PRESENTED BY

NC★DOA
Department of Administration
Purchase & Contract

Effective Strategies in Contract Management

2025 PEAK BREAKOUT SESSION

ELEVATING NC PROCUREMENT TOGETHER

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Meredith Swartz

Department of Administration

PEAK

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Purchasing Director

Are you in the Purchasing World
or
the Contract Management World?

Relationship Management

- Hold a contract kick-off meeting

- Identify roles and responsibilities
    - Project Managers
    - Technicians/Staff
    - Fiscal Representatives

- Provide contact information for each team member

- Clarify terms and conditions

- Are there any additional steps before work can start? (background checks, badging, supply ordering, etc.)

- Establish goals and objectives

- Communicate with the Vendor

    - Late shipments
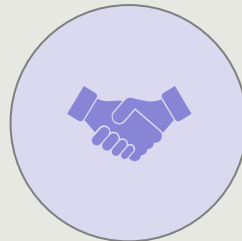   - Damaged goods
    - Performance issues

The Importance of Record Keeping
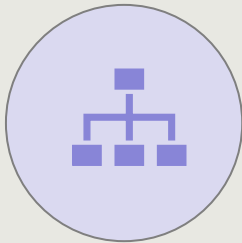
Establishes responsibility for all parties involved.

Ensures monitoring of deliverables in compliance with the terms

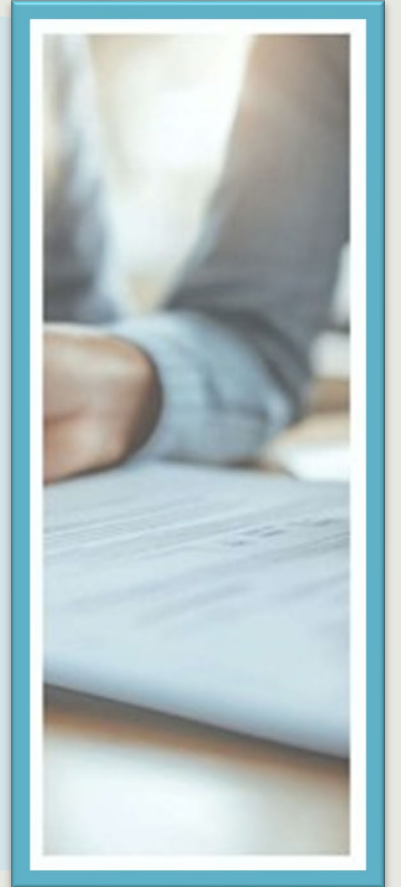Serves as a reliable source for resolving disputes and misunderstandings

Risk Mitigation – Helps identify and reduce potential legal and financial risks

How are you storing your records? Digital vs Paper

Contract Administration

The Contract Manager tracks deliverables, monitors adherence to terms, and ensures that all parties fulfil their respective obligations.

- Know what is in the scope of work/specifications of tasks/products, terms and conditions

- Confirm Deliverables

  - Reporting requirements

  - Delivery times and instructions

  - Tasks

- Inspections are conducted to document compliance with contract scope of work/ specifications of product

- Manage Contract Changes

QUALITY ASSURANCE

MONITOR AND CONTROL

IDENTIFY ISSUES WITH PROCESS

GENERATE CORRECTIVE ACTIONS

VERIFY CORRECTIVE ACTION

IMPLEMENT CORRECTIVE ACTION

Monitoring Performance

Quality assurance (QA) is a systematic process that ensures products or services meet the expectations of customers and other stakeholders.

Contract Quality Assurance Processes

Review – thoroughly analyze contract documents to ensure all terms and conditions are clearly defined and understood

Monitor – Continuously track performance metrics and compliance with all contractual obligations throughout the contract life cycle

Evaluate – Conduct periodic assessments to determine if contract goals are being met and to identify areas for improvement.

What is your agency using to monitor performance throughout the contract life cycle?

Contract Closeout Procedures

- Review – Evaluate contract deliverables against initial requirements

- Finalization – Ensure all terms and conditions are satisfactorily met

- Collection - Gather all State issued equipment and access badges. Close out any access to State supported systems

- Invoicing - Issue final acceptance and payments

- Archiving – Store contract documents for future reference

- Learning – Document lessons learned

Common Challenges and Risks in Contract Management

Inadequate Training – Staff may lack sufficient knowledge on contract

Poor Documentation – incomplete or inaccurate documentation can lead to various issues

Compliance Issues – failure to adhere to the rules and laws that govern State procurement

Misalignment of Goals – Different stakeholders may have conflicting priorities or expectations

Inefficient communication – lack of clear communication increases the risk of misunderstandings

Ineffective Monitoring – insufficient tracking of performance metrics can hinder performance evaluations

Delayed Payments – slow payment processes can strain vendor relationships and project timelines

Best Practices for Effective Contract Management

Document Clearly – ensure all terms, conditions, and obligations are explicitly documented to avoid misunderstandings

Regular Reviews – Conduct periodic evaluations of contract performance and adherence to identify areas for improvement

Timely Closeout – Implement a structured process for contract closeout to ensure all obligations are fulfilled and documented.

Thank you

Meredith Swartz

Department of Administration

Purchasing Director