

Refer to Section {C}
{Business Affairs}Unit
Procedure for {C 4– Contracts}



Contract Authorization

1. Proposed contracts that obligate the college to pay for services are to be presented to the Vice President for Business Affairs (or his/her designee) by departmental supervisors, directors. A contract authorization sheet will be attached with summary information and signature lines for approval. The Vice President for Business Affairs (or designee) will review the contract and forward it directly to the Vice President of the division in which the contract originated or the President of the College for final approval.
2. After contract approval, the original document will be filed in the office of the Vice President for Business Affairs.

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MIDWAY COLLEGE
Office of Business and Financial Affairs

CONTRACT AUTHORIZATION*

Contract Initiated by: _____
Name Department

For what service/purpose:

Submitted by: _____
Signature, Department supervisor/director

Reviewed by: _____
Signature, Vice President for Business Affairs

Approved by: _____
Signature, Divisional Vice President or President of the College

***To be attached to the face of proposed contract.**



College Consultants

1. Consultation appointments must be approved by the president of Midway College.
2. Selection of consultants is generally made from recommendations for resource persons and should accompany qualifying credentials.
3. Payment for consultants is determined by either the fee requested by the consultant or by mutually agreed upon amount. Another form of compensation may be reimbursement for all travel, lodging and meals.
4. A letter of agreement should be prepared for the particular cabinet member's signature clearly outlining the reason for contract, amount to be paid for services rendered and completion time of consulting assignment. If final written report of assignment is required, specify requirement in letter of agreement.
5. Receipt of letter should be acknowledged and signed by consultant indicating that agreement of contract is understood.

Refer to Section {C}
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Procedure for {C 4– Contracts}



Construction Projects

1. All construction projects in excess of \$5,000 shall require lien releases from all contractors and subcontractors on draw downs.
2. Construction projects in excess of \$25,000 must be planned by a registered architect and/or registered engineer licensed in the state of Kentucky.
3. Construction projects between \$25,000 and \$100,000 must be executed by a firm that can guarantee successful completion of the project with lien releases on draw downs from contractors and subcontractors and either a performance and payment bond or a lump sum, single-payment contract.
4. Construction projects in excess of \$100,000 must be executed by a firm that can guarantee successful completion of the project with lien releases on draw downs from contractor and subcontractors and a performance and payment bond.
5. The administration will outline in as much detail as possible the scope of work to be performed. Examples of items to be included on larger projects would include the following:
 - a. Number of rooms to be remodeled, size, use
 - b. Types of finishes, paint, paper, other
 - c. Flooring, carpeting, floor tile, leave alone, other
 - d. Ceiling acoustical lay-in, drywall, leave alone, other
 - e. Lighting level
 - f. Heating or cooling needs
 - g. Plumbing needs
6. For projects over \$25,000, the administration will submit the outline to the college architect or another outside expert who will review and critique the scope of the project and develop in draft form a formal building program with detailed estimated construction costs and expected completion time.
7. Once this draft is completed and approved by the president, it will be reviewed and approved by the buildings and grounds committee of the board.
8. After approval by the buildings and grounds committee, the administrative staff will work with the outside expert on developing plans, specifications, bidding document, detailed construction costs and anticipated timeline for completion. These documents will be presented to the president for approval.

Refer to Section {C}
{Business Affairs}Unit
Procedure for {C 4– Contracts}



9. After approval by the president, the building and grounds committee will review documents, make needed changes and recommend to the full board or executive committee, as appropriate, that the project be let for bid.
10. Fixed prices should be obtained from at least three qualified bidders. If work is to be done on a cost-plus basis, cost shall be defined and terms for labor burden, overhead and profit shall be carefully outlined. Three prices shall be obtained on all cost-plus projects. All possible contingencies that might add to the cost shall be listed and a value established for each.
11. The buildings and grounds committee will review the bids and recommend to the administration to whom the contract should be awarded.
12. The contract for construction shall be written on a standard AIA form.
13. College purchase order forms shall be furnished to contractors and subcontractors and issued to vendors in order to recover sales tax savings. Adjustments for sales tax savings will be subtracted from the contractor's next billing.
14. Adjustments from vendors for discounts earned for prompt payment will be treated as savings for the college and will be subtracted from the contractor's next billing.
15. The administration will be responsible for planning, implementing and monitoring all construction projects from conception through completion.