



Indiana Department of Administration  
PROCUREMENT DIVISION

# Delegation of Purchasing Authority Program (DPAP)

VERSION 16.5-4

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# Introduction

## Purchasing Authority

As mandated by Indiana Code (IC 5-22-4-1), the Indiana Department of Administration (IDOA) is ultimately responsible for all State of Indiana procurements. IDOA may delegate their authority to agencies and individuals deemed qualified and responsible to make their own purchases according to the laws, policies, and procedures put in place to protect the integrity of the procurement process.

Under the Delegation of Purchasing Authority Program, agency-nominated purchasing agents are trained in the requirements for procurement, and may be granted authority to make purchases for agencies on behalf of the IDOA following successful completion of a certification examination. Authority may be revoked at any time by the IDOA commissioner.

## Methods and Responsibilities

The estimated dollar amount and type of goods or services to be purchased generally determines the procurement method required.

### Procurement methods include:

- Quantity Purchase Agreements (QPAs)
- Purchases from PEN Products
- Purchases from Ability Indiana
- Small Purchases (including Informal and Formal Request for Quotes)
- Special Procurements

The IDOA Procurement Division provides [templates and models](#) on the Procurement Training web page that define each method.

Prior to soliciting competitive pricing, the purchasing agent must verify that items or services are not available from a QPA, PEN Products, Ability Indiana, or their own agency contract.

Purchasing agents must get approval from the IDOA vendor/contract manager before purchasing goods or services from sources other than a QPA when goods or services are available on those contracts.

All components of procurements should be in the State’s best interest. Thresholds are applicable for the life of the purchase and must not be artificially divided to fall within a certain threshold.

All procurement files and activities are public information, making documentation extremely important. By providing the proper explanation, procurement agents may prove that procurement process requirements were met, fair and equitable competition was sought, and the best interest of the State of Indiana was protected while making the best possible use of taxpayer dollars.

## Procurement

*[proh-kyoo r-muh nt, pruh-] – noun*

The act of buying, purchasing, renting, leasing, or otherwise acquiring any goods or services, and all functions that pertain to obtaining goods or services, including the description of requirements, selection and solicitation of sources, preparation and award of a contract, and all phases of contract administration.



### IC 5-22-4-1 Purchasing agencies for agencies of executive branch

Sec. 1. (a) Except as provided in this chapter, the Indiana department of administration created by IC 4-13-1-2 is the purchasing agency for all agencies of the executive branch.

(b) Except as provided in this chapter, the individuals designated by the commissioner of the Indiana department of administration are the purchasing agents for all agencies of the executive branch.

*As added by P.L.49-1997, SEC.1..*



## Purchasing Types & Methods Chart

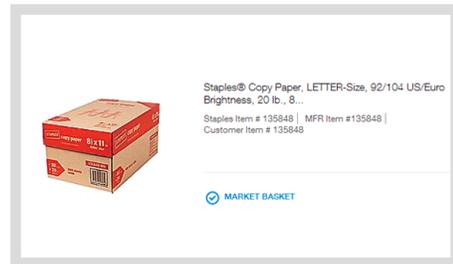
Purchase Type	Procedure/Procurement Method to Follow
Available on a QPA	If it is available from a QPA, buy it from the QPA. The agency may request exception from IDOA Vendor/Contract Manager if more than 10% cost savings.
Available from PEN or Ability Indiana and less than \$500	If it is available from PEN Products or Ability Indiana and the cost is less than \$500, it may be purchased from them without seeking competitive pricing.
Available from PEN or Ability Indiana and more than \$500	If it is available from PEN Products or Ability Indiana and the cost is more than \$500, they must be included in the solicitation. Their price must be compared to the prices of three outside quotes.
Less than \$500	Competition is not required.
More than \$500, but less than \$2,500	Purchases more than \$500 require three quotes via phone, email, fax or mail.
More than \$2,500, but less than \$5,000	Purchases more than \$2,500 require three quotes via phone, email, fax or mail. Must have the Quotation Confirmation form and Terms and Conditions document signed by the vendor being awarded.
More than \$5,000	Purchases more than \$5,000 require the formal Request for Quotation procedures from three bidders, including the package of standard forms. Bidders must be given seven business days to respond.
Small Business Set-Aside	Purchases more than \$5,000 that fall into the list of UNSPSCs require the formal Request for Quotation procedures from three bidders, including the package of standard forms. Bidders must be given seven business days to respond. Statute dictates the only small businesses are solicited.
Special Procurement	Follow the procedure based on the dollar amount of the purchase. If \$500 to \$5,000, complete the form (and all necessary paperwork warranted by the dollar amount) and keep it in the file. If over \$5,000, complete the form and submit it (and all necessary paperwork) to IDOA for approval prior to making the purchase.
Procurement Contract	Contracts less than \$2,500 require three quotes via phone, email, fax or mail. Contracts more than \$2,500 require the formal Request for Quotation procedures from three bidders, including the package of standard forms and sample contract. Bidders must be given seven business days to respond.



# Prepurchase Considerations

## Mandatory Purchasing from QPAs

A **Quantity Purchase Agreement (QPA)** is a contract for repetitively purchased items. Established by the IDOA Procurement Division only, they result from a competitive solicitation process in which the vendor agrees to offer the quoted prices for the term of the contract based on the State's estimated spend.



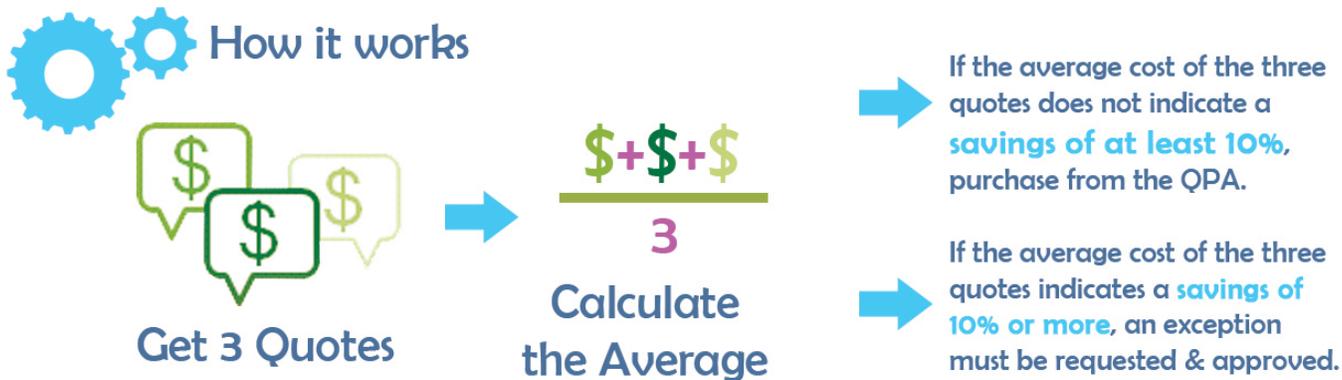
Some QPAs list specific line items and others may include catalogs. Items in a catalog that are designated as "Market Basket" indicate a very significant cost savings and should always be considered before selecting other products.

A list of current QPA contracts can be found on the IDOA Procurement Division [QPAs web page](#) or through the [State Intranet](#). Purchases may be made from these contracts at any time and no competitive solicitation is required.

- ! Before buying anything, always check to see if it is available from a QPA. If it is,
- it must be purchased from the QPA.

## Potential for Significant Savings?

If there is potentially a significant cost savings to buy outside a QPA, an exception may be requested from IDOA Procurement.



If the average cost of the three quotes indicates a savings of 10% or more, an exception must be requested and approved **before** making the purchase. Send an email that includes the justification and price comparison information to the IDOA QPA vendor/contract manager (found on the current QPA listing). The approval email must be maintained in the purchasing file.

- ! The method used to obtain the quotes should follow the procurement rules defined
- by the dollar amount of the purchase.

