



Procurement- Test Your Knowledge

True or False

<p>1. Amendments that increase the original contract amount over \$100K require inserting the Affirmative Action provision in the amendment as a revision. You are required to insert the Affirmative Action provision into the contract and obtain the appropriate certificate from the contractor pursuant to Minn. Stat. § 363A.36 and Board Procedure 5.14.5. In addition, purchases over \$100,000 require written approval from the vice chancellor-chief financial officer. You may also need to do an RFP if one was not initially done when the contract was originated.</p>	T
<p>2. Board Procedure 5.14.5 Part 4 Subpart C requires you to do an RFP for purchases expected to exceed over \$25K. Board Procedure 5.14.5 Part 4 Subpart C requires an RFP for purchases expected to exceed over \$50K. However, this does not mean you can't do one for purchases under \$50K.</p>	F
<p>3. All contract decisions are legal decisions. Contracts require both legal and business decisions.</p>	F
<p>4. You are not required to do an RFP for a purchase over \$50K if you are using a Minnesota Department of Administration master contract, MN.IT Services master contract or Minnesota State Colleges and Universities master contract. Purchasing using state contracts makes the procurement process compliant with state law and board policy without the need for an RFP. Purchasing using a state contract does not necessarily mean that the legal terms are in Minnesota State's best interest or abide by other regulations that Minnesota State is subject to. If the purchase is for software, then legal review is required.</p>	T

<p>5. A faculty member wants to use a free cloud application to help keep track of students' assignments and grades. This requires the faculty member to create an account online and click "I accept". This is fine because it's just an online account, doesn't involve a contract and is free. Clicking "I accept" is the same as signing a contract. Also, faculty members do not have delegation to sign contracts on behalf of any institution. "Free" applications and software may be as risky as costly applications and software. Click-through agreements are considered a contract and require legal and IT security review.</p>	<p>F</p>
<p>6. Minnesota State may be required to justify its single source procurement in cases of audits, vendor protests, media or legislative or public inquiries and litigation. Minnesota State has the burden of proof to justify single source procurements. This is because single source procurement is a practice contrary to the fundamental principles of an open and competitive process. Remember, under the Minnesota State Data Practices Act, documentation for single source procurement is considered public data.</p>	<p>T</p>
<p>7. You need to purchase computers for the campus computer lab. The University of Minnesota has a master contract for computers. Legal review is not required because it is never required when using any University of Minnesota master contract. Purchasing off a University of Minnesota contract does not mean that the legal terms are in Minnesota State's best interest or abide by other regulations that we are subject to. However, software purchases off of University of Minnesota contracts require legal review. Using University of Minnesota contracts (non-software) may require legal review but that is left to the independent judgement of the contract supervisor.</p>	<p>F</p>

<p>8. You need a lawn care vendor to do work that won't cost much money. It is acceptable to use a purchase order to procure and pay the vendor instead of using a contract to procure and pay the vendor. You should not use a purchase order for these types of services. You should use the Minnesota State service contract template. This template includes the necessary provisions to protect Minnesota State and comply with applicable law and policy.</p>	<p>F</p>
<p>9. The Contract Supervisor's role includes being responsible to stop and ask if the contract is a good use of taxpayer money. It is the responsibility of the Contract Supervisor to stop and consider whether they should be doing the contract. The Contract Supervisor should also identify and assess any risk(s) involved with doing the contract.</p>	<p>T</p>
<p>10. The Minnesota Government Data Practices Act (MGDPA) states that all data submitted in response to an RFP is private data even after the evaluation process is complete and the contract with the selected vendor is signed. The MGDPA determines how data is classified at every stage of the procurement process. All data is not private, and you should consult with your Data Privacy Compliance Officer and/or the Office of General Counsel if you are not sure.</p>	<p>F</p>

Multiple Choice

1. You need to hire someone to perform research and provide a written report to your department. Based on the department's past experiences with these types of contracts you expect the work to cost over \$50,000. You and your team already know a vendor that has done great work for Minnesota State in the past and you believe hiring them will save time and money. Because of this you believe you can get approval for the vendor as a single source. Which one of the following is true?

- A. An RFP should be done. Saving time and money by working with a vendor who has done great work for Minnesota State in the past is not a justifiable single source exception.
- B. An RFP doesn't need to be done. Saving time and money by working with a vendor who has done great work for Minnesota State in the past is a justifiable single source exception. Working with a vendor who you have a relationship with already or that you perceive to be the best qualified for the job is not a single source justification. Saving time and money, while good, does not on its own justify a single source exception. Generally, a single source is usually a good or service that is propriety in nature, owned by the vendor, and has use limitations or installation requirements.
- C. The vendor should be hired using a purchase order. There is no need for a contract because the vendor is just doing research and is already in the system. A PO should only be used when you are purchasing something that can readily be returned, such as "widgets." A contract needs to be done.
- D. An RFP doesn't need to be done and a single source form doesn't need to be filled out. You should just proceed using the Minnesota State template service contract. Because the value exceeds \$50,000 an RFP needs to be done. The resulting contract template you would use would be the Professional Technical contract. This is because research is more intellectual in nature and not really a service.

2. Which Campuses Have Data Practices Compliance Officials?

- A. None. There is only one at the System Office.
- B. Only the universities.

C. Each college and university has a Data Practices Compliance Official **Yes and many have more than one. Remember, there is also a system office Data Practices Compliance Official.**

D. There is no such thing as a Data Practices Compliance Official.

3. The purpose of doing an RFP is:

A. To make things as difficult as possible.

B. To help ensure Minnesota State procures the most competitively priced goods and services.

C. To help ensure transparency in government purchasing.

D. B and C

4. You are the only one in your department's office today. You have a contract that expires tomorrow (Saturday) and need to get the amendment signed today to extend the term of the contract. The amount of the contract exceeds your delegation of authority. What should you do?

A. Sign the amendment even though it's over your delegation. Every employee is allowed to sign a contract or amendment if nobody else is around to sign. **You should never sign a contract that you don't have delegated authority to sign. Signing contract without proper delegation could result in trouble, including discipline action, and could be subject to legal liabilities.**

B. Find someone in another department who has proper delegation of authority to sign the amendment and have them sign it. **If someone is from a different department they can sign the contract as long as they have proper delegation of authority and they are willing to sign it.**

C. Sign your supervisor's name. **You should never sign someone else's name.**

D. None of the above

Short Answer

Pat is looking to purchase a new software product that will track each student, at every Minnesota State College or University, and show their progress in completing their degree. The purpose of the software is to show each student what courses they need to take and where they can take those courses. It also helps students calculate how much those courses will cost. Pat expects that this purchase will cost upwards of \$75,000. Pat knows that these types of software often have annual subscription fees that will need to be paid as well. What procurement steps should Pat take in making this purchase?

1. Survey the marketplace
2. Determine if there are products available to fit the need
3. If there are multiple products available, do an RFP should be done

Or

3. If there is only one product available proceed with single source

Or

3. If there are no products available, do an RFP to create/commission the product
4. Once vendor is selected, follow the contract process