**Vendor Agreements: Sample Policy and Procedure**[[1]](#footnote-1)

**Policy.**

The PCA-HCCN is committed to ensuring the appropriate provision of all goods and services related to its programs and activities, whether provided directly or by contract. All vendor arrangements will contribute to the desired outcomes and objectives of the activities/programs performed thereunder and will comply with all applicable federal and state laws, regulations and policies.

# **Procedure.[[2]](#footnote-2)**

**1. Process to review and approve vendor contracts.** The PCA-HCCN will establish a process by which it will review and approve vendor contracts. The goals of this process are to ensure that the PCA-HCCN’s contracts accurately reflect the PCA-HCCN’s expectations, reasonably allocate responsibilities (and liabilities) between the parties, and assure that there are reasonable protections for the PCA-HCCN. This process will include criteria for setting limits on contract authority, considering appropriate contract provisions, and coordinating between the relevant divisions of the PCA-HCCN and the PCA-HCCN’s counsel. The PCA-HCCN will ensure that each contract will contain, at a minimum:

1. The time period during which the agreement is in effect;
2. The specific services it covers;
3. Any special conditions under which the services are provided;
4. The terms and mechanisms for payment;
5. The manner in which the agreement may be terminated prior to expiration;
6. Oversight and monitoring;
7. Required record-keeping and reporting;
8. Other obligations of the parties with respect to, among other things, confidentiality, insurance, indemnification, assignment, and amendment; and
9. Any terms necessary to ensure compliance with applicable federal and state law.

**2. Legal requirements**. The PCA-HCCN will use best efforts to ensure that vendor contracts will comply with all applicable federal and state laws, regulations and policies, including, but not limited to, the requirements of the federal Anti-kickback Statute and regulations and the federal procurement standards set forth in 45 C.F.R. Part 75 (as addressed further in the PCA-HCCN’s Procurement Procedure).

**3. Documentation.** The PCA-HCCN will maintain copies of all contracts, as well as programmatic and financial reports related to such contracts, in its operational files for a minimum of three years after the term of the contract.

**This policy and procedure shall be periodically reviewed and updated consistent with the requirements and standards established by the Board of Directors and PCA-HCCN management, federal and state laws and regulations, and applicable accrediting and review organizations.**

**Responsible parties:**

### Signature Date

### Executive Director

Signature Date

1. The Authors of these materials include attorneys at the law firm of Feldesman Tucker Leifer Fidell LLP. The sample documents offer general guidance based on federal law and regulations and do not necessarily apply to all PCAs-HCCNs under all facts and circumstances. Further, these materials do not replace, and are not a substitute for, legal advice from qualified legal counsel. [↑](#footnote-ref-1)
2. Authors’ note: Using the following sample as a guide, PCAs-HCCNs should tailor the procedure to reflect their own structures and operations. [↑](#footnote-ref-2)