Northeast Higher Education District

Itasca Community College

Consultant, Professional/Technical Contract Procedures

To maintain compliance with IRS code, Minnesota state law, and Minnesota State policies and procedures, Itasca Community College enforces the following contract procedures.

Contracts must be completely signed and on file with the business office and a purchase order must be completed before the beginning date of the contract. Contractors may not begin work until the contract is fully executed. A contract submitted after work has begun constitute an obligation incurred prior to encumbering funds, which is in violation of Minnesota Statutes 16A15, Subd. 3. Before a late contract will be processed, the responsible person must submit a “16A” form.

Contract Process:


2. The contracting thresholds are defined in procedure and currently are:

   a. Contracts $50,000 or less by open market
   b. Contracts greater than $50,000 require sealed bids by public notice. For proposed single-source contracts over $50,000, the request form for a single-source exception must be completed.
   c. Contracts greater than $100,000 require Vice Chancellor/CFO approval as well as contracts with terms greater than five years.

3. Regarding guest lecturers or presenters, if the transaction is below $3,000 in compensation and travel reimbursement and the intellectual property or other risk is considered low, these services can be obtained via a purchase order. However, if the transaction is greater than $3,000 and/or the intellectual property or other risk is considered elevated, a professional/technical services contract must be completed and fully executed and a purchase order completed before date of event.

4. Minnesota State contract templates must be used and are available on the system’s website or sharepoint site. Please obtain all contract forms directly from the system’s website so you begin with the most current contract language.

5. There may be instances where it is necessary to use a non-system form. The form requires review by either the Minnesota Attorney General’s office or Minnesota State General Counsel. The business office will assist with these exceptions.
6. At time the contract is prepared, enter a purchase order encumbering funds for the contract.

7. Minnesota State contract templates have generic signature blocks that will need to be adapted to Itasca Community College’s required signatures. The approval signatures are listed below in order:
   a. Contractor must sign first
   b. Provost
   c. Business office staff delegated authority to sign as to form and execution and for encumbrance (i.e., Vice President of Finance & Administration or Business Manager).

8. When contract is fully executed, requestor will receive a copy and will be responsible for forwarding to contractor. At this point, the contractor may commence work.

9. Upon completion of work under the contract, the contractor must submit an invoice. The authorized contract representative approves payment of the invoice and any expense reimbursement and submits those documents to the business office/accounts payable.

10. Accounts payable will process payment and keep supporting documentation on file.