CONTRACT PROCESSING CHECKLIST

The following list may be helpful to ensure you have completed your contract properly prior to gathering signatures. It is intended to be a guide and is based on the most common errors seen by OSP.

1. **Basic checks**
   - Quick Call Cover Sheet and Quick Call for Proposals attached for P/T Contracts over $5,000; Certification Form and RFP attached for P/T Contracts over $5,000.
   - Single source memo attached to the Certification Form, single sources only.
   - All the elements of a contract are present (offer, acceptance, and consideration)
   - Handwritten or white-out changes are initialed and dated by the parties. (Changes to the contractor’s name, budget information, and the total dollar value of the contract are grounds for executing a new contract.)

2. **Authority to contract**
   - The agency has statutory authority to enter into the contract.
   - The selected contractor is not currently debarred or suspended from eligibility to enter into a contract with the State. See [http://www.mmd.admin.state.mn.us/debarredreport.asp](http://www.mmd.admin.state.mn.us/debarredreport.asp) to view the Suspended/Debarred Vendor Report.
   - If the contract is with a public entity or any entity governed by a board, a resolution authorizing execution of the contract or delegation of signature authority is attached.
   - If an Indian tribe (band) is involved, that tribe (band) has provided a copy of a current resolution or ordinance that approves this specific contract and authorizes the signing tribal official to enter into a state contract.

3. **Contract Document**
   - The contractor is properly identified in the opening of the contract.
   - The agency is properly identified in the opening of the contract.
   - All numerical computations are accurate.
   - Every blank in the contract is filled in.
   - The SWIFT contract number is on the contract.
   - All instructions are deleted from the contract form.
   - The contract is properly paginated.
   - The effective date stated in the contract does not occur before the full approval process is completed. Minn. Stat. § 16C.05, subd. 2.
     - If the date has passed: □ An approved Request for Emergency Authorization is attached; or
       □ A 16A.15/16C Violation Memo is attached; and
       □ There is sufficient time to complete the contracted work.
   - The expiration date allows sufficient time to complete the work (see effective date above).
   - The original contract term is not longer than 2 years. If so,
     - □ For P/T contracts, the certification form and RFP indicates this and Administration has pre-approved it.
     - □ For all other contracts, Administration pre-approved a longer term.
   - The total contract term is not longer than five years for P/T contracts.
The duties are clearly and sufficiently defined in the contract. Are they written so that a person not involved with the project can understand what the contractor will be doing? Are all terms defined? Are the deliverables and due dates defined? Can you hold the contractor accountable for the work to be done? Does this contract create an employer/employee relationship?

☐ All the attachments/exhibits are attached to the contract.
☐ All the attachments/exhibits are properly incorporated into the contract document.
☐ The attachments are properly paginated and labeled.
☐ The boiler plate contract terms have not been changed.
☐ Travel expenses are reasonable for the type of work being done.
☐ The work and travel expenses listed in the contract add up to the total obligation of the state.

4. Appropriations and payments
☐ The contract is consistent with the limits and purposes of the appropriation from which payments are to be made.
☐ The contract contains a nonappropriation clause.
☐ The encumbering verification is completed accurately.
☐ The method of payment is clearly defined, with scheduling of invoices specified (that is, monthly, or after completion of duties, etc.).
☐ There is a clear budget breakdown for the work that makes sense and is reasonable.
☐ No commodities are acquired in the contract. If so, they are “incidental” to the contract.
☐ Deliverables are attached to each payment.
☐ The contract does not attempt to obligate the state to make advance payments. (Minn. Stat. § 16A.41, subd. 1).
☐ The contract does not attempt to obligate the state to pay interest on late payments that is in excess of those allowed by statute. (Minn. Stat. § 16A.124, subd. 5 (b).
☐ The contract does not contain an unconstitutional hold harmless and/or indemnification clause.

5. Contract Terms
☐ An authorized representative is named for each party.
☐ The contract addresses the contractor’s responsibility for handling the agency’s confidential/nonpublic data.
☐ The contract indicates who will own intellectual property rights created under the contract.
☐ There is an audit clause that provides for the contractor’s retention of records for a minimum of six years.
☐ For P/T Contracts, the commissioner of Administration has unilateral right to terminate the contract.

6. Signatures
☐ The state and contractor have signed the contract.
☐ The signatures are real and in ink (unless an electronic signature has been authorized).
☐ The money for the contract has been encumbered and the person signed to that fact.

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