### Example: Price of QPA VS 3 Quotes

The State Police need to buy Indiana and United States indoor flags. The QPA price from CVS Systems is \$31.10 per flag. The buyer thought he might be able to save some money, so he got quotes from three other vendors for the same items:

Acme	\$29.95
Global	\$30.50
A & R	\$33.25

The average of the quotes (all three added together, then divided by 3) is \$31.23. In order to request an exception, there would have to be a savings of at least \$3.11 (10% of the QPA price). That means an outside vendor's price would have to be \$27.99 or less. In this scenario, he would buy the flags from the QPA. There was not enough savings to warrant requesting an exception.

If there had been a 10% savings (meaning that the QPA price was HIGHER than the average), he could consider contacting the IDOA vendor/contract manager to request an exception.

## Item not on contract or QPA Market Basket?

- ! If the item needed is not a contract/QPA “market basket” item and the cost is less
- than \$500, it can be purchased directly from the PEN or Ability Indiana catalogs without competition.

**Always review the line item QPAs and those that include catalogs.** If what the agency needs costs **less than \$500** and is not available and/or is not designated as Market Basket, the purchase can be made from any vendor, including PEN Products and Ability Indiana facilities.

- ! If the item needed is not a contract/QPA “market basket” item and the cost is
- more than \$500, the agency must solicit competitive pricing (including PEN Products and/or Ability Indiana) according to the procurement rules defined by the dollar amount of the purchase.

**Always review the line item QPAs and those that include catalogs.** If what the agency needs costs **more than \$500** and is not available and/or is not designated as Market Basket, competitive quotes are necessary. The requirements for soliciting the quotes vary based on the estimated dollar amount, but PEN Products and Ability Indiana must be included in the solicitation **if** what is being purchased is something they offer. A current list of Ability Indiana vendors can be found on its [website](#).

## Purchasing from PEN Products and Ability Indiana

### Prison Enterprise Network (PEN) Products – IC 5-22-11

Offering a variety of quality products and services, the full [PEN Products catalog](#) is available online. They also have QPAs for specific items and those are available for selection from the PeopleSoft eProcurement catalog when creating requisitions.

### Ability Indiana – IC 5-22-12

The Ability Indiana work centers provide guaranteed products and services to state and local government while benefiting persons with disabilities. Their [full catalog](#) is available for viewing online. A current list of Ability Indiana vendors can be found on their [Employment Center Directory](#) web page. They also have QPAs for specific items and those are available for selection from the PeopleSoft eProcurement catalog when creating requisitions.

- ! **Indiana code dictates that the items/services we buy from PEN Products and**
- **Ability Indiana meet our specifications and must be purchased at a reasonable price.**



**PEN Products** <http://www.in.gov/idoc/penproducts/index.htm>  
**Ability Indiana** <http://www.abilityin.org/>



## How it works

If the purchase you need to make is offered by **PEN** and/or **Ability Indiana**,



Get 3 Quotes\*\* from "outside" vendors



Get Quotes\*\* from **PEN** and/or **Ability Indiana**

↓ If **PEN** or **Ability IN** is the **lowest quote**, \$

purchase from **PEN** or **Ability Indiana**.

↓ If an **outside vendor** is the **lowest quote**,

contact **PEN** or **Ability Indiana** and offer them the opportunity to match the lowest quote received.

→ If **PEN/Ability IN** can match the **lowest quote**, buy it from them. \$

→ If **PEN/Ability IN** cannot match the **lowest quote**, document that the opportunity was offered and award to the lowest quote received. \$

\*\*The method used to obtain the quotes should follow the procurement rules defined by the dollar amount of the purchase.

### Example: PEN or Ability Indiana Catalog Cost Justification

The purchasing agent needs to buy office chairs. After checking the PEN Products and Ability Indiana catalogs, she found that PEN Products carries chairs and their price is \$555.00. The buyer thought she might be able save some money, so she got quotes from three other vendors for the same item:

Acme	\$575.75
Global	\$560.50
A & R	\$539.95

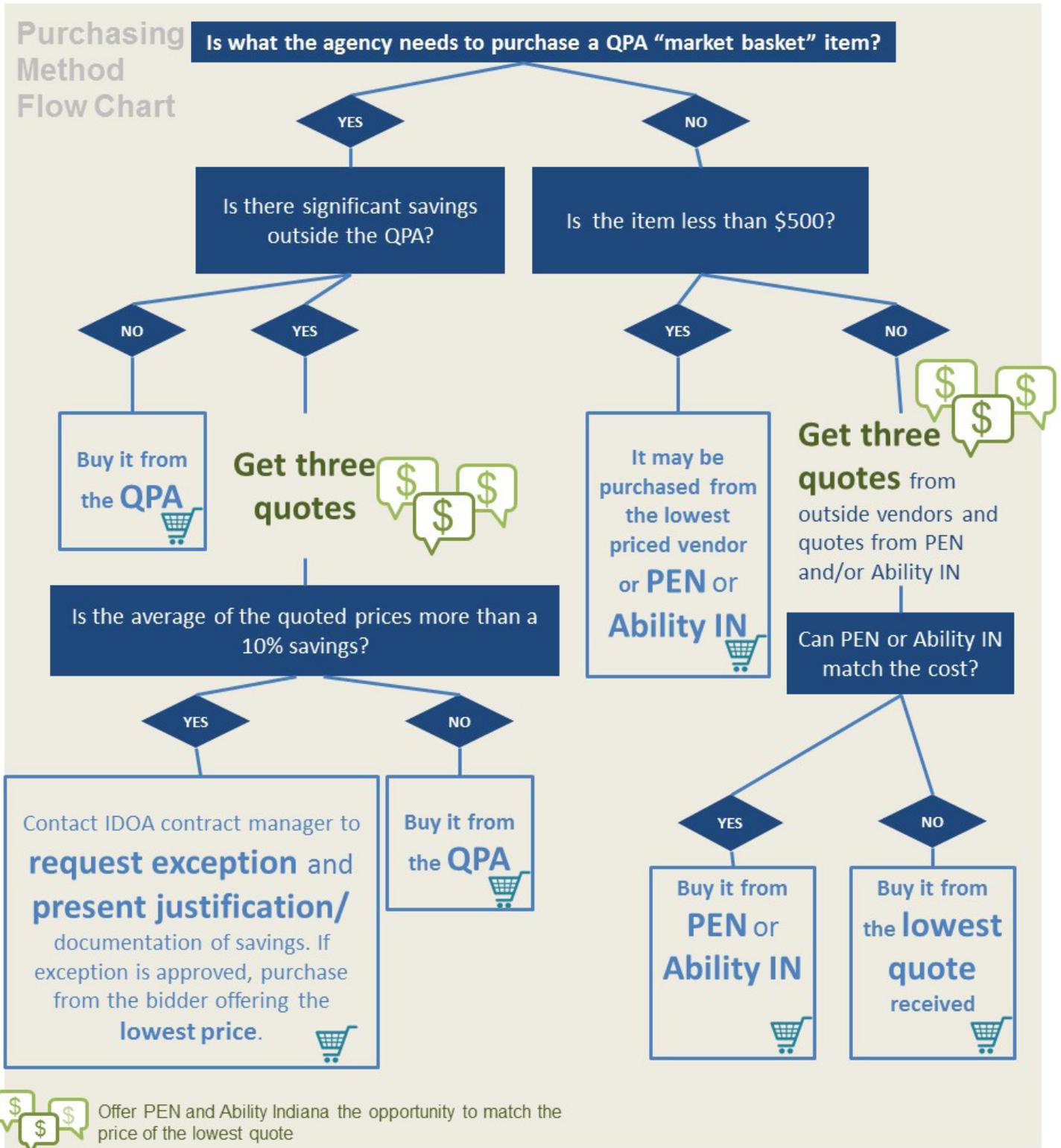
In this example, PEN Products does not offer the lowest price, so she contacts them to see if they can match it. PEN agrees to match the low quote, so the buyer gets the required paperwork and awards the purchase order to them for \$539.95.

If PEN Products would not match the low quote, the buyer would collect the required paperwork from A & R and award the purchase order to them.

- ! **Purchasing agents must become familiar with the products and services available from PEN and Ability Indiana. If what they sell is available on a QPA, buy it from the QPA. If what they sell is not available on a QPA but is in their catalog, they must be included in the solicitation for those items if the purchase is more than \$500.**

# Purchasing Method Flow Chart

- ! In case of tie in pricing between QPAs, PEN Products and Ability Indiana catalog items, always purchase from the QPA first, PEN second, and then Ability Indiana.



