

# Memorandum of Understanding

## FOR THE PROVISION OF PROPERTY AND PROJECT MANAGEMENT SERVICES TO STATE SCHOOLS

Ministry of Education  
45-47 Pipitea Street  
Wellington 6140

AND

[Insert name of Contractor]

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## 1. Parties

- 1.1. This Memorandum of Understanding (“MoU”) is between:  
 The Ministry of Education (“the Ministry”)  
 AND  
 [Insert name of contractor] (“the Contractor”).

## 2. Definitions and Interpretations

- 2.1. In this MoU, the following terms have the following meanings:
- “**Area**” means a geographic area that this MoU relates to as set out in Schedule 1 of this MoU.
- “**Board of Trustees**” (Board) means the school Board of Trustees established under Part 9 of the Education Act 1989.
- “**Fees**” means the fees that the Contractor tendered for the Services and is attached in Schedule 1.
- “**PMIS**” means the Ministry’s Property Management Information System.
- “**List**” means a list maintained by the Ministry of preferred suppliers of project management services that meet the Ministry’s requirements.
- “**School Contract**” means the contract that Boards of schools on the School List may use when engaging the Contractor for the Services. The School Contract is attached as Schedule 4 of this MoU.
- “**School List**” means the list of schools in each Area.
- “**Services**” means the services that the Contractor can provide to schools as set out in the School Contract.
- 2.2. In this MoU each Area that the preferred supplier has tendered for will be appended to Schedule 1 of this MoU and will contain the following parts.

Part 1	Area
Part 2	Fees

## 3. Purpose and Background

- 3.1. The purpose of this MoU is to record the intentions of the Parties.
- 3.2. School Boards have asked for help to engage project managers to plan and manage school property and capital projects. The Ministry is providing a pre-selected List of preferred suppliers capable of supplying school property services to Boards. Boards can then engage a project manager from the preferred supplier list.

- 3.3. The aims of the preferred supplier List are to:
- a. make it quicker and easier for Boards to procure and appoint a project manager
  - b. encourage consistent good practice.
- 3.4. The services covered by this MoU are described in Schedule 1 of the attached School Contract.
- 3.5. This MoU serves to appoint the Contractor to the List for the Areas set out in Schedule 1 of this MoU. The Ministry will make the List available to school Boards within each Area.

## **4. Term of List**

- 4.1. The List is intended to continue in operation indefinitely although the content of the List may vary. However, the Ministry may terminate the List at any time at its discretion and this MoU will terminate at the same time.
- 4.2. For avoidance of doubt, any contract entered into with a school, will continue until such time it is terminated.

## **5. Fees**

- 5.1. Fees for the Services tendered by the Contractor for provision of services to schools are as set out in Schedule 1 of this MoU, not including any item specifically negotiated between the Contractor and the Board.
- 5.2. The Contractor agrees to offer the Services at or below the fees set out in Schedule 1 of this MoU. Such services shall be provided at all times to the standard of a competent and skilled professional project manager in the field.

## **6. Roles and Responsibilities**

- 6.1. The Ministry will regularly review the List and will remove from the List any supplier which in the Ministry's opinion does not meet the requirements in Schedule 2 of this MoU. The Ministry agrees to discuss with the Contractor any identified issue which may lead to removal from the List and give the Contractor a reasonable opportunity to resolve the issue before removal.
- 6.2. The Contractor may at any time require its name to be removed from the List and the Ministry will immediately update the List accordingly and notify the relevant Boards.
- 6.3. From time to time the Ministry may invite registrations of interest from additional suppliers and may add any or all of these to the List at its discretion.
- 6.4. The Ministry's role is limited to drawing up, publishing and reviewing the List. Use of the List is optional and Boards are free to any contract any supplier, whether on the List or not, using standard Ministry procurement processes.

