A. General Provisions

1. CHE purchases of services and goods will conform to the requirements of state law, Title 18, Chapter 4, MCA and shall be made by written contract.

2. Contracts totaling more than $25,000. Contracts with a value greater than $25,000 must be entered into through a formal request for proposals (RFP) process administered and approved by the Department of Administration, General Services Division (DOA).

3. Contracts from $5,001 through $25,000. Contracts with a value from $5,001 through $25,000 require a limited solicitation process and must be documented on a form available on the DOA website or from the State vendors list.

4. Contracts of $5,000 or less. Contracts with a value of $5,000 or less may be completed without a competitive process. CHE requires that prudent purchasing practices be followed and competitive quotations be solicited wherever possible. Use of the State vendors list is encouraged. The purchase of goods under $5,000 may be by invoice and does not require a separate written contract.

5. Contracts with a value of $25,000 or less must be signed by the appropriate CHE procurement officer. See §G for the names of the procurement officers.

6. The CHE – DOA Agency Delegation Agreement must be followed regarding all purchases. State-approved contract provisions must be used in all contracts, unless approved by legal. The official link to the DOA website is: http://gsd.mt.gov/procurement/forms.asp

B. Sole Source Contracts

Under some limited circumstances, contracts over $5,000 need not be subjected to a competitive procurement process if the service or good is determined to be “sole source procurement”. Sole source procurement is not permissible unless required due to (1) compatibility of services or equipment; (2) uniqueness of the service or equipment; or (3) the required service or good is available only from a single vendor. For such purchases, a sole source justification form must be
completed and approved by the appropriate authority prior to initiating the procurement. This approval is made by DOA for contracts totaling more than $25,000 and by the Associate Commissioner for Fiscal Affairs for contracts of $25,000 or less. Upon approval, all sole source procurements must then be placed in written contract form.

C. Attachments to Final Contracts

1. Each contract (including those under $5,000) must have attached either a proof (certificate) of insurance from the contractor’s insurer indicating workers’ compensation insurance in the amounts specified by the state or a workers compensation certificate of exemption. The certificate is available from DOLI at: http://erd.dli.mt.gov/wcregs/wcrdocs/icapplication.pdf

2. For sole source procurements, each contract must have attached the justification for not following competitive procedures and the vendor’s sole source bid or proposal, as approved by the Associate Commissioner for Fiscal Affairs or DOA. (This requirement does not apply to contracts under $5,000). The sole source justification form can also be found at: http://gsd.mt.gov/procurement/forms.asp

D. Contract Review

1. Fiscal sign-off is required to assure that funds are available for all expenditures required by the contract for the period of the contract.

2. Procurement officer sign-off is required for each contract and attachments to assure that the proper procurement procedures are followed.

3. Legal staff sign-off is required for each contract and attachments.

E. Contract Approval. The following parties will sign contracts in the order listed.

1. For contracts greater than $25,000 (following RFP process):
   a. OCHE Associate Commissioner for Fiscal Affairs
   b. DOA Procurement officer (this ensures at the outset proper procedure and inclusion of required provisions)
   c. Legal (if changes are necessary, this should be done before either the contractor or the program officer sign)
   d. Program Manager
   e. Contractor
   f. Commissioner of Higher Education

2. For contracts $25,000 or less:
   a. OCHE Associate Commissioner for Fiscal Affairs
   b. OCHE Procurement Officer
c. Legal
d. Contractor
e. Program Manager or Commissioner of Higher Education, depending on who has authority to sign. (Reference Section I: Delegation of Authority at end of this policy.)

F. Contact Retention and Filing

1. The program manager is responsible for delivering the original signed contract to OCHE’s Procurement Officer, and a hard copy to the OCHE Director of Budget and Accounting. An electronic copy of the final contract, labeled CONTRACT: (PROGRAM) AND (CONTRACTOR) - FINAL, must be e-mailed to the OCHE Procurement Officer and Legal Counsel.

2. For all contracts over $25,000, an original copy of the signed RFP, requisition, and awarded contract must be filed with the OCHE Procurement Officer (including MGSLP contracts).

G. Contract Compliance

Project management will be responsible for assuring that each contract party adheres to all provisions of the contract and that contract expenditures are not exceeded. Furthermore, project management must assure that contract amendments are instituted when necessary.

Fiscal staff will be responsible for monitoring the expenditures related to the contract to assure that they are appropriately classified, that accruals are made when necessary, and that budget authority is not exceeded.

H. Contract Amendments and Renewals

Each contract amendment and renewal will follow the entire process as noted in each section above.

I. Delegation of Authority.

The commissioner of higher education shall sign all contracts, except as such authority has been delegated through verbal or written delegation or by practice.

J. Resources and Contacts

OCHE Procurement Officer: Kelly Hert 444-0321
MGSLP Procurement Officer: Jamie Dushin 444-0364
DOA Procurement Officer: Penny Moon 444-3313
OCHE Legal Counsel: Cathy Swift 444-0325
OCHE Associate Commissioner for Fiscal Affairs: Mick Robinson 444-0319
MGSLP Deputy Director & CFO: Robin Graham 444-0360
DOLI Workers’ Comp Advisor: Maggie Connor 444-9586
OCHE CONTRACTING CHECKLIST

OCHE contracts must be entered into pursuant to state law and OCHE internal contracting procedures. The following checklist must be attached to all contracts:

☐ 1. Determine the total amount of your contract, including travel and meals, and determine the appropriate process:
   ☐ RFP (OVER $25,000) (coordinate with DOA)
   ☐ Limited Solicitation ($5,001 - $25,000)
   ☐ Prudent Practices / Competitive Quotes / State Vendors List ($5,000 and under)

☐ 2. If you are not going through an RFP or limited solicitation process and the contract amount is over $5,000, attach the justification for a sole source procurement (with the bid for the sole source services or items), signed by the OCHE Associate Commissioner for Fiscal Affairs or DOA.

☐ 3. Check with fiscal to ensure sufficient spending authority.

☐ 4. Secure and attach either a Department of Labor contractor certificate of exemption or a certificate of workers compensation insurance.

☐ 5. Prepare contract and attach the appropriate documents.

☐ 6. Secure the approval of the appropriate procurement officer.

☐ 7. Secure legal and fiscal sign-off.

☐ 8. Have the contract signed by the contractor and the appropriate program officer.

☐ 9. Make and distribute hard copies and electronic copies as per the OCHE Contracting Guidelines. Deliver this checklist, with your signature below, to Kelly Hert, OCHE Procurement Officer, with the original of the contract.

______________________________  _______________________
Program Officer        Date