



**VI. REVISION HISTORY**

DESCRIPTION OF REVISION	DATE OF REVISION
Policy update.	November 2014



investigation. As part of the investigation, the Fiscal Services Chief shall seek a written explanation from the contractor with respect to the alleged non-performance.

2. The Fiscal Services Chief, upon completion of the investigation, shall notify the Director of Procurement in writing and with all supporting documentation, of the findings of the investigation and any associated recommendation that liquidated damages be imposed.
3. The Director of Procurement shall review the Fiscal Chief's submission and determine whether DJS will impose liquidated damages consistent with the terms of the contract. Prior to reaching his or her decision, the Director of Procurement may consult with whomever he or she believes may have relevant information or knowledge. Should the Director of Procurement conclude that liquidated damages should not be imposed as recommended by the Fiscal Services Chief, the Director shall confer with the DJS Secretary or his or her designee, who may override the Director's determination if circumstances so warrant.
4. The Director of Procurement shall notify the contractor in writing when liquidated damage provisions are being imposed. At a minimum, the letter must include the amount of the damages imposed and a brief description of the basis for the assessment. The Director of Procurement will forward a copy of the written notification to the Fiscal Services Chief, the Contract Monitor, and the directors of the appropriate audit and accounting units.
5. Once imposed, and consistent with the terms of the contract, liquidated damages shall be deducted from the payment of the contractor's monthly invoice submitted following the notification to the vendor of the liquidated damages assessment. If this amount does not sufficiently cover the total amount of the assessment, this deduction shall occur monthly until the assessment is paid in full.
6. Unless inconsistent with the terms of the contract, the imposition of liquidated damages does not relieve the contractor of responsibility to perform the contracted services, nor does it relieve the contractor of the responsibility for remedying the circumstances that led to the assessment of liquidated damages.

**IV. DIRECTIVES/POLICIES REFERENCED**

A. No policies referenced.

**V. APPENDICES**

None.



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# DJS POLICY AND STANDARD OPERATING PROCEDURES

## Statement of Receipt and Acknowledgment of Review

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**SUBJECT:** Liquidated Damages  
**NUMBER:** MGT-622-14  
**APPLICABLE TO:** All staff  
**EFFECTIVE DATE:** December 22, 2014

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I have received and reviewed a copy (electronic or paper) of the above titled policy.

I understand that failure to sign this acknowledgment form within five working days of receipt of the policy shall be grounds for disciplinary action up to and including termination of employment.

I understand that I will be held accountable for implementing this policy even if I fail to sign this acknowledgment form.

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SIGNATURE

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PRINTED NAME

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DATE

***THE ORIGINAL COPY MUST BE PLACED IN THE EMPLOYEE'S PERSONNEL FILE.  
PLEASE RETURN THIS FORM TO THE OFFICE OF HUMAN RESOURCES.***