## 7. Acknowledgements

The Parties acknowledge as follows:

- 7.1. The Contractor agrees to be placed on the List within the areas it tendered for.
- 7.2. The Contractor agrees to provide a regular written report to the Ministry as set out in Schedule 3.
- 7.3. The Contractor acknowledges that the Ministry does not warrant or guarantee that all or any of the Boards will engage the Contractor to undertake any of the Services.
- 7.4. The Contractor acknowledges that a contractual relationship exists solely between the Contractor and the Board through the School Contract, or any other contract. The Ministry is not party to the School Contract, or any other contract, nor does the Ministry have any standing, role or responsibility in any agreement or dispute between the parties to the School Contract.
- 7.5. The Contractor may be subject to a post-contract evaluation by the Ministry. The Contractor agrees to co-operate with the undertaking of this process.
- 7.6. Where any project proposed by a Board:
  - a. is not funded from the 5YA budget, and
  - b. has a project budget greater than \$3 million, thenthe Contractor must notify the Ministry prior to providing any Services for that project. The Ministry will assess, as part of the funding requirements, whether the Contractor has the capacity and experience to manage the project.
- 7.7. The Parties may by mutual agreement in writing vary this MoU and any such variation will then form part of this MoU.
- 7.8. The Contractor acknowledges that while the Boards are free to contract on any lawful terms and conditions they wish, the Ministry strongly encourages the use of the School Contract (attached as Schedule 4 to this MoU), and the Contractor agrees to use the School Contract when required to by a Board.

## 8. Warranty

The Contractor will warrant to the Ministry that:

- 8.1. Any third party suppliers for information, computing and technology (“ICT”) must be engaged from the Ministry’s list of preferred suppliers for ICT.
- 8.2. The Contractor shall have in place, at all times:
  - a. professional indemnity insurance to a minimum level of \$500,000, and
  - b. public liability insurance to a minimum level of \$2 millionand shall provide certification of that insurance when required by the Ministry.

## **9. Termination or Removal from List**

- 9.1. Either Party to this MoU may terminate this MoU by giving the other party 20 Business Days written notice of termination where the other Party has breached an obligation or failed to perform an obligation under this MoU and that breach has not been remedied before the expiry of the notice of termination.

***Signed by***

For and on behalf of The Ministry of Education by  
**[Insert Name]**  
Group Property Manager  
Ministry of Education

***Signature***

***Dated***

At Wellington this            day of            20

***Signed by***

**For and on behalf of [Insert Contractor name] by**  
**[Insert Name]**

***Signature***

***Dated***

**at Wellington this            day of            20**

## Schedule 1 – Area and Fees

### Part 1 - Geographic areas

The geographic areas covered by this schedule are set out below:

Area	Districts
[Insert Area name]	<ul style="list-style-type: none"><li data-bbox="678 546 997 582">▪ [Insert district name]</li><li data-bbox="678 589 997 624">▪ [Insert district name]</li></ul>

### Part 2 – Fees

The schools covered by this schedule are set out below:

## Schedule 2 – Ministry Requirements

### Ministry Requirements

The Ministry will review the content and operation of the List and reserves the right to remove from the List any Contractor who does not meet and demonstrate the following requirements:

- a) satisfactory completion of reports as detailed in Schedule 3 of this MoU
- b) effective response to addressing any issues arising out of this MoU
- c) continued high quality services and value for money
- e) the Contractor's offer of service to schools under this MoU is no higher than the fees stated in this MoU
- f) satisfactory performance as measured in feedback from Boards to the Ministry
- g) maintain current Professional and Public Indemnity insurances at all times
- h) operate as a viable business at all times, and
- i) meet all other obligations as set out in the MoU.

## Schedule 3 – Reporting

### Reporting

The Contractor shall report quarterly in writing to the person nominated by the Ministry in respect of all projects currently under negotiation or in progress under this MoU, and noting:

- a. the identity and location of each of the projects
- b. the current status of each of the projects including development, contract sign-up, funding, original and revised expected completion date, and tracking against individual project budget
- c. any significant risks or issues that the Ministry needs to be aware of that have occurred on any project and the steps planned to resolve them
- d. any general contractual or MoU issues (outside of individual projects)
- e. any design or planning issues
- f. any building consent authority or Building Act compliance issues that may impact on projects, and
- g. any other issues of which the Ministry may be need to be aware of.

Note: the purpose of this reporting is to enable the Ministry to assess the continued suitability of the Contractor for the Preferred Supplier List and to identify project management issues that may affect Ministry policy and/or process.

Any issues relating to a particular contract with a Board should be discussed with that Board. Such issues may be reported to the Ministry in general terms by either the Contractor or the Board, but the Ministry will not become involved in any dispute between a Contractor and an individual Board.

The Ministry reserves the right to seek feedback from any Board on the performance of the Contractor for the purposes of reviewing the Contractor's continued inclusion on the List.

## **Schedule 4 – School Contract Form**

Attached

School Contract