BOARD OF TRUSTEES CARSON CITY SCHOOL DISTRICT

REGULATION No. 618 FINANCES

CONTRACT APPROVAL AND MANAGEMENT

Purpose

The Board of Trustees has given the Superintendent the responsibility to establish a process for the orderly review, approval, execution, implementation and retention of contracts.

The purpose of this regulation is to state the District's procedures for contracting, including any delegation of authority from the Superintendent to administrators. This regulation provides for appropriate levels of internal review, including legal and financial review, pertaining to the economic and liability risks associated with a particular transaction.

Definitions

A contract is an agreement between two or more persons (or entities) that creates an obligation to do or not to do a particular thing. Its essential components are competent parties (persons or entities legally capable of contracting), subject matter (the purpose of the contract), a legal consideration (the inducement to contract, usually money or something of value, but also including promises to perform something or refrain from doing something), mutuality of agreement (all parties must voluntarily enter the contract), and mutuality of obligation (all parties are obligated to do something or not to do something they otherwise have a right to do).

Labels do not control whether a contract exists. The following, which are not meant to be all-inclusive, <u>are all contracts</u> if they constitute an agreement between two or more persons that creates an obligation to do or not to do a particular thing:

- a contract, be it written or oral;
- an agreement, be it written or oral;
- a lease;
- a rental agreement;
- a letter or memorandum of intent;
- a letter or memorandum of agreement;
- a letter or memorandum of understanding;
- an employee separation agreement;
- a facility use agreement;
- an education affiliation agreement;
- a purchase order;

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- a grant;
- a grant agreement;
- a consent;
- a waiver:
- a release.

A contractual obligation is a legal obligation. Entering into a contract is a very serious step which can create legally binding obligations and result in liability for breach. This regulation has been developed in order to help limit financial liability from lawsuits that might arise from poorly written contracts and misunderstandings that may result from oral agreements.

The procedures set forth in this regulation are intended to protect the interests of the District, and it is essential they be followed by the District administrators and employees.

Contract Approval and Signatory Authority

Subject to specific limitations set forth in Nevada Revised Statutes, authority to enter into negotiations, approve and/or sign contracts on behalf of the District shall be granted pursuant to:

- 1. Formal action of the Board of Trustees;
- 2. A valid delegation of authority from the Superintendent as defined in Administrative Regulation 618;
- 3. A purchase made in accordance with Board Policy and/or Administrative Regulation.

Advance Review by Relevant Department(s)

All contracts should be reviewed and approved in advance by other departments that will need to provide technical support, facilities, or personnel to carry out the contract.

Desired Outcomes

The requirements and procedures stated in this regulation have been established for the preparation and processing of proposed contracts. These requirements and procedures will result in the efficient processing of contracts and in documents that are consistently sound, correct in format, and that limit the potential liability to the District.

Implementation Guidelines & Associated Documents

- 1. This policy aligns with the following CCSD governing documents:
 - Regulation 606
 - Regulation 606.2
 - 618 Form Contract Review Form

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- CCSD Standard Form Contract for Services of an Independent Contractor
- CCSD Notice to Contractors of Insurance Requirements
- CCSD Affidavit of Rejection of Workers Compensation
- CCSD Standard Form Memorandum of Understanding
- 2. This regulation complies with Nevada Revised Statues (NRS) and Nevada Administrative Code (NAC) to include:
 - Chapter 239, Public Records
 - Chapter 332, Purchasing: Local Governments

Adopted: April 12, 2016