

**Southern Nevada Workforce Investment Board  
General Policy & Procedure  
CONTRACT/PROPOSAL MODIFICATION**

**EFFECTIVE DATE: July 1, 2009**

**NUMBER: 2.3r#2**

**Supersedes SNWIB General Policies and Procedures  
No. 2.3r#1 dated May 8, 2008**

**AUTHORIZATION: SNWIB**

**I. BACKGROUND:**

The Southern Nevada Workforce Investment Board (SNWIB) is required to have procedures in place to ensure an effective and efficient contract administration system. This system must ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts. The SNWIB and its subrecipients (*down to the lowest tier*) must utilize the competitive method for the procurement of contracts and their applicable modifications and/or amendments. The sole source method of procurement of contracts and/or contract modifications must be utilized as a “last resort” and the justification for the use of method of procurement [*Reference: 29CFR 97.36 (b)*]

The following procedures are employed to ensure Service Provider contracts and SNWIB professional services contracts (*including applicable vendor contracts*) are implemented in accordance with applicable, policies, procedures, regulations, contract contents and contract terms:

- (a) Approximately thirty (30) to forty-five (45) days (*during normal business hours*) prior to the contract commencement date, a draft of the contract is reviewed with the service provider and/or appropriate SNWIB vendor to ensure clarity of all the contents and any modifications, if applicable, are reviewed, considered and agreed upon by all parties during this period.
- (b) Approximately one (1) to five (5) days prior to the contract commencement date, the final budget, scopes of work, and overall contents are reviewed by all parties and the appropriate signatures are obtained by SNWIB staff.
- (c) The final signed copy of the contract is dispensed to applicable SNWIB staff and the original document is provided to the SNWIB Procurement Manager to review and file. Additionally, copies of all final contracts are placed in a specific location in which the general public, applicable State, Federal, and A-133 Auditors and monitors shall have access to review these documents.
- (d) A request for funds, other than for those funds relating to the initial contractors capitol expenditures, shall not be honored until the above referenced procedures have been implemented.
- (e) **In the event that there is a delay in the issuance a final contract document after the beginning term date, a “Letter of Intent” may be issued by the SNWIB. The purpose of this document is to ensure contractors are in receipt of necessary and allowable funds in order to commence their programs. The “Letter of Intent” will be issued under the following conditions:**
  - 1.) **After the SNWIB approval of the contract award and its associated budget, a “Letter of Intent” shall be submitted to the contractor. This document is an official notification that a small portion of their allocation of funds may be expended prior to the issuance of the final contract document.**
  - 2.) **Contractors shall be allowed to request an advancement of funds and/or request reimbursement of allowable expenditures prior to the signing of the final contract**

document.

3.) The term and the amount of available funds shall be denoted in the “Letter of Intent”.

4.) “Letters of Intent” shall not exceed sixty days beyond the beginning term of the contract.

(f) Under certain conditions, modifications to contracts/proposals will be admissible. Any contract modifications that may affect major changes in the terms, budgets and/or scopes of work of the contract will follow the procedures as outlined in this policy.

The SNWIB shall ensure regulatory compliance of service provider performance as to the terms, conditions and specifications of proposals, as well as resulting contracts (*down to the lowest tier*), by monitoring each contract as well as each subcontract not more frequently than quarterly, or less frequently than annually. A monitoring performance report, when applicable, will be provided for each contract. Additionally, the SNWIB will also ensure that contracts adhere to federal regulations, as well as State and SNWIB and policies and procedures. [Reference SNWIB Policy and Procedures Sections 2, 3, 4, 5, and applicable manuals; State Policy 3.9; 29 CFR 95.44, 95.47-51; 95.48; 97.30 (a) through (d); 97.37].

## **II GENERAL CONTRACT/PROPOSAL MODIFICATION PROVISIONS**

Any and all contract/proposal amendments or modifications requiring a **substantial deviation** are to be approved by the Southern Nevada Workforce Investment Board. Such amendments and/or modifications must be submitted to the SNWIB in writing, and approval must be provided by the SNWIB to the Service Provider in writing, prior to implementation of changes by the Service Provider. [Reference 29CFR 97.30(c)i,ii]

B. Factors for determining **substantial deviation** are as follows:

1. A significant change in excess of 51% of the contractor’s proposed program design;
2. A significant change in excess if 51% of the contractor’s proposed “key” personnel staff who receive at least 51% of their salary under the contract;
3. A decrease and/or increase of 25% or more in the number of participants the contractor originally proposed to serve;
4. A decrease and/or increase of 25% or more of the contractor’s original proposed activities to be provided;
5. A decrease and/or increase of 25% or more of the contractor’s original proposed budget.

C. Any contract/proposal modification(s) that extend the term of execution of the contract **with or** without any associated costs must be submitted to the SNWIB for approval prior to implementation of the extension.

## **III. PROCEDURE FOR REQUESTING CONTRACT/PROPOSAL MODIFICATIONS**

A request for modification to an existing contract/proposal; cumulative transfers among direct budget cost categories; [*line items*] or, if applicable, among separately budgeted programs projects, functions, or activities which exceed or are expected to exceed the SNWIB designated percent of the current total approved budget, [*whenever the awarding agency’s award exceeds \$100,000*], must comply with the

following procedures: [*Reference: 29CFR 97.30*].

- A. A written request for contract/proposal modification should be submitted to the SNWIB and include but not limited to, the following documents:
  - 1. A justification for the request.
  - 2. A revised Scope of Work that is related, if applicable, to original Request for Proposal and/or original proposed program design.
  - 3. A revised budget with a written narrative that is directly related to the revised Scope of Work .
- B. The SNWIB staff will review this request and advise the service Provider/contractor in writing of their determination and/or recommendation, if applicable, to the SNWIB and/or appropriate committees.
- C. Once the modification has been approved, the SNWIB will prepare the revisions and contact the Service Provider for appropriate signatures. The contract/proposal modification will not be in effect until all signatures have been obtained. Any exceptions shall be at the discretion of the SNWIB Executive Director, SNWIB Chair and/or their designee(s).