## Printing Purchases/Mail and Copy Services

The procedures for printing purchases differ from those required for other commodities in that they are all initiated and funneled through single vendor, the result of a contract established by IDOA. Located in the Indiana Government Center South, Pitney Bowes/Novitex is the current vendor managing all printing requests, copying, and mailing services.

There are two categories of classification for the purchase of printing according to the State's definition.

- **State Forms** Print jobs that contain a State form or the State seal
- **Non State Forms** Prints jobs that do not contain a State form or the State seal

The Indiana Archives and Records Administration (IARA) plays an important role with printing as they maintain responsibility for all documents classified as State Forms, including the artwork and specifications. Pitney Bowes will route all requests to them when needed and communicate with the order contact person if they have questions or need additional information.

IDOA is invoiced four times monthly for services provided to **all** agencies; three of them for postage (on the 10th, 20th, and end of the month), and the fourth for all other services. Each agency is then interdepartmentally (ID) billed for their individual charges seven days after each bill is received.

### All Printing Purchases begin with Pitney Bowes/Novitex

- State Forms
- Non State Forms
- Business card ordering
- Reprographics/copy services

Visit the [Printing & Mailing Services web page](#) to find information, user guides, and detailed instruction that include all types of printing purchases.

## Define the Purchase Type

The program includes two separate categories of purchasing aside from QPAs, PEN Products and Ability Indiana. Although similar in many respects, defining the correct type of purchase to be made is important due to the unique requirements and procedures specific to each.

- **Commodities** such as equipment and supplies.
- **Procurement Contracts** must be used when there is a need for a service over \$2,500 and/or encompassing a term of 90 days or more.

## Procurement Contract Options

Within the category of Procurement Contracts, the procurement agent must choose the specific document to be used that best suits the purchase being made. The most current procurement contract templates can be found on the [Procurement Training web page](#).

The templates include:

- Standard Terms and Conditions provided for consistency of contracts within that contract type
- Mandatory terms may not be changed without explicit Indiana Department of Administration and the Office of the Attorney General (OAG) approval
- Non-Mandatory terms may be changed within guidelines contained in Professional Services Manual and consideration of whether a change exposes the State agency to risk or not

Several documents are available for use when purchasing services. The following examples are presented as a guide, but should not be considered all-inclusive.



Printing & Mailing Services  
Procurement Training

<http://www.in.gov/idoa/2455.htm>  
<http://www.in.gov/idoa/2864.htm>

## Addendum

This contract document, generally used for the purchase of maintenance and software licenses, should be used in **any purchase** where a vendor insists that their own standard/form contract be utilized.

Use of the Addendum with a vendor contract incorporates the individual agreements into each other and when read together, constitutes one integrated document. Any inconsistency, conflict, or ambiguity between the individual agreements is resolved by giving precedence and effect to the Addendum. **Always** read the vendor contract being attached to the State Addendum. Most provisions not considered agreeable to the State are addressed in the addendum, but do not assume that all vendor contract clauses are otherwise guaranteed acceptable.

## Addendum

[ə'dendəm] – noun

Document used to modify, delete, or amend certain terms and conditions set forth in the vendor's contract, incorporating State contract provisions superseding vendor terms not favorable to the State.

## Addendum Development

- **Do not sign the vendor's form;** all parties must sign the State's Addendum Signature Page.
- Certain clauses have been designated as required (mandatory) and must be included in every Addendum. The balance of the clauses is presented in the boilerplate and the agency should include as many as necessary to meet the agency's needs.
- Remove any instructional language from the clauses before inserting them in the contract.
- Fill in all blanks, even if using "Not Applicable" or "N/A".
- Please include a completed Executive Document Summary (EDS) as the face sheet of the procurement contract being routed for signature.

## Contract for Services

A procurement contract should be used whenever the agency wishes to buy, lease, or exchange property or services for the direct benefit of the State agency. This is the standard buyer-seller relationship. Also, when a State agency's principal purpose is to acquire an intermediary's services, which ultimately may or may not be delivered to an authorized recipient, then a procurement contract is required.

For example, when an agency hires a private entity to perform a function or a duty which the state agency otherwise would perform itself, a procurement contract is necessary. Contracts contain clearly defined deliverables (i.e. what is being purchased) that tie the duties of the contractor to payment. It is well suited for uniform rental (outside State QPA contracts), janitorial service, waste management service, and pest control.

## Competitive Procurement

[kəm'pedədɪv pruh-kyoo r-muh nt, pruh-] – noun

Contracting for goods and services under a sealed bid or competitive negotiation procedure, and does not usually include grant proposals.

## Electronic Contracting Process

### Statutory Background

The Uniform Electronic Transactions Act is a uniform statute preparing state law for the electronic commerce era. Indiana adopted the Uniform Electronic Transactions Act at IC 26-2-8. IC 26-2-8-202 authorizes governmental agencies to determine whether, and the extent to which, they will send and accept electronic records and electronic signatures to and from other persons and otherwise create, generate, communicate, store, process, use, and rely upon electronic records and electronic signatures.<sup>1</sup>

Electronic records, electronic signatures, and electronic contracts are recognized and enforceable under the law. IC 26-2-8-106 provides the following:

- (a) A record or signature may not be denied legal effect or enforceability solely because it is in electronic form.
- (b) A contract may not be denied legal effect or enforceability solely because an electronic record or electronic signature was used in its formation.
- (c) If a law requires a record to be in writing, or provides consequences if it is not, an electronic record satisfies the law.
- (d) If a law requires a signature, or provides consequences in the absence of a signature, the law is satisfied with respect to an electronic record if the electronic record includes an electronic signature.

While most private contracts need only the parties to sign the contract for it to be valid, IC 4-13-2-14.1(a) requires that “A contract<sup>2</sup> to which a state agency is a party must be approved by ... the Indiana Department of Administration ... the budget agency ... and the attorney general.” In addition, Indiana Code 4-13.1-2-2 provides that the Indiana Office of Technology shall “[r]eview ... proposed contracts relating to information technology at the request of the budget agency”, and the Budget Agency has requested that IOT review all such contracts.

<sup>1</sup> IC 26-2-8-102 (10) defines an “Electronic signature” as “an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record.”

<sup>2</sup> “Contracts” include grants, and when used in this document, “contractor” also means “grantee”. While “contracts” also include leases and some other real property transactions, the process described in this document is not available for real property transactions or any other transactions which may require recordation or notarization.

Indiana Code 4-13-2-14.1 (c) provides:

The Indiana department of administration may adopt rules under IC 4-22-2 to provide for electronic approval of contracts. Electronic approval may include obtaining the equivalent of a signature from all contracting parties using an electronic method that does not comply with IC 5-24 (the electronic digital signature act), so long as the method allows the party to read the terms of the contract and to manifest the party’s agreement to the contract by clicking on an “ok”, an “agree”, or a similarly labeled button or allows the party to not agree to the contract by clicking on a “cancel”, “don’t agree”, “close window”, or similarly labeled button. Rules adopted under this subsection must provide for the following:

- (1) Security to prevent unauthorized access to the approval process.
- (2) The ability to convert electronic approvals into a medium allowing persons inspecting or copying contract records to know when approval has been given.

For contracts subject to IC 4-13-2-14.1, the State will send and accept electronic records of contracts and electronic signatures under IC 26-2-8-202. The following process is the only approved process for the electronic signing and approval of state contracts and will govern until such time as IDOA may adopt rules as contemplated by IC 4-13-2-14.1(c).

### **Use of PeopleSoft and the IDOA Supplier Portal**

All electronic contracting will use the PeopleSoft Supply Contract Module (“SCM”). PeopleSoft Financials (branded ENCOMPASS by the State) serves as the State’s official book of record, and is a State-owned and supported system. Through the Indiana Office of Technology, security measures are in place to ensure the preservation of all recorded data with detailed plans for data disaster recovery, including hot and cold sites.

