

INSTREAM FLOW COUNCIL CONTRACTING AND CONTRACT ADMINISTRATION POLICY

Purpose: Provide consistent, transparent, and expedient procedures for IFC actions involving significant (in excess of the amount currently in the bylaws as the upper limit for approval by the President acting without an Executive Committee vote) funds and contracts.

Primary contracts are for one-time activities, such as IIFPI or a book, for a pre-determined budget. An IFC contract administrator is the IFC member or representative (including Executive Director) who obtains the contract and ensures that IFC fulfills the contract (e.g., Christopher Estes for NIFPA, Tom Annear for books I & II & IIFPI, Allan Locke [and Tom Annear] for Book III). To complete the contract, IFC may have to enter into dependent contracts (e.g., with publishers, editors, illustrators, hotels, etc.) and many of those dependent contracts may exceed the limit established in the Bylaws for the President's discretion, but they should be covered by the primary contract.

The primary contract requires Executive Committee (Excom) approval. The contract administrator shall be designated by the Excom at the time of the vote approving the primary contract.

Excom approval of the primary contract implies Excom approval of related dependent contracts, subject to approval of each dependent contract by the president or, at the discretion of the president, approval by Excom. The contract administrator may initiate such dependent contracts and administer them when they are for an amount less than the primary contract.

The IFC contract administrator shall have signature authority for dependent contracts unless it is more advantageous for IFC to have the President or Secretary-Treasurer sign, as determined by discussions between the Secretary-Treasurer, President, and contract administrator.

Contract extensions and contract amendments are a subset of primary contracts and should be treated the same way, provided that they do not increase the financial commitment of IFC. They are modifications of a project and differ from renewing (annual) contracts.

Renewable contracts are for services such as insurance, website hosting and accounting. Unless there is a reason to change the service provider or cancel the service, it is assumed that the contract will be renewed. The Executive Director will work with the Secretary-Treasurer to provide background information to the Excom. The initial contract and any changes must be approved by vote of the Excom. Votes may be taken on an Excom conference call or, if urgent, by email. Once Excom has approved the initial contract or renewal, the Secretary-Treasurer will make necessary payments without additional approval by Excom or the President.

The Executive Director's contract is a special case of a renewable contract. The Executive Director is responsible for providing to the Excom an analysis of any proposed changes in the contract. Regular payments require approval by the President and any other IFC contract administrator to whose contract the Executive Director charges time. A contract administrator may not authorize payment to himself or herself.

Dependent contracts may include services contracted by the Executive Director, if approved by the Excom. The Executive Director may also subcontract, but such subcontracts without Excom approval cannot obligate IFC.

Many projects will be fixed budget projects. Excom approval of such projects will generally include consideration of funds IFC has and anticipates receiving and other expenses expected. Excom approval shall also include any commitments IFC can provide as volunteer efforts by members and member agency staff. Contracts and agreements for services or products shall be crafted to maximize benefits, and minimize risks, to IFC. Cost over-runs and missed deadlines are not acceptable for a contractor to a largely volunteer organization.

Recurring expenses are generally covered above under renewable contracts. These must be budgeted and prioritized.

Indeterminate projects are generally large budget projects, such as FLOW 2008, that exceed IFC funds. IFC needs to raise funds for indeterminate projects. Indeterminate projects will require a number of dependent contracts with different IFC contract administrators. FLOW 2008 will serve as a template for any future indeterminate projects. The chair of the conference planning committee is the IFC contract administrator, but the chair delegates some of the contract administration to the subcommittee chairs. The Secretary-Treasurer is the other constant point of contact in coordinating payments and income. Early in FLOW 2008 planning, Excom set a limit on spending at a fixed amount greater than the amount that had been raised at any time. The fixed amount should be an amount less than what IFC has in its account; it is an amount that IFC can risk losing without bankrupting itself. Thus, the spending limit has two components, the fixed IFC commitment and the amount raised (which should change over time). The committee chair/IFC contract administrator must work with the Secretary-Treasurer to ensure that spending does not exceed the limit of the amount raised plus the IFC commitment. The fixed amount should be ideally an amount less than what IFC has in its account; an amount higher than that may be set, with Excom approval, provided that it is an amount that IFC can risk losing without bankrupting itself.

IFC contract administrator duties have been described in most of the topics above. The IFC contract administrator is responsible for ensuring that IFC meets its obligations and receives contracted products, services, or funds.

Legal services are on a request basis with an associated hourly rate, but it is difficult to anticipate bills for services. The President and Executive Director cooperate as IFC contract administrator. Generally they will request approval of Excom before requesting legal services if the bill could be significant, but occasionally an urgent issue may require legal advice before Excom can be consulted. Excom may wish to provide additional guidelines to the President and Executive Director on when and how to request urgent legal advice.

This document can be amended at any time by the Excom. The Secretary-Treasurer should retain dated copies of each version approved by Excom.

Adopted by the Executive Committee on August 19, 2008