice.
 - h. Transportation charges, if any, shall be listed separately.
 - i. A copy of the bill of lading, and the freight weight bill, when applicable, should be attached to the invoice.
 - j. Shipment date of merchandise must be shown.
 - k. Date of purchase order must be shown.
 - l. Payment shall not be due until the above instruments are submitted after delivery.
 - m. Vendors should keep the Accounts Payable department advised of any changes to remittance addresses.
 - n. Buyer's obligation is payable only and solely from funds available for the purpose of the purchase. Lack of funds shall render this contract null and void to the extent funds are not available and any delivered but unpaid for goods will be returned to Seller by Buyer.
 - o. Do not include Federal Excise, State or City Sales Tax. The Region One ESC, or its cooperative member, shall furnish exemption certificate, if required.
- CNP-STC members are responsible for ensuring:
 - a. Invoices are reviewed to ensure how and when all discounts, rebates, credits; USDA Foods values; and other applicable credits are given.
 - b. Invoices provide the following information for each cost submitted for payment:
 1. Cost that is allowable and may be paid from the nonprofit food service account and
 2. Cost that is unallowable and must be paid from sources other than the school nutrition food service account.
 - c. All products and/or services invoiced correlate to the actual products and/or services received.
 - d. Invoices prior to payment, including verifying information included on invoices to determine if costs are allowable.
 - e. That the CE is not invoiced for or pays for duplicative services
 - f. Any discrepancies are noted, and the vendor is contacted to rectify the error and issue a credit memo, if applicable.
 - Payments are due to Vendor by Region One ESC and/or its cooperative member whose governing body meets only once a month or less frequently, within forty-five (45) days after the later of the following: (1) the date Region One ESC and/or its cooperative member receives the goods under the Agreement; (2) the date the performance of the service under the Agreement is completed; or (3) the date Region One ESC and/or its cooperative member receives an invoice for the goods or service. For Region One ESC and/or its cooperative members whose governing bodies meet more than once a month or more often, payments are due by those entities within thirty (30) days after the later of the following: (1) the date the Region One ESC and/or its cooperative members receives the goods under the Agreement; (2) the date the performance of the service under the Agreement is completed; or (3) the date the Region One ESC and/or its cooperative member receives an invoice for the goods or service, in accordance with Texas Government Code [§ 2251.021](#).

Change Control

- The CNP-STC will notify cooperative members of contract award and/or any change/addenda, including contract extensions or renewals.
- CNP-STC members are responsible for taking the appropriate action, if applicable, as outlined in the addenda.

- CNP-STC members will communicate change in forecasted items and quantities to CNP-STC as/if needed.

Dispute Resolution

The ESC maintains protest procedures to handle and resolve disputes relating to procurements made with Federal funds and, in all instances, discloses information regarding the protest to TEA or other awarding agency, [2 CFR §200.318\(k\)](#). The protestor must exhaust all administrative remedies with the ESC before pursuing a protest with a Federal agency. Reviews of protest by Region One ESC will be limited to:

- a. Violations of Federal law or regulations and procurement standards established by Federal regulations (violations of State or local law will be under the jurisdiction of State or local authorities)
- b. Violations of the Contractor's or subcontractor's protest procedures for failure to review a complaint or protest

The Executive Director for the ESC is the primary office responsible for handling and coordinating any disputes relating to procurements. In the event of a timely protest, the Purchasing Department shall take any action reasonably necessary to resolve a protest of an aggrieved bidder/offer concerning procurement. The Purchasing Department shall promptly issue a determination to the protester which states the reasons for action taken, and inform the protester of the right to appeal to the Deputy Director for Business, Operations and Finance Support. The Deputy Director shall promptly issue a determination to the protester and inform the protester of the right to appeal to the Executive Director. The Executive Director shall promptly issue a determination to the protester and inform the protester of the right to appeal to the Board of Directors. The purchasing Department shall also inform the granting agency, such as Texas Department of Education, Texas Department of Agriculture, or other granting agency of the protest for their own review and determination.

Termination for Cause or Convenience

Region One ESC, and/or its cooperative members, reserves the right to immediately terminate any agreement in the event of a breach or default of the agreement by Vendor, in the event vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation. Region One ESC, and/or its cooperative members, also reserves the right to terminate the contract immediately, with written notice to vendor, for convenience, if Region One ESC, and/or its cooperative members, believes, in its sole discretion that it is in the best interest of Region One ESC, and/or its cooperative members, to do so. The vendor will be compensated for work performed and accepted and goods accepted by Region One ESC, and/or its cooperative members, as of the termination date if the contract is terminated for convenience of Region One ESC, and/or its cooperative members. Any award under this procurement process is not exclusive and Region One ESC, and/or its cooperative members, reserves the right to purchase goods and services from other vendors when it is in the best interest of Region One ESC, and/or its cooperative members.

Vendor Performance Reporting

The CNP-STC conducts an annual vendor performance survey for members to provide feedback. It is the responsibility of the CNP-STC member to take the following actions:

- Complete the annual vendor performance survey
- Complete and submit the CNP-STC Problems & Concerns e-Form to document any vendor concerns or issues so the Coop can follow up and provide resolution.