PeopleSoft and the SCM are accessible only through the State’s Supplier Portal administered by Indiana Department of Administration. Each contractor or grantee is required to complete the State’s supplier registration process and obtain a unique PeopleSoft identification password. This process ensures the contractor understands the electronic signature process and agrees to execute contracts in that manner.

The State's template contracts and grants are loaded into the SCM by IDOA or IOT personnel and will be kept updated without intervention by the agency. Contract templates that have been form-approved by the Office of the Attorney General will also be loaded into the SCM. The SCM allows the contractor, the vendor, and all state agency reviewers to see changes to the standard template language.

## Security

A user ID and password is required for each individual who will access contract documents, both during review and negotiation, and at the time of signature.

User IDs are unique to each individual. Passwords are set by the State's supplier registration system and provided electronically masked to the user. The user has the control to change his or her password and that password, whether portal or user-created, cannot be unmasked by anyone, including the State.

The person who will be signing the contract electronically will be assigned a unique ID and password in order to access contract documents for signature through the State's Supplier Portal. The name of the person who will be signing and his/her ID and password will be verified as the contract administrator prepares a document for external signature.

Contractors may have multiple signatories, but each individual is required to e-sign documents while logged into the Supplier Portal/ PeopleSoft under his/her own user ID and password.

A historical log of all system access and eSignature activity (the contractor and the State) is maintained in SCM records, and identified by user with a date/time stamp documenting the specific action. This information is also displayed within the application through navigation to SCM Document Management and Document History.

## eSignature<sup>3</sup>

The Adobe electronic signature tool in Adobe is used in signing contract documents electronically ("eSignature"). It is an electronic signature under IC 26-2-8, and was selected based on several determining factors including:

- Security in using PDF documents not available with other formats.

- No cost for contractors

- Ease of use

- Compliance with IC 4-13-2-14.1 and IC 26-2-8

## The eSignature Procedure

The State prepares a contract document for external electronic signature by the contractor, verifying that the contractor's authorized signatory has been issued a user ID and password to access the State's Supplier Portal. A system-generated notification is sent by email to the contractor as an alert that a contract document requires their review and signature.

The contractor's authorized signatory must log into the State's Supplier Portal using his / her assigned user ID and password, and download the contract document in Adobe PDF.

The contractor uses the Adobe signature tool to place his / her signature on the State's contract document. The contractor has agreed to conduct business electronically at the time of registration on the Supplier Portal. This agreement is affirmed by the following statement which immediately follows the Non-Collusion and Acceptance clause and immediately precedes the eSignature:

*I agree, and it is my intent, to sign this Contract by accessing State of Indiana Supplier Portal using the secure password assigned to me and by electronically submitting this Contract to the State of Indiana. I understand that my signing and submitting this Contract in this fashion is the legal equivalent of having placed my handwritten signature on the submitted Contract and this affirmation. I understand and agree that by electronically signing and submitting this Contract in this fashion I am affirming to the truth of the information contained therein. I understand that this Contract will not become binding on the*

*State until it has been approved by the Department of Administration, the State Budget Agency, and the Office of the Attorney General, which approvals will be posted on the Active Contracts Database [https://hr.gmis.in.gov/psp/paprd/EMPLOYEE/EMPL/h/?tab=PAPP\\_GUEST](https://hr.gmis.in.gov/psp/paprd/EMPLOYEE/EMPL/h/?tab=PAPP_GUEST).*

## **Completion of the Contract**

The signed PDF document is uploaded into PeopleSoft by the contractor.

The State's contract administrator is notified by e-mail when the contractor has signed and uploaded the document. Using the same procedure as the contractor, the State signs the document electronically.

<sup>3</sup> The system selected does not utilize "digital signatures" as defined by IC 5-24-2-1.

With the eSignatures in place, the contract administrator routes the document for approval, using the electronic process by the necessary oversight agencies (IOT if applicable, IDOA, SBA, OAG) through a predetermined workflow based on the document requirements.

When the required signatures and approvals are complete, the contract administrator dispatches the contract. Each evening, an automatic process in the system will select all newly-executed contracts and send a copy to the contractor and the IDOA Contract Division.

The IDOA Contract Division will move the contract to the State's Transparency Portal for public view.

## **Legal Effect**

Contracts formed using the preceding procedures are deemed in writing and will not be denied legal effect or enforceability solely because they are in electronic form.

# Preparing Specifications

To be certain that solicited bidders completely understand the requirements of the items or products to be purchased a detailed specification must be provided. IC 5-22-5 declares that all specifications must promote the overall economy for the purpose intended and must encourage competition in satisfying the needs of the State of Indiana.

Good specifications will identify the requirements while allowing competition among bidders. They will also list methods for testing compliance with the specifications and provide for an equitable award.

## Specification

[,spesəfə'kāSH(ə)n] – noun

An act of describing or identifying something precisely or of stating a precise requirement. A detailed description of the design and materials used to make something.

## Grammatical Style and Terminology

- ! Specifications are extremely important because they can mean the difference
- between getting what is needed and getting what is asked for.

### Here are tips to use as a guide when choosing language for specifications:

- Use the words “Must” or “Shall” to describe mandatory requirements
- Use the words “Should” or “May” to describe features that are optional
- Requirements should be described using language that is as brief, clear, and concise as possible
- A definition of a word should be given if the meaning could be confusing
- Do not use terms that are proprietary to a particular manufacturer
- Do not use terms that are open to individual interpretation
- Consider using ranges or minimums and maximums where appropriate to allow for flexibility and additional competition

## Types of Specifications

There are three basic types of specifications: Brand Name, Design, and Performance/Functional.

Use of the Brand Name type is the least recommended due to the potential for limiting competition. A combination of the Design and Performance/Functional types is considered ideal.

### Brand Name

- 👉 **Advantage** Requires less research if time is an issue
- 👉 **Disadvantages** Discourages competition; may lessen objectivity in evaluation and award process

This type of specification is called “Brand Name” because it references a brand name, model number, catalog number, etc., that identifies a product made by a specific manufacturer as an example of the level of quality desired. This type of specification is advantageous when listing all of the requirements in detail is impractical or impossible, but the general design, quality, and performance requirements need to be addressed.

- ! When using this type, the statement “or approved alternate” **must** always follow
- the brand name description. This statement communicates to bidders that offers of alternative products will be considered if they are of the same or better quality than the brand name cited. Also, the word “alternate” is recommended rather than “equal” because it is extremely difficult to prove that two items are equal and bidders may try to challenge the agency’s judgment.

When requesting name brand products **only** and not just listing them as a standard of quality, a justification must be provided explaining why a specific name brand is required and why alternate products cannot be considered. (See [DPAP Solicitation Summary](#))

### PeopleSoft Comments to Add When Using Brand Name Specifications

PeopleSoft stores frequently used standard comments organized into specific categories available to be selected and copied to requisitions, solicitations, and purchase orders. Comments may be added as Header information or to specific line items. When using brand name specifications, the following should be selected as Header information and copied to the Sourcing Event before bidders are solicited. The language (below) indicates to bidders the intent of a non-restrictive specification.

#### Select PeopleSoft Standard Comment:

Standard Type: **BID**

Comment ID: **SPC**

The specifications contained herein are non-restrictive. They are intended to establish criteria and guidelines for competitive bidding. Alternate bids may be reviewed; however, before they can be accepted, the vendor must supply with bid detailed manufacturer specifications to verify that alternate does meet specifications of bid determined by the Department of Administration and using State agency.

### Example: Brand Specification

**“Blender – 32 oz. stainless steel container. Heavy duty for high-volume use. Two speeds, 3 H. P. commercial motor, rugged die-cast enameled zinc housing. Rubber cover plug and gasket provide a tight seal, 120 VAC, 50/60 Hz. Waring 7011S or approved alternate.”**



Notice that not only is a brand name product referenced, but actual qualities of the product are listed as well. This provides further clarification to bidders regarding the quality of the requested item, as opposed to simply stating, “Blender – 32 oz. Waring 7011S or approved alternate.” Making an effort to reference a brand specification that is widely recognized throughout the industry (and is easily available for bidders to compare alternate products they may have to offer) can maximize competition.

