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**MINNESOTA STATE COLLEGES AND UNIVERSITIES
OFFICE OF THE CHANCELLOR / SYSTEM OFFICE CONSULTANT AND
PROFESSIONAL/TECHNICAL CONTRACT PROCEDURES**

PART 1. REQUIREMENTS

Entering into contracts by the Office of the Chancellor /System Office employees must be in compliance with Board Policy 5.14, System Procedure 5.14.2, and all other applicable statutes, laws, rules, regulations, and policies. Non-compliance may result in contracting authority being modified or rescinded. Board Policy 5.14 and System Procedure 5.14.2 should be reviewed before entering into a contract.

PART 2. DELEGATION OF AUTHORITY

An employee must have a delegation of authority on file as well as being on the Authorized Signatures for Cost Centers master list to sign contracts and approve invoices for payment.

PART 3. TYPES OF CONTRACTS

An employee must use the appropriate contract form as located on the website www.finance.mnscu.edu/contracts-purchasing/contracts/forms/index.html. A contract form cannot be modified without prior approval.

PART 4. CONTRACTS UP TO \$50,000.00

Contracts up to \$50,000.00 may be entered into without a Request for Proposal (RFP) and publishing it in the State Register. Contract forms are available on the website www.finance.mnscu.edu/contracts-purchasing/contracts/forms/index.html.

PART 5. CONTRACTS OVER \$50,000.00

All plans for contracts over \$50,000.00 require the written approval of the Vice Chancellor-Chief Financial Officer prior to publishing the Request for Proposal (RFP) in the *State Register*. A form to obtain this approval (SOF017) is located at www.finance.mnscu.edu/contracts-purchasing/purchasing/forms/index.html. Section 2, Part A, of the contract checklist must be completed and attached to the plan approval form. The Consultant/Professional or Technical Contract Checklist is located at www.finance.mnscu.edu/accounting/businessoffice/procedures/index.html.

PART 6. CONTRACT CHECKLIST

An employee must complete and attach the contract checklist to all contracts before obtaining the final signature as to form and execution. The contract check list (Procurement Dollar Threshold Table) is located at <http://www.finance.mnscu.edu/contracts-purchasing/contracts/forms/index.html>.

PART 7. UNAUTHORIZED CONTRACTS

It is explicit in Minnesota Statute that state employees cannot enter into a contract prior to having a fully executed contract in place. The Department of Finance tracks all unauthorized contracts.

If an individual takes it upon him/herself to commit the Office of the Chancellor /System Office to any type of contract obligation without a fully executed contract, he/she may be held personally responsible for that obligation.

If a contract is not fully executed before the work begins, and the amount of the contract is over \$500.00, a 16A.15 Form must be completed by the Division/Unit and approved by the Vice Chancellor-Chief Financial Officer. It must be completed stating the reason why the obligation was incurred before funds were encumbered and what corrective action will be taken to prevent the problem in future. The 16A.15 Form is available through the website, www.finance.mnscu.edu/contracts-purchasing/contracts/forms/index.html, Contracts Forms directory, 16A.15 Form.