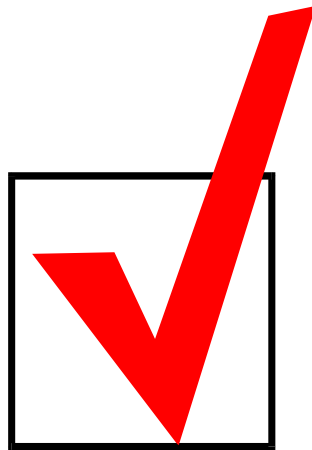


Subcontract Management Checklists



Version 1.0

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SUBCONTRACT MANAGEMENT CHECKLISTS

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SUBCONTRACT MANAGEMENT PLAN CHECKLIST

- The make/buy decision has been made and approved by upper management
- The subcontract goals defined in this plan are specific, measurable, achievable, relevant to the project goals, and time-lined (S.M.A.R.T)
- The roles and responsibilities of the subcontract management team are clearly defined?
- The Subcontract WBS is linked to the Project WBS
- There is a description of the products or services to be subcontracted
- A list of potential subcontractors is included
- Rationale for competitive vs. sole-source procurement is included
- There is a description of the subcontractor selection process
- There is a description of how the subcontractor will be monitored and controlled
- All potential subcontractor risks have been identified
- All risk mitigation plans are included in this plan
- There is a description of how we intend to measure subcontractor performance included
- There a description of how we intend to manage subcontract changes?
- Subcontract schedule milestones are defined
- The type of contract to be used is defined (FFP, FPI, CPIF, CPFF, CPPF, CPAF)
- Subcontract incentives intended to be used are defined
- This subcontract management plan has been reviewed and approved by the project manager

SUBCONTRACT STATEMENT OF WORK (SOW) CHECKLIST

- The SOW has an orderly outline built around the WBS
- The SOW does not contain terms which are ambiguous or esoteric
- Product acceptance criteria been clearly defined
- The SOW contains criteria which the subcontractor must meet to demonstrate that they have adequate schedule and cost control capabilities (See "Subcontractor Control Checklist")
- All work to be accomplished by the subcontractor has been clearly defined, including conducting regular subcontract status meetings, and regular status calls
- The SOW does not contain technical information, which normally goes into a specification
- All documents referred to in the body of the SOW are defined clearly so the subcontractor does not have to assume a definition
- This SOW is written in a manner where it could be used by another subcontractor, if necessary
- Provisions for an on-site representative have been included in the SOW, if a representative is needed
- Work tasks are defined in such a way that there will be no ambiguity about their completions
- The SOW contains requirements (document item descriptions) for all subcontractor-developed documents
- The SOW contains a list of all deliverable products, services, and documents
- The final SOW been reviewed and approved

SUBCONTRACTOR CONTROL CHECKLIST

- Clear lines of authority and communication with the subcontractor have been established
- The subcontract baseline is clearly understood by the subcontractor
- The statement of work defines how changes to the subcontract will be reviewed and authorized
- The subcontractor has demonstrated that they understand the subcontract change-control process
- Steps have been established for monitoring and tracking the subcontractor's schedule and costs
- A subcontract schedule and cost variance threshold has been established
- An on-site representative needed for this subcontract has been considered
- The method of paying the subcontractor is based on work accomplished
- Incentives to the subcontractor have been considered and included in the subcontract
- The need for regular status review meetings has been incorporated into the SOW
- The subcontractor has demonstrated that they have a process for identifying and abating risks
- The subcontractor understands how they should response to any unwritten, unauthorized direction

REQUEST-FOR-PROPOSAL CHECKLIST

- The approved Statement of Work is included
- The subcontract document requirements list is included
- Approved subcontractor specifications are included
- Subcontract schedule milestones are included
- Any applicable interface drawings or documents are included
- All control criteria are included
- A list of deliverable items is included
- The type of contract to be used is included
- Incentives are clearly described
- Subcontract terms and conditions are included
- The entire RFP has been reviewed and approved
- Proposal preparation instructions (PPIs) to the subcontractors are included

Proposal Preparation Instructions – Technical Section

- The need to identify any technical exceptions by the subcontractor is stated
- The subcontractor's experience with the product or is to be included in their proposal
- A proposal outline stipulated has been stipulated and is constructed around the subcontractor selection criteria
- Design concepts are to be identified and included in the proposal
- Predicted design margins are to be identified and included in the proposal

SUBCONTRACT MANAGEMENT CHECKLISTS

Proposal Preparation Instructions – Management Section

- Organization structure diagram (corporate and project)
- Contract value/company sales ratio
- Resumes of key personnel?
- Key personnel percent commitments
- Cost/schedule control methods
- Description of facilities/equipment to be used
- Subcontract exceptions requested
- Time-phased labor hours
- Proposed schedule
- Upper management commitment statement

Proposal Preparation Instructions – Cost Section

- Cost levels are specified
- Subcontract proposed cost is time-phased
- Cost elements (direct labor, direct costs, material, lower-tier suppliers, etc.)
- Basis-of-estimate data
- Cost validity period
- Signatures of company-authorized officers required

SUBCONTRACT TERMS AND CONDITIONS CHECKLIST

The terms and conditions included in the RFP contain all or part of the following items:

- Subcontract period of performance
- Contract type (FFP, FPI, CPIF, etc)
- Incentives
- Conditions for payment
- Latent defects
- Liability for breakages
- Proprietary data handling
- Warranties
- Lower-tier supplier liens ("Mechanics Liens")
- Subcontractor key personnel notification
- Contract authority hierarchy (order of precedence)
- Warranties and guarantees
- Liability limitations
- Patent indemnifications
- Confidential information procedures
- Funding provisions
- Negotiated price
- Resident representatives
- Inspection requirements

SUBCONTRACT MANAGEMENT CHECKLISTS

- Packaging and shipment requirements
- Insurance requirements
- Subcontract completion dates
- Execution (signatures)