

# **RESPONSIBILITIES FOR REVIEW, APPROVAL, AND EXECUTION OF CONTRACTS AND OTHER AGREEMENTS**

**Note: Any exceptions to this process must be approved by the Superintendent or Asst. Supt. for Business and Finance**

<b>All contracts using non-standard terms and conditions must be reviewed by Legal.</b> <b>Note: the Deputy Supt. has the authority to sign for the Superintendent at any time.</b>		<b>Initiator (Manager or School Principal)</b>	<b>Accounting</b>	<b>Purchasing</b>	<b>Contract. Services</b>	<b>Director</b>	<b>Legal</b>	<b>Supt. Op. or Asst. Supt. TL</b>	<b>Asst. Supt. B&amp;F (up to \$100K)*</b>	<b>Sup't</b>	<b>Board</b>
<b>Standard Form Contracts</b>											
Equipment and Supplies	Up to \$75K	RA	--	RA,E							
	\$75K to \$100K	RA	RA		RA	RA	RA	RA	E		
	\$100K to \$250K	RA	RA		RA	RA	RA	RA	RA	E	
	Over \$250K	RA	RA		RA	RA	RA	RA	RA	E	RA
Curriculum Materials	Up to \$75K	RA	--	RA,E							
	\$75K to \$100K	RA	RA	RA		RA	RA	RA	E		
	\$100K to \$250K	RA	RA	RA		RA	RA	RA	RA	E	
	Over \$250K	RA	RA	RA		RA	RA	RA	RA	E	RA
Construction	Up to \$40K	RA	RA/E								
	\$40 to \$75K	RA	RA,E		RA						
	\$75K to \$100K	RA	RA		RA	RA	RA	RA	E		
	\$100K to \$250K	RA	RA		RA	RA	RA	RA	RA	E	
	Over \$250K	RA	RA		RA	RA	RA	RA	RA	E	RA
Architectural and Engineering	Up to \$75K	RA	RA,E		RA						
	\$75K to \$100K	RA	RA		RA	RA	RA	RA	E		
	\$100K to \$250K	RA	RA		RA	RA	RA	RA	RA	E	
	Over \$250K	RA	RA		RA	RA	RA	RA	RA	E	RA
Personal Services **, *** (based on unique skills and experience of firm or contractor)	Up to \$25K	RA	RA,E				E***				
	\$25K to \$75K	RA	RA,E		RA	RA					
	\$75K to \$100K	RA	RA		RA	RA	RA	RA	E		
	\$100K to \$250K	RA	RA		RA	RA	RA	RA	RA	E	
	Over \$250K	RA	RA		RA	RA	RA	RA	RA	E	RA
Purchased Services (based on standardized delivery of services, rather than unique skills and experience)	Up to \$25K	RA	RA	RA,E							
	\$25K to \$75K	RA	RA	RA,E							
	\$75K to \$100K	RA	RA	RA		RA	RA	RA	E		
	\$100K to \$250K	RA	RA	RA		RA	RA	RA	RA	E	
	Over \$250K	RA	RA	RA		RA	RA	RA	RA	E	RA

\*The Asst. Supt. for Business and Finance has authority to execute contracts up to \$100,000. The Asst. Supt. for Business and Finance and Supt. must approve contracts over \$100,000.

\*\*A personal services contract (PSC) funded by federal grant money requires competition or sole source justification, regardless of the amount of the PSC.

\*\*\* General Counsel may execute Special Education or Student 504 Service contracts up to \$10,000, where an emergency exists that does not allow for normal processing of contracts.

