# THIRD PARTY CONTRACTS/AGREEMENT POLICY

**1. Overview**

Third party vendors play an important role in the support of Old Main STREAM Academy processes. In some instances, third party vendors may collect, store, and maintain Confidential Information and Personally Identifiable Information (PII). Setting appropriate limits and controls on third party vendors helps reduce the risk of security incidents, financial liability, loss of community trust, and embarrassment.

**2. Purpose**

The purpose of this policy is to establish rules and operating parameters for third party vendors’ access to company information, their operator responsibilities, and protection of Old Main STREAM Academy assets, data, and PII. This policy supports compliance with federal and state data privacy laws.

**3. Scope**

This policy applies to all Old Main STREAM Academy staff responsible for negotiating or executing third party contracts and third party contractors.

**4. Policy**

1. GENERAL

Prior to entering into any agreement or contract, Old Main STREAM Academy staff shall follow due diligence in selecting third party vendors. Third parties must comply with all applicable state procurement, Old Main STREAM Academy policies, practice standards, and agreements as well as any binding legislation at the state and federal levels. This policy supports law in certain areas but shall not replace any potential changes in current or future compliance components levied against third party vendors through statute, law, or contract.

B. GENERAL VENDOR RESPONSIBILITIES

The following general responsibilities shall be provided by vendors entering into contracts with Old Main STREAM Academy:

* Third party vendors shall provide Old Main STREAM Academy a point of contact for contract terms and service offering implementation. An Old Main STREAM Academy point of contact will work with the third-party vendors to ensure the vendor follows all state and federal laws as well as this policy.
* The School Principal shall maintain a list of all subcontracted providers and the services performed by each. Old Main STREAM Academy Board of Directors may request on-demand and maintain copies of all agreements with service providers as appropriate.

C. THIRD PARTY CONTRACT TERMS AND PROVISIONS

All contract terms and agreements with third party service providers shall specify the following:

* Data and personnel confidentiality terms shall protect all Old Main STREAM Academy Confidential Information and PII.
* User access to Old Main STREAM Academy resources and access shall be limited to only those systems to which the vendor provides services.
* Vendor data privacy and information security procedures and protocols shall be made available and meet Old Main STREAM Academy requirements for the return, destruction, or disposal of information in the service provider’s possession at the end of the agreement.
* The service provider shall only use Old Main STREAM Academy information and systems for the direct business agreement. No other uses are allowed unless expressly granted in writing by the Old Main STREAM Academy.
* Any information acquired by the service provider through the course of operational contract execution shall not be used for the service provider’s own purposes or divulged to others without the express written consent of Old Main STREAM Academy.
* Service providers shall provide Old Main STREAM Academy with a list of all staff working on the contracted services. The list shall be updated and provided to Old Main STREAM Academy within twenty-four (24) hours of staff changes.
* On-site service provider staff members must adhere to all internal facility security protocols and procedures. Upon completion of contracted work, service providers shall return all security access cards and identification.
* Service provider staff members with access to Old Main STREAM Academy confidential or student PII must be cleared to handle that information. Third party access to PII and confidential data shall be activated only when needed and enabled only to the level and degree indicated by the contract statement of work.
* System access shall be deactivated/disabled after services have been completed. IDs used by vendors to access, support, or maintain system components via remote access shall only be enabled during the time period needed and disabled when not in use.
* Third party service provider access to systems and software shall be monitored during use as necessitated by the sensitivity and confidentiality of the information.
* Service providers with remote access to Old Main STREAM Academy systems shall use all prescribed tools and procedures to access systems remotely.
* Service provider personnel shall report all security incidents directly to the project supervisor and Old Main STREAM Academy designated representative. Security incident management responsibilities and details must be specified in the contract agreement and specific to data incident/breach notification, procedures, notifications and remedies.
* Service provider shall follow all applicable Old Main STREAM Academy change control processes and procedures when working on Old Main STREAM Academy systems.
* Regular work hours and duties shall be defined in the agreement. Work outside of defined parameters must be approved in writing by appropriate Old Main STREAM Academy management.
* Service provider access shall be uniquely identifiable and password/access management must comply with all Old Main STREAM Academy requirements.
* Upon termination of service provider or at the request of Old Main STREAM Academy, the service provider will return or destroy all information and provide written certification of that return or destruction within 24 hours.
* Upon termination of contract or at the request of Old Main STREAM Academy, the service provider must surrender all identification badges, access cards, equipment, and supplies immediately. Equipment and/or supplies to be retained by the service provider must be documented by management.
* Service providers are required to comply with all Old Main STREAM Academy auditing requirements, including the auditing of the service provider’s work.
* Service providers shall include explicit coverage of all relevant security requirements. This includes controls over the processing, accessing, communicating, hosting or managing the organization's data or adding or terminating services or products to existing information.
* Service providers shall include explanations of security mechanisms (e.g., encryption, access controls, and security leakage prevention) and integrity controls for data exchanged to prevent improper disclosure, alteration, or destruction.
* Service provider contracts shall require the provider to acknowledge responsibility for securing Old Main STREAM Academy sensitive information the provider possesses or otherwise stores, processes, or transmits on behalf of the Old Main STREAM Academy.
* Agreements with third party service providers shall specify that the third-party service provider will notify Old Main STREAM Academy within one (1) day of discovery of a service provider security incident/breach. Upon such notification, the Old Main STREAM Academy shall have the right to terminate the agreement with the service provider. Provisions within the contract shall ensure that service provider pay for all costs incurred to remedy the breach including, if appropriate, notifying customers, and any related expenses or damages levied due to the incident and related disclosure.