### Design

👉 **Advantage** Well suited for unique requirements, such as a limited amount of space to accommodate a product

💡 **Disadvantages** Can be restrictive; not well suited for off-the-shelf items; may not allow for advances in technology

The Design specification focuses on the physical and dimensional requirements of a product, as well as how it is actually fabricated. Many times when this type is used, the requested item is not available “off the shelf” and must be manufactured specifically to meet the needs of the user. It is commonly used for equipment, machinery, and vehicles not available on a QPA contract.

When used alone, this type can often restrict competition by eliminating the consideration of similar products because of minor differences in size or construction. To increase flexibility and allow for more competition, design requirements can be expressed using minimum and maximum values. This allows features to compete within ranges rather than meeting requirements with precision.

- ⚠️ **When requesting items of a specific size that must be manufactured to the agency’s specific needs, it is very important that the dimensions given are accurate.**

If a vendor provides a product manufactured specifically to dimensions we have provided and the product does not “fit”, an agency

may be forced to accept and pay for a product that cannot be used. To ensure accuracy, bidders may be requested to do an on-sight inspection and measurement before providing a response.

### Example: Design Specification

**“Commercial heavy-duty 27-lb. washer extractor with non-coin operated push-button controls. 10” riser frame and anchors, rust resistant metal frame with 12/32” pre-drilled holes for anchoring. Must include 304 stainless cabinet front, sides, and top as well as inner and outer tubs. Machine dimensions to be 37” deep maximum and 30” wide maximum.”**



Any time competition is restricted, justification must be provided explaining why the specifications must be met exactly. In this example, the dimensional requirements could restrict competition by possibly eliminating “standard” size washing machines from consideration. This can be justified by the fact that the laundry facility will only accommodate a washer of the requested size.

### Performance/Functional

👍 **Advantages** Encourages competition because the end product may be achieved by different means and can be a very useful tool for large ticket items for which there is very little competition. Also, this type allows end user to focus on needs rather than wants, and provides accommodation for advancements in technology.

🤔 **Disadvantage** Sometimes difficult to articulate “absolute” needs

Specifications written as “Performance” or “Functional” are not as detailed as far as design or physical dimensions, but focus instead on the result of the product’s performance or what it should accomplish. By placing more emphasis on the functional requirements, unnecessary “frills” are avoided (which usually keeps cost lower) and the requested product is less likely to become obsolete.

This type of specification tends to promote rather than restrict competition, because it allows any product that can meet the functional requirements to be considered.

### Example: Performance/Functional Specification

**“Electronic Parking Garage Access/Security System – System must allow assigned users entrance and exit without aid of an attendant 24 hours per day, seven days per week by use of access card, assigned personal code, or approved alternate method. System must log year, date, and time of each entrance and exit according to user, with the ability to provide reports of this information. System must accommodate in excess of 1,500 users. System must offer emergency power supply backup in the event of power failure.”**

In this example, the functional requirements have been described, but how those requirements are to be met is left up to the bidder.

## Specification Formatting

When writing specifications, there are two basic ways to display the specification requirements. These formats are referred to as “Equipment” and “Paragraph.”

### Equipment Format

This format uses a series of brief sentences describing each individual requirement. The sentences are followed by “Yes” and

“No” checkboxes or blanks for bidders to indicate whether or not they can meet the specific requirement. For more complicated specifications, the sentences should be organized into categories identifying the major components.

**The Equipment format is the preferred format for several reasons:**

- Sets out clearly the important aspects of the purchase
- Allows important traits to be highlighted
- Helps bidders avoid missing or skipping a requirement
- Requires bidders to be more cautious
- Holds bidders accountable for their responses



**When using the equipment format, keep requirement sentences or statements brief and “to the point,” placing the emphasis on the requirement.**

### Example: Specification Equipment Format

ENGINE:

3-cylinder, 4-cycled, vertical overhead valve, liquid-cooled diesel engine with min. 24 HP (18.6kw) rating. Min. 57 cubic inch displacement Yes\_\_\_ No\_\_\_

Engine produces 36 foot pounds of torque to ensure capability of climbing hills and mowing uneven slopes Yes\_\_\_ No\_\_\_

ELECTRICAL:

12-volt battery with min. 500-CCA or 450-amp hour min Yes\_\_\_ No\_\_\_

35-amp alternator, 40-amp manual reset circuit breaker Yes\_\_\_ No\_\_\_

Dash-mounted ignition switch Yes\_\_\_ No\_\_\_

TIRES/WHEELS:

Two front drive tires 23x8.50-12 or 23X10.50-12, tubeless, extra traction treads. 4-ply rating Yes\_\_\_ No\_\_\_

Two rear steering tires, 16.6.50-8, rib tread, 4-ply rating Yes\_\_\_ No\_\_\_

### Paragraph Format

This format lists specification requirements using brief sentences or statements written in paragraphs (like in newspapers). As with the Equipment format, similar requirements should be organized into categories identifying the major components. However, this format is recommended for simpler items only.

### Example: Specification Paragraph Format

**Men's Broadcloth Nightshirts**

Polyester and cotton blend (65/35 or 50/50) broadcloth. Full cut with raglan sleeves (sleeve length to be approximately 20 inches from neck to bottom of sleeve). Open down back with 7 stainless steel grippers, crush resistant for closing. Reinforced all around the neck. Mid-calf length with shirttail hem. Bottom hem to be sewed with 8 – 10 stitches per inch. Sleeves/under arm sewn on 5-thread safety stitch serge. From top gripper to bottom of hem must be approximately 45 inches long. Solid pastels shall include colors such as light blue, mint green, yellow, lavender or similar shades. (No solid tan, black, red, navy, bright green, white or brown.) Small flowered prints are available in cheerful colors and patterns. Large variety of colors and patterns shall be provided. All clothing must contain permanent factory label stating factory contents and size. Techni-Flair or an approved alternate. Sizes to include XL and XXL.

## Specifications Using Equipment Trade-ins

State property may be used as a trade-in towards the purchase of a new item if the specifications are written instructing bidders to include the trade-in allowance in their response to the solicitation. A contact person and phone number (if different than the buyer) should be provided so that bidders may arrange a time to view the item to be considered if necessary.

Please also see [State Surplus Requirements](#) for detailed information and procedures involving trade-ins.

## Assistance with Writing Specifications

If assistance is needed with writing specifications, please contact the Procurement Division, Strategic Sourcing Section.

Vendors can often be a resource for researching and developing specifications, but should be consulted with caution, however, as they may try to encourage the development of specifications that are restrictive and proprietary to the products and services they specifically offer.

## Initiate Purchase Request and Required Approvals

### Create a Requisition

All purchases from QPAs, PEN Products and Ability Indiana, regardless of dollar amount, must be initiated by creating a “catalog”, web or special request requisition in PeopleSoft eProcurement.

Most of the products and services available from these sources can be located and selected from the eProcurement catalog using search criteria such as an item description. All other commodity and service requests, regardless of the dollar amount, must be initiated by creating a “Special Request” requisition in PeopleSoft eProcurement.

Requisitions for these purchases will require an estimate representing the anticipated approximate cost for each line item and will not necessarily match the price quotes received from solicited bidders.

### Identify Delivery Requirements on the Requisition

The requisition will require that a delivery date is specified.

Purchase Cost	Minimum Delivery Date Required from the anticipated Sourcing Event Start Date
<i>Less than &lt; \$5,000</i>	<i>7 Days</i>
<i>More than &gt; \$5,000</i>	<i>15 Days</i>

For purchases less than \$5,000, the date should be at least 7 days from the date that the quotes were taken or 7 days from the anticipated Sourcing Event Start Date. For purchases \$5,000 or more, a minimum of 15 days from the anticipated Sourcing Event Start Date should be allowed.

All information entered when creating the requisition will electronically copy to the PeopleSoft Request for Quotation (RFQ) Form used for soliciting bidders, and/or eventually to the resulting purchase order. It is important to be certain that all pertinent information is included.

Instruction for creating requisitions in PeopleSoft eProcurement is available on the Procurement [PeopleSoft Guides web page](#).