**Review and Approval:** Indicates that person reviewing and approving certifies that contract is in compliance with District policies and legal/statutory agreements

**Executes:** Binds the District to the contract, purchase order, or other agreement

**RA = Review/Approve**

**E = Execute**

**Procedure No. 6220SP.A**

Attachment 1, Chart

Approved June 2008, Last Updated December 2012

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# RESPONSIBILITIES FOR REVIEW, APPROVAL, AND EXECUTION OF CONTRACTS AND OTHER AGREEMENTS

Note: Any exceptions to this process must be approved by the Superintendent or Asst. Supt. for Business and Finance

Grants, Interagency (other governmental agencies), MOU's,* and Revenue-Producing Contracts		Initiator (Manager or School Principal)	Grants Office (as appropriate)	Accounting	Director	Legal	Asst. Supt. Op. or Asst. Supt. TL	Asst. Supt. B&F	Sup't	Board
Amount is based on total multiyear payment to District, or District commitment to expend funds, whichever is greater	Up to \$10K	RA, E								
	\$10K to \$50K	RA	RA	RA,E	RA	RA				
	\$50K to \$100K	RA	RA	RA	RA	RA	RA	E		
	\$100K to \$250K	RA	RA	RA	RA	RA	RA	RA	E	
	Over \$250K	RA	RA	RA	RA	RA	RA	RA	E	RA
*All MOU's, whether or not they involve funds, must be signed by the Asst. Supt. for Business and Finance.										

Emergency Contracts (Construction and Services)		Initiator (Manager or School Principal)	Accounting	Purchasing/ Contracting Services	Director	Legal	Asst. Supt. Op. or Asst. Supt. TL	Asst. Supt. B&F	Sup't	Board
Per RCW 39.04.280, an emergency is defined as: unforeseen circumstances beyond the control of the municipality that either: (a) present a real, immediate threat to the proper performance of essential functions, or (b) will likely result in material loss or damage to property, bodily injury, or loss of life if immediate action is not taken.	Up to \$100K	RA	RA	RA	RA	RA	RA	E		
	\$100K to \$250K	RA	RA	RA	RA	RA	RA	RA	E	
	Over \$250K	RA	RA	RA	RA	RA	RA	RA	E	RA

RA = Review/Approve  
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# **RESPONSIBILITIES FOR REVIEW, APPROVAL, AND EXECUTION OF CONTRACTS AND OTHER AGREEMENTS**

**Note: Any exceptions to this process must be approved by the Superintendent or Asst. Supt. for Business and Finance**

Construction Change Orders/Change Directives/Amendments		Project Manager	Accounting	Senior PM	Director	Legal	Asst. Supt. Op. or Asst. Supt. TL	Asst. Supt. B&F	Sup't	Board
	Under \$25K (field change directives)	RA/E								
	\$25K to \$50K	RA	RA	RA,E						
	\$50K to \$75K	RA	RA	RA	RA,E					
	\$75K to \$100K	RA	RA	RA	RA	RA	RA	RA/E		
	\$100K to \$250K	RA	RA	RA	RA	RA	RA	RA	E	
	\$250K and up	RA	RA	RA	RA	RA	RA	RA	E	RA

All contract amendments and modifications must include an explanation with details appropriate to the circumstances. The documentation shall include an explanation regarding the reason for the change, as well as justification for the change, in sufficient detail to enable an experienced professional in the field covered by the service to understand the basis for the decision, including both the reason for the increase and the amount. The documentation must be signed according to the signature authority listed in this matrix.

In addition to the requirements noted in the previous paragraph, for any contract change or modification (a) where the original value was more than \$250,000 and the cumulative increase in the contract amount exceeds the lesser of 25% or \$250,000, and again each time the cumulative increase exceeds and additional \$250,000; or (b) where the original value was between \$100,000 and \$250,000 and the cumulative increase is more than 50% of the original contract value, the documentation shall explain the reasons for the cumulative increase of the contract amount, and state whether the added work or services could effectively be competed separately. Factors to be considered include the relationship of the added costs to the scope of work, timing, location, skill needed, or opportunities for competition.

Although there is no requirement for School Board approval just because an amendment or modification causes the total contract value to exceed \$250,000, the School Board must be notified through the appropriate Board committee once a contract amendment or modification causes the contract value to exceed \$250,000. In addition, the contract amendment or modification process shall not be used to circumvent the requirement for School Board approval, by splitting a single contract or activity into multiple actions to reduce the amount below applicable dollar thresholds.

