

November 13, 2017

## Corporate Update

### *Financial Oversight and Management Board Contract Review Policy*

On November 6, 2017 the Financial Oversight and Management Board (“FOMB”) published the text of the Contract Review Policy, as adopted on its tenth public meeting, held on October 31, 2017.

Accordingly, the Contract Review Policy requires that all contracts or series of related contracts in which the Commonwealth or any covered instrumentality is a counterparty (including amendments and modifications), with an aggregate value in excess of \$10 million must be submitted for approval of the FOMB prior to its execution. This includes contracts with federal and state governments, private parties, and nonprofit organizations.

In addition to the requirements included in our November 2, 2017 Corporate Update, the Contract Review Policy offers a list of 16 mandatory items/documentation that the Commonwealth or the covered instrumentalities must submit to the FOMB (on an ongoing basis), as part of contract review process.

As such, the Contract Review Policy establishes that, “within [7] business days of receipt of a proposed contract [and supporting documentation]”, the FOMB must provide its response, either expressing its observations, requiring feedback or further review, or stating that the proposed contract did not comply with the policy. In turn, the Contract Review Policy also allows for a period (5 days) to provide additional information/documentation, if requested by the FOMB, as part of the contract review and feedback request process.

You may access the FOMB Policy [here](#).

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