## Requisition Routing Procedures & Special Approvals



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<http://www.in.gov/idoa/2871.htm>

Requisitions “Saved and Submitted” through PeopleSoft are routed electronically to the necessary approval authorities within each agency and then to any necessary external approval authorities based on the United Nations Standard Product and Services Code (UNSPSC) identified. (For more details about UNSPSC, see [UNSPSC Codes](#)) An agency found to be applying incorrect UNSPSC categories to avoid special approval routing risks losing purchasing authority.

### Telecommunications Equipment

**Manager:** Indiana Office of Technology (IOT)

IOT establishes contracts for telecommunications products and services to leverage the buying power of all state agencies. As part of this process, IOT establishes contracts with vendors to document how and what can be ordered under the various contracts.

### Microfilm and Paper Shredders

**Manager:** Indiana Archives and Records Administration (IARA)

### Computer Hardware and Software

**Manager:** Indiana Office of Technology (IOT)

IOT will review all requisitions for the purchase of Information Technology (IT) related equipment and/or services within an average of three working days from submission for compliance with IOT policies, standards and guidelines; for most agencies this is done through a PeopleSoft eProcurement Requisition.

### Special Approvals Contact Information

By Agency Contact

Telecommunications Equipment	IOT	(317) 232-3171
Microfilm and Paper Shredders	IARA	(317) 233-1713
Computer Hardware and Software	IOT	(317) 232-3171
Multifunction Devices (MFD)	IDOA	(317) 234-0067
Office Supply - Non Market Basket	QPA IDOA	(317) 234-0067

### Copiers, Printers, Fax Machines, Scanners, and Multifunction Devices (MFD)

**Manager:** IDOA Procurement Office machines approvers

When planning to purchase or lease this type of equipment, consolidation of features is recommended and should be considered. The QPA contract currently offers machines with the ability to copy, print, fax, and scan with a single piece of equipment. This consolidation of features uses much less energy, resulting in cost savings.

**All** purchases of copiers, printers, fax machines, multi-functional devices and scanners require IDOA Procurement Division review and approval, regardless of dollar amount. This requirement is applicable to **all** State agencies for **all** equipment regardless of the processing and/or printing speed.

The Requisition created must have a justification and very specifically explain the need for new equipment. Direct questions to the IDOA Vendor/Contract Manager over the QPA contract. **The information outlined below must be provided to IDOA for review of these purchases. Responses to questions and statements are required.**

- 1)** Was Chris Johnson, Ricoh Account Manager, involved in recommending this requested device? (Yes/No)
- 2)** Identify make and model of all requested devices. (If printer – include whether it will be used as a networked device or as a personal desktop. If personal desktop printer – include reason)
- 3)** Identify all functions that the equipment will perform (i.e. Print, Copy, Fax, Scan, Color)
- 4)** Identify all physical addresses where the equipment will be delivered for usage (align device to address)
- 5)** Identify the average total monthly volume this requested device will fulfill

- 6) Identify all make and models that will be eliminated as a result of the new devices, while identifying whether the eliminated devices are lease returns or owned

- 7) Include additional comments that would be important for the IDOA reviewer

## Office Supply QPA non-market basket items

### Manager: IDOA Office Supply

Any PeopleSoft Requisition that has non-market basket items included will be routed for IDOA approval once the requisition is saved and submitted. In PeopleSoft, non-market basket items will be marked with an asterisk (\*) in front of the item description.

Requisition #	Requisition ID	Line	Date	Status	Total	
STAPLES INKJET ROLLS	000011579	00057	06/00/2015	Pending	153.54	
Pre-Encumbrance Balance: 153.54 USD Req Type: Info Tech: QPA Purchase						
Header Comments: Comment 1: Description of Purchase: INKJET PAPER Special Instructions: N/A, Justification: REPLENISH SUPPLIES Product Code(s): 1115 Department(s): 451007 Budget Line Number(s): 560 Y08 Inset: N/A Requisition ID: NEUENSCHWANDER Req entered by: CLM Vendor: STAPLES Quote # N/A						
Line	Description	Quantity	Unit	Price	Status	Total
1	*STAPLES, 757 Sheets, White	1.0000	Roll	20.6000	USD Pending	20.600
Line Comments: Comment 1: ID:STAPLES A 546005 P 1115						
Contract Information						

**If a requisition contains any non-market basket item(s), the following information must be contained in the justification for each item or the requisition will not be approved by IDOA.**

- 1) Identify what line item(s) are **non**-market basket.
- 2) Detail why this specific product is needed.
- 3) What research was done to determine that this product is not available or similar to a product through the market basket items?
- 4) If there is a similar product in the market basket, please detail what sets the product aside from the market basket item(s)? similar? (What does this product offer that other products don't?)

Specific instructions about entering PeopleSoft Requisitions for office supplies can be found on the [Procurement PeopleSoft Guides](#) web page.



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<http://www.in.gov/idoa/2871.htm>

## Non-Competitive Purchases

### Purchases less than \$500 only

#### Commodities

The requirement to purchase items available on QPA, through PEN Products, or from Ability Indiana work centers is applicable regardless of the purchase dollar amount. Items available from these sources must be purchased from these sources unless proper justification/approval is provided.

All purchases that fall under IDOA Authority are to be entered in PeopleSoft as a Requisition and expedited to a Purchase Order.

When purchasing products or services are not available from a QPA, PEN Products and Ability Indiana, IDOA permits commodity purchases less than \$500 to be made without soliciting competition. This policy exists to provide an opportunity to purchase from local suppliers and reduce administrative/processing costs for minor purchases. It is very important to continue purchasing recycled content products and to include the minority and woman-owned business community whenever possible.

An authorized procurement agent must approve all purchases. If the agency does not know the designated procurement agent, the current agency purchasing administrators can be found on the [Purchasing Contacts web page](#).

#### Procurement Contracts

It is important that the correct procurement contract accompanied by the rest of the required documents is sent to IDOA Procurement for signature, even though seeking competitive quotes is not required. **All contracts must be routed to the Department of Administration for signature. There are no Exceptions.**

# Competitive Solicitation Methods

A competitive solicitation (procurement) method is required for all purchases \$500 or more and begins after considering the QPAs, PEN Products and Ability Indiana, defining the type of purchase, writing the specifications, creating the requisition in PeopleSoft, and the requisition completing the required routing process for all necessary approvals.

The estimated total dollar amount of the purchase is the factor used to determine which solicitation method is required.

## Purchases \$500 to \$5,000

### Informal Quotes

#### Commodities \$500 to \$5,000

As a method of soliciting competitive pricing, contacting at least three bidders by phone, email, fax or mail and requesting price quotes is acceptable for commodity purchases with an estimated total dollar amount less than \$5,000.

The company names, price quotes received, date of the conversation, persons talked with, and the basis for recommending/making an award should be documented using the [DPAP Solicitation Summary](#). This same information must be entered in the Justification field of the PeopleSoft eProcurement requisition if the agency/approvers require it. Instruction for processing eProcurement requisitions is available on the [Procurement PeopleSoft Guides](#) web page.

If the resulting award price of the informal quotation process is more than \$2,500, the awarded vendor must complete a Quotation Confirmation Form ([Attachment A](#)) (or RFQ Form produced in PeopleSoft) and initial/date (anywhere in white space) the Terms and Conditions document (see [Templates and Documents, Attachment A](#)).

#### Procurement Contracts \$500 to \$2,500

As a method of soliciting competitive pricing, contacting at least three bidders by phone, email, fax or mail and requesting price quotes is acceptable for Procurement Contract purchases with an estimated total dollar amount less than \$2,500.

The company names, price quotes received, date of the conversation, persons talked with, and the basis for recommending/making an award should be documented using the [DPAP Solicitation Summary](#). This same information must be entered in the Justification field of the PeopleSoft eProcurement requisition if the agency/approvers require it. Instruction for processing eProcurement requisitions is available on the [Procurement PeopleSoft Guides](#) web page. The awarded vendor must complete the correct procurement contract package for signature routing.