**RA = Review/Approve**  
**E = Execute**

## RESPONSIBILITIES FOR REVIEW, APPROVAL, AND EXECUTION OF CONTRACTS AND OTHER AGREEMENTS

**Note: Any exceptions to this process must be approved by the Superintendent or Asst. Supt. for Business and Finance**

<b>Professional Services Contract Amendments and Modifications (A &amp; E's)</b>		<b>Project Manager</b>	<b>Accounting</b>	<b>Senior PM</b>	<b>Director</b>	<b>Legal</b>	<b>Asst. Supt. Op. or Asst. Supt. TL</b>	<b>Asst. Supt. B&amp;F</b>	<b>Sup't</b>	<b>Board</b>
Per RCW 39.80, Professional Services are defined as "architectural and engineering services" or "professional services" by any person, other than as an employee of the agency, contracting to perform activities within the scope of the general definition of professional practice in chapters 18.08, 18.43, or 18.96 RCW.	Under \$25K (field change directives)	RA/E								
	\$25K to \$50K	RA	RA	RA,E						
	\$50K to \$75K	RA	RA	RA	RA,E					
	\$75K to \$100K	RA	RA	RA	RA	RA	RA	RA/E		
	\$100K to \$250K	RA	RA	RA	RA	RA	RA	RA	E	
	\$250K and up	RA	RA	RA	RA	RA	RA	RA	E	RA

All contract amendments and modifications must include an explanation with details appropriate to the circumstances. The documentation shall include an explanation regarding the reason for the change, as well as justification for the change, in sufficient detail to enable an experienced professional in the field covered by the service to understand the basis for the decision, including both the reason for the increase and the amount. The documentation must be signed according to the signature authority listed in this matrix.

In addition to the requirements noted in the previous paragraph, for any contract change or modification (a) where the original value was more than \$250,000 and the cumulative increase in the contract amount exceeds the lesser of 25% or \$250,000, and again each time the cumulative increase exceeds and additional \$250,000; or (b) where the original value was between \$100,000 and \$250,000 and the cumulative increase is more than 50% of the original contract value, the documentation shall explain the reasons for the cumulative increase of the contract amount, and state whether the added work or services could effectively be competed separately. Factors to be considered include the relationship of the added costs to the scope of work, timing, location, skill needed, or opportunities for competition.

A contract modification which brings the cumulative increase to more than 25% of the original contract amount must be signed by the Assistant Supt. for Business and Finance. Subsequent contract amendments revert to the original signature requirements on this section of the matrix.

Contracts with an initial value of less than \$10,000 do not require a memo to the contract file explaining the changes until a cumulative total of the contract modifications exceeds 100% of the original value of the contract.

For all Professional Service Modifications over \$50,000, a Negotiation Memo is required, setting forth the amount of the increase and how it was determined.

For all Professional Services Modifications over \$100,000, a written proposal for services or record of negotiations must be included.

Although there is no requirement for School Board approval just because an amendment or modification causes the total contract value to exceed \$250,000, the School Board must be notified through the appropriate Board committee once a contract amendment or modification causes the contract value to exceed \$250,000. In addition, the contract amendment or modification process shall not be used to circumvent the requirement for School Board approval, by splitting a single contract or activity into multiple actions to reduce the amount below applicable dollar thresholds.

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## RESPONSIBILITIES FOR REVIEW, APPROVAL, AND EXECUTION OF CONTRACTS AND OTHER AGREEMENTS

