 UNIVERSITY of MARYLAND MEDICAL SYSTEM	PAGE: 1 OF 2	PROCEDURE NO: UMMSSC04
	EFFECTIVE DATE: 06/2012	LAST REVISION DATE: 06/2012
SUPPLY CHAIN MANAGEMENT POLICY AND PROCEDURE MANUAL		
SUBJECT: CONTRACTS MANAGEMENT	FUNCTION: Supply Chain Management	

KEY WORDS: Policy, Procedure, Contracts, Agreements, Goods, Products, Services, Equipment

I. POLICY

A. OBJECTIVE:

To establish guidelines for administering all contracts for goods, services, and equipment between any Department of the University of Maryland Medical System and a vendor, and centrally managed based on type of contract.

B. INDICATIONS FOR USE:

1. Criteria when agreements are required:
 - a. Agreements are required when financial interests are at risk.
 - b. Formal Agreements are required when involving two or more of the UMMS hospitals.


II. RESPONSIBILITY

UMMS Supply Chain Contracting	<ul style="list-style-type: none"> ▪ It is the responsibility of all personnel involved in Supply Chain Contracting to administer contracts for goods, materials, supplies, services, equipment, and other agreements not listed herein that will be paid using a UMMS purchase order.
Human Resources	<ul style="list-style-type: none"> ▪ Employment & physician contracts ▪ Insurance and benefits-related contracts

III. PROCEDURE

A. Policy and Procedure Writing Guidelines

1. The basic purpose of supply or service contracts is to provide goods and services in the appropriate quantities, at the right time, and in a cost effective manner.
2. The organization will keep one signed original of every contract.
3. Contracts will be kept in the Supply Chain Contracting Department. Exceptions will be employment and physician contracts, insurance and benefits-related contracts.
4. Copies of contracts will be provided to the responsible departments. Contractual terms, conditions and pricing are confidential and must never be shared with those who do not need to know. If there is doubt, contact the Supply Chain Contracting Department before sharing information.
5. Supply Chain Contracting and Accounts Payable jointly have responsibility to monitor suppliers' compliance with financial terms of contracts maintained by Supply Chain Contracting.
6. The department for which the contract was written is responsible for monitoring all other aspects of the supplier's performance. Any issues with performance should be communicated to Supply Chain Contracting.

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7. All changes, modifications, addenda or amendments to contracts must be requested in writing to Supply Chain Contracting. Requested contract changes will be discussed with the requesting department and appropriate steps taken to effect the change.
8. Any problems with contracts such as inadequate performance or lack of performance must be documented and copies of that documentation must be kept with the original contract.
9. Contracts will contain, but not limited to, the following items of information:
 - a. Complete specifications for the supply or services to be provided.
 - b. Pricing guarantees for a specified period of time and any volume discounts if applicable.
 - c. All standard UMMS Terms and Conditions (available through Supply Chain Contracting).
 - d. Performance standards which include meeting all applicable regulatory and accreditation standards, including The Joint Commission.

IV. REPORTABLE CONDITIONS

None

V. DOCUMENTATION

- A. Contract Templates are available in the Supply Chain Contracting Department.

VI. SUPPORTIVE INFORMATION

- A. REFERENCES
 1. UMMS Policies and Procedures Manual
 2. UMMS Intranet, Supply Chain Management link

VII. DEVELOPER

- A. UMMS Supply Chain Contracting

NEW POLICY: 06/2012

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Executive Approval: [Signature] Date: 6/6/12