## Informal Written Quotes

Although the solicitation package of standard forms is not required for solicitations within this estimated dollar amount, if the procurement agent or designee chooses to include them with the RFQ Form produced in PeopleSoft and Terms and Conditions, all information contained in the bidder responses returned must be considered during evaluation.

### STEP 1: Create the Sourcing Event

The requisition created in PeopleSoft initiating the purchase to be made should be copied to a PeopleSoft Sourcing Event once it has successfully completed the required approval routing and the Budget Check status is “Valid”. The Sourcing Event should be manually assigned the same number that was automatically assigned to the requisition for tracking purposes.

Instruction for completing the PeopleSoft process is available on the [Procurement PeopleSoft Guides](#) web page.

### Open and Close Date Requirements

When preparing the Sourcing Event in PeopleSoft, a specific date and time that bidder responses are sent and must be returned is required. The “Start Date” is the approximate date that the solicitation is sent to the prospective bidders; the “End Date” is the date



**Purchasing Contacts**  
**Proc PeopleSoft Guides**

<http://www.in.gov/idoa/2479.htm>  
<http://www.in.gov/idoa/2871.htm>

and time that bidder responses are due.

As informal quotations are acceptable for commodity purchases within this dollar amount, written bidder responses within this dollar amount may be requested as quickly as needed. Sundays or holidays within the requested time frame should be considered and excluded when specifying the date and time that responses are due.

### Selecting Bidders to Solicit

Bidders (and vendors) in PeopleSoft are organized into Quote Groups according to product/service categories ([UNSPSC Codes](#)) that they identified at the time of bidder registration; Minority Business Enterprises, Women Business Enterprises, Indiana Veteran Business Enterprises and Small Businesses are easily identified within each group.

The procurement agent or designee must select at least three bidders to solicit for all purchases \$500 or more.

Instruction for accessing bidder/vendor quote groups and selecting vendors in PeopleSoft is available on the [Procurement PeopleSoft Guides](#) web page.

All agencies are responsible (and will be held accountable) for meeting the State's [goals for minority and woman-owned business participation](#). Each agency may work toward accomplishing these goals at their own discretion. IDOA encourages each agency to include MBEs, WBEs, IVBEs and Small Businesses in solicitations whenever possible.



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M/WBE Participation Goals

<http://www.in.gov/idoa/2871.htm>

<http://www.in.gov/idoa/mwbe/2494.htm>

### STEP 2: Prepare and Send the Solicitation

After the Sourcing Event has been created and bidders selected for solicitation, generate the hard copy forms for each bidder selected. The RFQ Form and the Terms and Conditions document may be emailed, faxed, or mailed to prospective bidders. The same method for dispersing the request should be used for all bidders solicited.

### STEP 3: Follow-up If Required

- ! If the award resulting from the solicitation process is more than \$2,500, the awarded vendor must complete Quotation Confirmation Form (or RFQ Form produced in PeopleSoft) and initial/date (anywhere in white space) the Terms and Conditions document ([Templates and Documents, Attachment A](#)). Completing the Quotation Confirmation can either detail the line items requested (as currently detailed on the RFQ Form) or it can refer to the bidder's attached quote sheet.

All quotation information received from bidders is confidential until an award has been made, the vendor has accepted and/or a purchase order has been encumbered.

Procurement contract purchases with an estimated dollar amount more than \$2,500, including maintenance and software, require formal solicitation according to the procedures outlined in the section Purchases \$5,000 to \$75,000.

## Purchases \$5,000 to \$75,000

### Formal Written Quotes

The Request for Quotation (RFQ) Form and the standard forms for solicitation (referred to collectively as the "solicitation package") are required as the instrument for soliciting competitive price quotes based on the type of purchase and estimated total cost within the parameters below.

- Commodities: \$5,000 - \$75,000
- Procurement Contracts: \$2,500 - \$75,000

If seeking competitive quotes is not possible, documentation must be provided in the Requisition Justification field explaining the specific circumstances and be covered by a Request for Special Procurement ([State Forms, Attachment A](#)).

- ! **Note: When sending out a solicitation for a procurement contract be sure to**
- **include the appropriate contract template with the solicitation package.**

## STEP 1: Create the Sourcing Event

The requisition created in PeopleSoft initiating the purchase to be made should be copied to a PeopleSoft Sourcing Event once it has successfully completed the required approval routing and the Budget Check status is “Valid.” The Sourcing Event should be manually assigned the same number that was automatically assigned to the requisition for tracking purposes.

Instruction for completing the PeopleSoft process is available on the [Procurement PeopleSoft Guides](#) web page.

### Start and End Date Requirements

When preparing the Sourcing Event in PeopleSoft, a specific date and time that bidder responses are sent and must be returned is required. The “Start Date” is the approximate date that the solicitation is sent to the prospective bidders; the “End Date” is the date and time that bidder responses are due.

- ! **For purchases estimated to be over \$5,000, bidders must be given at least seven**
- **days to respond excluding Sundays or holidays. This must be able to be verified based on the difference between the Start Date and End Date identified on the Sourcing Event.**

### Delivery Requirements

When specifying the required delivery date for commodity purchases, a minimum of 15 days from the Sourcing Event Opening Date should be allowed.

### Additional Information for Bidders

PeopleSoft offers users the opportunity to add instructions or information bidders may need to provide a complete response to solicitations in the form of Header and Line Comments. Header Comments entered will print on the RFQ Form before the line items are listed. Line Comments will print immediately following the line item it is associated to.

In addition to allowing manual comments to be entered as needed, PeopleSoft also stores frequently used standard comments organized into specific categories available to be selected and copied to requisitions, solicitations, and purchase orders. These comments, too, may be added as Header information or to specific line items.





# PeopleSoft Preprogrammed Comments

## Indiana Small Business Preference Compliance Restrictions

To insure that bidders are aware of compliance restrictions imposed by claiming the [Indiana Small Business Preference](#), the following should be **always** be selected as a Header Comment and copied to the Sourcing Event before bidders are solicited.

The language (below) indicates to bidders the constraints involved when an award is based on this preference having been claimed.

### Select PeopleSoft Standard Comment:

Std Type: **BID**

Comment ID: **ISBP**

NOTICE TO INDIANA SMALL BUSINESS BIDDERS

The vendor assures that if they are receiving this award based on the Indiana Small Business Preference that the vendor will be performing a minimum of 80% of the work involved with their own forces. This contract is not assignable either in whole or in part, nor shall it be subcontracted after award without the State's prior written consent.

By signing the certification page of the solicitation package you are certifying adherence to all bid requirements as well as the above notice.

## Federal Funding Source Considerations

If the purchase to be made is intended to be paid for using federal funds, special attention must be given to the fact that some federal grants do not allow geographic preferences (see [Purchasing Preferences](#)) to be considered in solicitation evaluations. The following should be selected as a Header Comment to inform bidders that evaluation criteria inconsistent with federal regulations will not be considered.

### Select PeopleSoft Standard Comment:

Std Type: **BID**

Comment ID: **FEDE**

If any one or more of the listed criteria on which the responses to this quote or bid will be evaluated are found to be inconsistent or incompatible with applicable federal laws, regulations or policies, the specific criterion or criteria will be disregarded and the responses will be evaluated without taking into account such criterion or criteria.

## Bidder Profile Registration/Buy Indiana Registration

Any company or business desiring to participate in State of Indiana procurements is encouraged to complete the online [bidder registration](#). All bidders to receive a solicitation award **must** have completed their registration in order to process a purchase order. The following should be selected as a Header Comment. Companies qualified as Indiana businesses or those not qualified as Indiana businesses, must certify themselves as such (on the Buy Indiana tab) by identifying the qualifying criteria and clicking the Certification checkbox.

### Select PeopleSoft Standard Comment:

Std Type: **BID**

Comment ID: **BYIN**



**Bidder Profile Registration**

<http://www.in.gov/idoa/2464.htm>

Prior to award of this solicitation your business needs to be registered as a Bidder with the State at <http://www.in.gov/idoa/2463.htm>. Click on Bidder Registration. Please be sure to complete the Buy Indiana certification page. It is preferred that businesses register immediately, so that delay of solicitation award would not occur. This registration is maintained and accessible only by the person who registers and whoever they share the company login with. You must keep your registration updated and your information current at all times.