**Note: Any exceptions to this process must be approved by the Superintendent or Asst. Supt. for Business and Finance**

Budget Transfers and Modifications for Capital Projects		Project Manager	Accounting	Senior PM	Director	Legal	Asst. Supt. Op. or TL	Asst. Supt. B&F	Sup't	Board
	Under \$25K (field change directives)	RA	RA,E	RA	RA					
	\$25K to \$50K	RA	RA,E	RA	RA					
	\$50K to \$75K	RA	RA,E	RA	RA					
	\$75K to \$100K	RA	RA,E		RA					
	\$100K to \$250K	RA	RA			RA	RA	RA,E		
	\$250K and up	RA	RA			RA	RA	RA,E		
Personal Services Contract/Non-Construction Contract Amendment and Budget Transfers and Modifications*		Initiator	Accounting	Purchasing/ Cont. Svc.	Director	Legal	Asst. Supt. Oper. or TL	Asst. Supt. B&F	Sup't	Board
Under \$10K		RA	RA,E							
Over \$10K or over 25% of original contract amount, or time extension of more than twelve months beyond original contract end date	\$10K to \$50K, but <b>less than</b> 25% of original contract amount	RA	RA,E	RA	RA					
	\$10K to \$50K, but <b>more than</b> 25% of original contract amount**	RA	RA	RA	RA	RA	RA	E		
	\$50K to \$100K	RA	RA	RA	RA	RA	RA	E		
	\$100K to \$250K	RA	RA	RA	RA	RA	RA	RA	E	
	Over \$250K	RA	RA	RA	RA	RA	RA	RA	E	RA

\*For this matrix, the term "modification" means a change to the budget.

\*\*A contract amendment which is more than 25% of the original contract amount must be signed by the Asst. Supt. for Business and Finance. Subsequent contract amendments revert to the original signature requirements on this section of the matrix.

All contract amendments and modifications must include an explanation with details appropriate to the circumstances. The documentation shall include an explanation regarding the reason for the change, as well as justification for the change, in sufficient detail to enable an experienced professional in the field covered by the service to understand the basis for the decision, including both the reason for the increase and the amount. The documentation must be signed according to the signature authority listed in this matrix.

In addition to the requirements noted in the previous paragraph, for any contract change or modification (a) where the original value was more than \$250,000 and the cumulative increase in the contract amount exceeds the lesser of 25% or \$250,000, and again each time the cumulative increase exceeds and additional \$250,000; or (b) where the original value was between \$100,000 and \$250,000 and the cumulative increase is more than 50% of the original contract value, the documentation shall explain the reasons for the cumulative increase of the contract amount, and state whether the added work or services could effectively be competed separately. Factors to be considered include the relationship of the added costs to the scope of work, timing, location, skill needed, or opportunities for competition.

Although there is no requirement for School Board approval just because an amendment or modification causes the total contract value to exceed \$250,000, the School Board must be notified through the appropriate Board committee once a contract amendment or modification causes the contract value to exceed \$250,000. In addition, the contract amendment or modification process shall not be used to circumvent the requirement for School Board approval, by splitting a single contract or activity into multiple actions to reduce the amount below applicable dollar thresholds.

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Software and Related Services Contract Amendments and Budget Modifications		Initiator	Accounting	Purchasing/ Contracting Services	Dept. Director	DoTS Director	Legal	Asst. Supt. Op. or Asst. Supt. TL	Asst. Supt. B&F	Sup't	Board
From \$500 to \$10K		RA	RA,E	RA,E		RA					
Over \$10K or over 25% of original contract amount, or time extension of more than twelve months beyond original contract end date	\$10K to \$50K, or <b>less than</b> 25% of original contract amount	RA	RA,E	RA,E	RA	RA					
	\$10K to \$50K, or <b>more than</b> 25% of original contract amount	RA	RA	RA	RA	RA	RA	RA	E		
	\$50K to \$100K	RA	RA	RA	RA	RA	RA	RA	E		
	\$100K to \$250K	RA	RA	RA	RA	RA	RA	RA	RA	E	
	Over \$250K	RA	RA	RA	RA	RA	RA	RA	RA	E	RA

