**PROJECT CONTRACT AWARD**

1. **SCOPE**

This procedure defines the interface between the Procurement and Strategic Sourcing Contract Award, Enterprise Architecture and Office of State Budget and Management (OSBM) process and the [0300-0300-005-B PROJECT MANAGEMENT PROCESS](https://it.nc.gov/document/project-management-process), and the creation of a Refined Estimate as required in [0300-0310-030-C COST ESTIMATION](https://it.nc.gov/document/cost-estimation).

1. **OWNER**
   1. This procedure is co-owned by the Enterprise Project Management Office (EPMO) Director and the Procurement and Strategic Sourcing Chief Procurement Officer. No changes, additions or alterations may be made without the owner’s written approval.
2. **REFERENCE DOCUMENTS**

|  |  |
| --- | --- |
| **DOCUMENT IDENTIFICATION** | **DOCUMENT TITLE** |
| PROCUREMENT AND STRATEGIC SOURCING PROCESS | [PROCUREMENT AND STRATEGIC SOURCING PROCESS](https://it.nc.gov/resources/it-strategic-sourcing) |
| 0100-0800-010-B | **FORMS AND RECORDS CONTROL** |
| 0300-0300-005-B | [PROJECT MANAGEMENT PROCESS](https://it.nc.gov/document/project-management-process) |
| 0300-0310-015-C | [PROJECT FINANCIAL ASSESSMENT](https://it.nc.gov/document/project-financial-assessment) |
| 0300-0310-030-C | [COST ESTIMATION](https://it.nc.gov/document/cost-estimation) |
| 0300-0320-005-C | [PROJECT PLANNING AND DESIGN](https://it.nc.gov/document/project-planning-and-design) |
| 0300-0320-010-C | [PROJECT RFP REVIEW](https://it.nc.gov/project-rfp-review) |
| 0300-0330-005-C | [PROJECT EXECUTION AND BUILD](https://it.nc.gov/document/project-execution-and-build) |
| 0300-0350-005-C | [PROJECT CLOSEOUT](https://it.nc.gov/document/project-closeout) |
| 0300-0360-005-C | [PROJECT CHANGE REQUEST](https://it.nc.gov/document/project-change-request) |
| 0600-0600-005-B | **CORRECTIVE ACTION PROCESS** |

1. **ASSOCIATED FORMS**

|  |  |
| --- | --- |
| **FORMS IDENTIFICATION** | **FORM TITLE** |
| 0300-0310-015-D | [PROJECT FINANCIAL ASSESSMENT FORM](https://it.nc.gov/document/project-financial-assessment-form) |
| 0300-0320-015-D | [PROJECT CONTRACT AWARD FORM](https://it.nc.gov/project-contract-award-recommendation-form) |
| 0300-0350-005-D | [PROJECT CLOSEOUT REPORT](https://it.nc.gov/document/project-closeout-report) |
| 0300-0360-005-D | [PROJECT CHANGE REQUEST FORM](https://it.nc.gov/project-change-request-form) |
| 0810-0810-005-D | [QUALITY CONTROL DECISION POINTS](https://it.nc.gov/quality-control-decision-points) |

1. **DEFINITIONS**

* **PROCUREMENT AND STRATEGIC SOURCING: *see Glossary of Terms and Definitions***

1. **PROCEDURE**

Contract Awards are normally accomplished during the [0300-0320-005-C PROJECT PLANNING AND DESIGN](https://it.nc.gov/document/project-planning-and-design) phase. Additional Contract Awards may be required for hardware, infrastructure, or other services and may be accomplished during the [0300-0330-005-C PROJECT EXECUTION AND BUILD](https://it.nc.gov/document/project-execution-and-build) phase. Prior to this process, the [0300-0320-010-C PROJECT RFP REVIEW](https://it.nc.gov/project-rfp-review) will have been completed.