D. OTHER STIPULATIONS

When dealing with PII, service providers shall provide an on-line and print description of security and privacy directives, guidelines, policies, and security safeguards that protect student PII.

No contracts shall be entered into by the Old Main STREAM Academy where the standard vendor contract template is not used, and all applicable terms applied. Any negotiations between vendor and Old Main STREAM Academy must be completed through the school principal.

G.S. § 115C-218.105. State and local funds for a charter school. - Indebtedness Clause

(b) Funds allocated by the State Board of Education may be used to enter into operational and financing leases for real property or mobile classroom units for use as school facilities for charter schools and may be used for payments on loans made to charter schools for facilities, equipment, or operations. However, State funds shall not be used to obtain any other interest in real property or mobile classroom units. The school also may own land and buildings it obtains through non-State sources. No indebtedness of any kind incurred or created by the charter school shall constitute an indebtedness of the State or its political subdivisions, and no indebtedness of the charter school shall involve or be secured by the faith, credit, or taxing power of the State or its political subdivisions. Every contract or lease into which a charter school enters shall include the previous sentence.

**5. Audit Controls and Management**

On-demand documented procedures and evidence of practice should be in place for this operational policy. Operational compliance can be demonstrated through:

* On-demand review of standard agency contracts with third party providers
* Review of departmental operational procedures for compliance
* Random review of current contracts for terms compliance

**6. Enforcement**

The OMSA Board of Directors shall designate the School Principal to administer this policy. It shall be the responsibility of the Board of Directors, in conjunction with the School Principal to keep a continual watchful eye of oversight concerning third party contracts/agreements.

**7. Distribution**

This policy is to be distributed to all Old Main STREAM Academy staff and management responsible for negotiating and managing vendor contracts within the Old Main STREAM Academy.

**8. Policy Version History**

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| Version | Date | Description | Approved By |
| 1.0 | 11/19/2018 | Initial Policy Adopted | OMSA Board |
| 1.0 | 06/17/2019 | Reviewed/Affirmed | OMSA Board |
| 1.0 | 03/25/2020 | Reviewed/Affirmed | OMSA Board |