Sole Source Justification - Personal Services		Initiator	Manager	Director	Purchasing/ Contracting Svc.	Legal	Acctg	Asst. Supt. Op. or Asst. Supt. TL	Asst. Supt. B&F*	Supt	Board
Sole source documentation must be included with Personal Services Contract (PSC) if over \$25K, and must be included with <b>any</b> sole source PSC funded by federal grant money, regardless of the amount	Up to \$25K	RA	RA				RA,E				
	\$25K to \$75K	RA	RA	RA	RA	RA	RA,E				
	\$75K to \$100K	RA	RA	RA	RA	RA	RA	RA	E		
	\$100K to \$250K	RA	RA	RA	RA	RA	RA	RA	RA	E	
	Over \$250K	RA	RA	RA	RA	RA	RA	RA	RA	E	RA

\*The Asst. Supt. for Business and Finance has authority to execute sole source justifications up to \$100K. The Superintendent and Assistant Superintendent for Business and Finance must approve any sole source justification over \$100K.

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<b>Sole Source Justification - Purchased Services, Equipment, Construction, Software, and Curriculum Materials</b>		<b>Initiator</b>	<b>Manager</b>	<b>Director</b>	<b>Purchas./ Contract. Svc.</b>	<b>Legal</b>	<b>Acctg</b>	<b>Asst. Supt. Op. or TL</b>	<b>Asst. Supt. B&amp;F*</b>	<b>Supt</b>	<b>Board</b>
Sole source documentation must be included in Purchasing file, and must be included with <b>any</b> sole source funded by federal grant money, regardless of the amount	Up to \$75K	RA	RA	RA	RA,E	RA	RA				
	\$75K to \$100K	RA	RA	RA	RA	RA	RA	RA	E		
	\$100K to \$250K	RA	RA	RA	RA	RA	RA	RA	RA	E	
	Over \$250K	RA	RA	RA	RA	RA	RA	RA	RA	E	RA
*The Asst. Supt. for Business and Finance has authority to execute sole source justifications up to \$100K. The Superintendent and Asst. Supt. for Business and Finance must approve any sole source justification over \$100K.											

<b>Real Property</b>		<b>Property Manager</b>	<b>Legal</b>	<b>Asst. Supt. Op. or TL</b>	<b>Asst. Supt. B&amp;F</b>	<b>Sup't.</b>	<b>Board</b>
All Real Property transactions must be reviewed by Legal. If the expected annual value of the lease multiplied by the number of years of the lease exceeds \$250,000, the lease must be approved by the School Board.	Easements and LBAs under 1,000 SF	E					
	Leases under 5 yrs	E					
	Leases 5-10 years under \$25K/yr	RA,E	RA				
	Leases 5-10 years over \$25K/yr	RA,E	RA	RA	RA	RA,E	
	Leases over 10 years or over \$250K	RA,E	RA	RA	RA	RA,E	RA
	All sales	RA,E	RA	RA	RA	RA,E	RA

<b>Lawsuits, Settlements, and Claims (other than construction claims)</b>		<b>Legal</b>	<b>Sup't</b>	<b>Board</b>
	Up to \$100K	RA,E		
	\$100K to \$250K	RA	RA,E	
	Over \$250K	RA	RA,E	RA

Note: This section pertains only to lawsuits and general-funded claims. All capital-funded claims are covered by the section pertaining to construction change orders.

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<b>Employment and Labor Settlements (other than litigation)</b>		<b>Asst. Supt. for Human Resources</b>	<b>Legal</b>	<b>Supt.</b>	<b>Board</b>
	Up to \$100K	RA,E*	RA		
	\$100K to \$250K	RA	RA	RA,E	
	Over \$250K	RA	RA	RA,E	RA
*The Director of Labor Relations may sign labor and employee settlements that make no financial commitments.					

<b>Special Education Settlements</b>		<b>Dir. Or Exec. Dir. of SpEd.</b>	<b>Legal</b>	<b>Accounting</b>	<b>Supt.</b>	<b>Board</b>
	Up to \$10K	RA,E				
	\$10K to \$40K	RA	RA,E*			
	\$40K to \$100K	RA	RA,E	RA		
	\$100K to \$250K	RA	RA	RA	RA,E	
	Over \$250K	RA	RA	RA	RA,E	RA
*Approval required by Asst. General Counsel managing the case and Executive Director of Special Education.						

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