* 1. During Project Initiation, or as required, the Project Management Advisor (PMA) collaborates with the Project Manager (PM) to create a Project Contract Award Decision Point (DP). At this point the contract is not awarded and so vendor information is not known.
     1. Project Information (Section 1.0) – Complete Agency, Project Name and Project Manager.
     2. Vendor and Contract Information (Section 2.0) – Since the contract is not yet awarded, use ‘To Be Determined (TBD)’ for the Vendor Name and Contract Number. Use ‘01/01/01’ for the Expiration Date of Contract and zero (0) for the Contract Award Amount.
  2. Prior to awarding the contract, the PM determines if the Project Contract Award requires a change in project scope, schedule or cost as defined in [0300-0360-005-C PROJECT CHANGE REQUEST](https://it.nc.gov/document/project-change-request). If required, the PM must complete the Change Request process and generate a Refined Budget Estimate prior to Contract Award Recommendation submittal.
  3. When the Project Contract Award is ready for review by Enterprise Architecture, the PMA triggers the Project Contract Award DP and the PM completes [the 0300-0320-015-D PROJECT CONTRACT AWARD FORM](https://it.nc.gov/project-contract-award-recommendation-form).
     1. **Project Information** (Section 1.0) - Complete Agency, Project Name and Project Manager.
     2. **Vendor and Contract Information** (Section 2.0) - Complete Vendor Name, Contract Number, Expiration Date of Contract and Contract Award Amount. This information will be used in the 0300-0350-[005](https://it.nc.gov/document/project-closeout-report)-D PROJECT CLOSEOUT REPORT.
     3. **Project Contract Award Recommendation Review and Approval** (Section 3.0) - The PM and any additional agency required reviewers sign the paper form or e-mail their electronic approval to the PM. When an e-mail is used for Project Contract Award Recommendation approval, the PM shall maintain a copy of the approval e-mail with the [0300-0320-015-D PROJECT CONTRACT AWARD FORM](https://it.nc.gov/project-contract-award-recommendation-form).

(***NOTE:*** *The reviewers listed on* [0300-0320-015-D PROJECT CONTRACT AWARD FORM](https://it.nc.gov/project-contract-award-recommendation-form) *are only a guide and should be modified in accordance with each agency’s internal review and approval process.*)

* 1. The PM will update [0300-0310-015-D PROJECT FINANCIAL ASSESSMENT FORM](https://it.nc.gov/document/project-financial-assessment-form) to reflect the Refined Estimate based on awarding the contract.
  2. The PMA will start the Project Contract Award DP with Enterprise Architecture being the first approver (Stage 1), then Office of State Budget and Management (Stage 2) and then Procurement and Strategic Sourcing (Stage 3).
  3. The PM or Agency Procurement Team sends the Project Contract Award to Enterprise Architecture for architecture and security review prior to the final Best and Final Offer (BAFO).

***NOTE:*** *Typically, there should be negotiation and discussion to result in only one BAFO.*

* 1. Upon Enterprise Architecture approval, the architect will approve the Contract Award DP and informs the PM or Agency Procurement Team to send the Project Contract Award to Procurement and Strategic Sourcing.
  2. Procurement and Strategic Sourcing receives the Project Contract Award and waits until the approval is completed by OSBM.
  3. OSBM reviews the Project Contract Award and ensures that the project budget is sufficiently funded based on the Contract Award Amount.
  4. If the Project Contract Award is not approved by OSBM, the PMA will be informed and will initiate Corrective Action with the PM per **0600-0600-005-B CORRECTIVE ACTION PROCESS.** The DP approval process will start again from the beginning and the Contract Award DP will be returned to the PM in accordance with the Service Level Commitment defined in [0810-0810-005-D QUALITY CONTROL DECISION POINTS](https://it.nc.gov/document/project-execution-and-build).
  5. Upon approval of the Project Contract Award by OSBM, Procurement and Strategic Sourcing will begin their review.
  6. Upon approval by the Procurement and Strategic Sourcing Manager, the Project Contract Award will be moved to the Contract Management System and the Project Contract Award DP is approved. The PM will upload the completed [0300-0320-015-D PROJECT CONTRACT AWARD FORM](https://it.nc.gov/project-contract-award-recommendation-form) with all approvals and supporting documents in the Project Site Document Library in the TOUCHDOWN System.

(***NOTE:*** *Due to the sensitive nature of procurement documents produced during the execution of* 0300-0320-015-C PROJECT CONTRACT AWARD*, PM’s will take appropriate steps to control access to procurement documents stored in the* Project Site Document Library in the TOUCHDOWN System*.*)

**7.0 RECORDS**

* 1. Unless otherwise specified in this Procedure/QWI, Records shall be maintained in accordance with **0100-0800-010-B FORMS AND RECORDS CONTROL** procedure.

1. **REASON FOR CHANGE**
   1. Updated division name from Statewide IT Procurement to Procurement and Strategic Sourcing.
   2. Updated division name from Technology Strategies and Solutions to Enterprise Architecture.
   3. Changed EPMO Manager to EPMO Director.
   4. Ahange EPMO Manager to EPMO Director.tewide IT Strategic Sourcing. architecture and security review prior to the final Best anddded information on updating the contract award form to include award amount.
   5. Clarified the role of Statewide IT Strategic Sourcing manager, OSBM and Enterprise Architect.
   6. Added OSBM as an approver in the Project Contract Award DP.