



City of Arts & Innovation

City of Riverside Administrative Manual

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Policy Owner(s): Finance Department

Approved:

Charles Mike Fitzrell

Department

City Manager

SUBJECT:

Processing Negotiated Contracts and Agreements

PURPOSE:

To provide guidance for processing negotiated contracts and agreements except real property leases, easements, and deeds.

SOURCE OF AUTHORITY: Purchasing Resolution Article Two

POLICY:

Contracts and agreements for goods and services are processed through the City's Purchasing Manager through the solicitation process. However, when it is in the best interest of the City and not in conflict with the City Charter, Purchasing Resolution and/or State law, negotiated contracts and agreements may be processed by utilizing the appropriate Purchasing Resolution Exception with Purchasing Concurrence. If it is determined that a contract or agreement should be negotiated rather than submitted for bid, then the following procedure shall be followed.

PROCEDURE:

Responsibility	Action
Originating Department	1. Sends request to the City Attorney for the preparation of a contract or agreement including specific information on work to be performed and/or service to be provided, time limits, compensation, any additional special insurance, and any other necessary information or provisions, including documentation that contractor/vendor has the appropriate state license(s) required to perform the work and/or services. Coordinates with Public Works for all projects concerning development of city sites, major city building construction, and remodeling projects prior to sending request to the City Attorney.

PROCEDURE:

Responsibility	Action
City Attorney	<ol style="list-style-type: none">2. Prepares contract or agreement in final form including insurance and bond forms, if any. Verifies the following information:<ol style="list-style-type: none">a. Contractor/Vendor has current City of Riverside Business Tax Certificate.b. Contractor/Vendor (if corporation, LLC, or LP) is registered or qualified with the California Secretary of State to do business in California.c. Contractor/Vendor (if corporation, LLC, or LP) is not suspended by the State Franchise Tax Board.d. Any other information deemed necessary to ensure the responsibility and viability of Contractor/Vendor.3. Returns finalized contract or agreement to originating department.
Originating Department	<ol style="list-style-type: none">4. Reviews the completed contract or agreement as prepared by the City Attorney, approves the contents thereof, and forwards contract or agreement with insurance and bond instructions, if required, to Contractor/Vendor to execute.5. Receives executed contract or agreement:<ol style="list-style-type: none">a. If contract is under \$25,000 and included in the approved budget, per City Manager delegation, Department Head executes the contract and then submits executed document to Purchasing for verification of Purchasing Resolution compliance and to Budget Office for certification as to available funds. Upon certification by Finance, transmit to City Attorney for approval as to form.b. If contract is for Goods, Services and Professional Services between \$25,000 and \$100,000 and included in the approved budget, and isn't subject to City Charter Section 1109 for Public Works contracts or 1202(b) requiring Board of Public Utility approval, submit the Contractor/Vendor executed agreement to Purchasing for verification of Purchasing Resolution compliance and to Budget Office for Finance for certification as to available funds. Upon certification by Finance, transmits the contract, with Department Head Approval Slip, to City Attorney for approval as to form.c. If the contract is in excess of \$50,000 and IS subject to City Charter 1109 or Section 1202(b) or if funds were not included in the approved budget, transmits the contract, with Department Head Approval Slip, to the City Attorney for approval as to form, and submits a Concurrence Request to Purchasing through the online portal with Agenda Report(s), contract, and any applicable supporting documents attached.d. If the contract is in excess of \$100,000 and is NOT subject to City Charter 1109 or Section 1202(b) or if funds were not included in the approved budget, transmits the

PROCEDURE:

Responsibility	Action
	contract, with Department Head Approval Slip, to the City Attorney for approval as to form, and submits a Concurrence Request to Purchasing through the online portal with Agenda Report(s), contract, and any applicable supporting documents attached
Purchasing Manager	6. Reviews Concurrence Request for compliance with current Purchasing Resolution and takes appropriate action.
Originating Department	7. Upon concurrence approval, submits City Council agenda report into Legistar for approval routing.
City Attorney	8. Upon receipt of contract (and bonds, if required) executed by the other party (execution by public entity is not required prior to City Council approval), approves as to form, prepares and submits document transmittal form to City Clerk.
City Council	9. Takes appropriate action.
City Clerk	10. Ensures that the City Attorney has approved as to form the contract or agreement and has also approved as to form any required bonds and that Risk Management has approved the insurance through their Oragami software.
	11. Processes approved contract.
	12. E-mails executed copies of approved document to the Originating Department.
Originating Department	13. Prepares Electronic Purchase Requisition with description of work to be performed or service to be provided. Also, if City Council approval was required, states date approved by City Council on the Requisition and attaches copy of Council memorandum, Minutes and executed agreement. Routes for approval.
Purchasing	14. Prepares Purchase Order to encumber necessary funds.