## Direct Deposit Requirements with Auditor of State

To insure that bidders are aware of compliance issues with the Auditor of State concerning direct deposit, the following should **always** be selected as a Header Comment and copied to the Sourcing Event before bidders are solicited.

### Select PeopleSoft Standard Comment:

Std Type: **BID**

Comment ID: **AOS**

DIRECT DEPOSIT OBLIGATIONS

As required by IC 4-13-2-14.8:

Notwithstanding any other law, rule, or custom, a person or company whom has a contract with the State or submits invoices to the state for payment shall authorize in writing the direct deposit by electronic funds transfer of all payments by the state to the person or company. The written authorization must designate a financial institution and an account number to which all payments are to be credit. For forms and additional information visit the Auditor of State's website <http://www.in.gov/auditor/2340.htm>.

## Shipping Charges Included

To insure that shipping and other additional costs are included in bidder solicitation responses, the following should **always** be selected as a Header Comment and copied to the Sourcing Event before bidders are solicited.

### Select PeopleSoft Standard Comment:

Std Type: **SHP**

Comment ID: **SHP**

Vendor must include shipping and/or any other additional costs in bid response. Shipping and/or additional costs will not be paid if added to invoice.

# Procurement Contract Language

## Request to Establish a Contract Clause on all Solicitations for Services

To insure that bidders are aware that an agency wishes to establish a contract for services the following should **always** be selected as a Header Comment and copied to the Sourcing Event before bidders are solicited for a procurement contract.

### Select PeopleSoft Standard Comment:

Std Type: **SER**

Comment ID: **ESTC**

This is a request to establish a Contractual Agreement for \_\_\_\_\_ Services. Contract commencing \_\_\_\_\_ or from date of last State signature, whichever is later and ending \_\_\_\_\_ or one year after the State's last signature, whichever is later. By mutual consent of both parties, contract may be renewed. The term of the contract, including any renewals, may not exceed four (4) years.

Prices may be listed in the unit requested (per\_\_\_\_). Prices listed above and beyond what is requested shall not be considered and shall be reason to reject bid/quote. Prices must be inclusive of all applicable charges

## Incinerator Clause on Solicitations for Trash Services

To insure that bidders provide landfill or incinerator information the following should **always** be selected as a Header Comment and copied to the Sourcing Event before bidders are solicited for a procurement trash contract.

### Select PeopleSoft Standard Comment:

Std Type: **SER**

Comment ID: **TRAS – Trash Contracts/Landfill**

Per 25 IAC 1.1-1-17, the rate for solid waste removal services set out herein shall be composed of two components:

(1) The fee charged by the contractor for services in provisions of containers and removal and hauling of the waste.

(2) The pass-through of any landfill or incinerator charges incurred by contractor.

The contractor's fee shall remain fixed for the full term of the contract. However, upon presentation of written verification that the landfill or incinerator operator has increased or decreased the landfill or incinerator charges, the disposal change component of the agreement will be increased or decreased to match the new rates.

Written verification from the disposal site on letterhead stating the specific dollar amount of the increase or decrease (i.e. per ton or per cubic yard) must be submitted to the service location business office.

Contractor must indicate what landfill they will be using, and please provide the address and phone number.

## Phone Reset Charge Clause on Solicitations for Postage Meters

To insure that bidders provide postage by phone reset charges the following should **always** be selected as a Header Comment and copied to the Sourcing Event before bidders are solicited for a procurement contract for postage meters.

### Select PeopleSoft Standard Comment:

Std Type: **SER**

Comment ID: **POST – Postage Meter**

Vendor must include all postage by phone reset charges, if applicable, and the number of resets included per month, if any, in the above maintenance charges.

Resets \$ \_\_\_\_\_ each \_\_\_\_\_ per month.

## Greening the Government and MSDS Clauses on Solicitations for Pest Control Services

To insure that bidders are aware of the Governor's Greening the Government Initiative and that they must provide Material Safety Data Sheets the following should **always** be selected as a Header Comment and copied to the Sourcing Event before bidders are solicited for a procurement pest control contract.

### Select PeopleSoft Standard Comment:

Std Type: **GTG**

Comment ID: **PEST – Pest Control**

As part of the Governor's Greening the Government initiative, the State of Indiana is looking at utilizing an Integrated Pest management system to rid building of pests without using chemical controls. In addition to bidding on the scope of work/specifications enclosed, the vendor is required to include pricing and a plan to control pest without utilizing chemical controls such as spraying and fogging.

**A N D**

### Select PeopleSoft Standard Comment:

Std Type: **BID**

Comment ID: **MSDS**

Material Safety Data Sheets must be supplied for all pertinent products, with delivery, in order to comply with OSHA hazard communication rules. Failure to ship MSDS with the product will result in holding all invoices for payment until we receive the Material Safety Data Sheets.

## Greening the Government and MSDS Clauses on Solicitations for Janitorial Services

To insure that bidders are aware of the Governor's Greening the Government Initiative and that they must provide Material Safety Data Sheets the following should **always** be selected as a Header Comment and copied to the Sourcing Event before bidders are solicited for a procurement janitorial contract.

### Select PeopleSoft Standard Comment:

Std Type: **GTG**

Comment ID: **CLN – GTG Language for Cleaning**

All cleaning chemicals and supplies shall meet or exceed Green Seal third-party certification as environmentally-preferred cleaning products. Visit [www.greenseal.org/findgreensealproductsandservices.aspx](http://www.greenseal.org/findgreensealproductsandservices.aspx) for a current listing of certified products. To assure the health and safety of all building occupants, all cleaning chemicals and supplies shall be properly used by cleaning staff trained in Green Cleaning methods. A variety of informative Green Cleaning fact sheets can be found at <http://wsppn.org/studies/janitorial/>

**A N D**

### Select PeopleSoft Standard Comment:

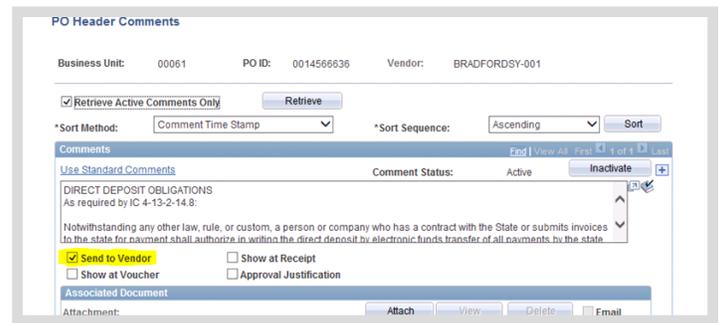
Std Type: **BID**

Comment ID: **MSDS**

Material Safety Data Sheets must be supplied for all pertinent products, with delivery, in order to comply with OSHA hazard communication rules. Failure to ship MSDS with the product will result in holding all invoices for payment until we receive the Material Safety Data Sheets.

If comments entered are to be visible to bidders and printed on hard copy documents, be sure to click the “Send to Vendor” checkbox below the “Comments” field when the text is selected or entered manually.

If there are specific instructions or language used frequently that is not currently available, please contact the IDOA Procurement Division to discuss creating standard comments specific to the agency’s needs.



## STEP 2: Select Bidders to Solicit

Bidders (vendors) in PeopleSoft are organized into Quote Groups according to product/service categories ([UNSPSC Codes](#)) that they identified at the time of bidder registration; MBEs, WBEs, IVBEs and Small Businesses are easily identified within each group.

The procurement agent or designee must select at least three bidders to solicit for all purchases \$500 or more.

Instruction for accessing bidder/vendor quote groups and selecting vendors in PeopleSoft is available on the Procurement Training [PeopleSoft Guides and Instructions](#) web page.

All agencies are responsible (and will be held accountable) for meeting the State’s [goals for minority and woman-owned business participation](#). Each agency may work toward accomplishing these goals at their own discretion. IDOA encourages each agency to include MBEs, WBEs, IVBEs and Small Businesses in solicitations whenever possible.

PeopleSoft Guides & Instr.  
M/WBE Participation Goals

<http://www.in.gov/idoa/2871.htm>  
<http://www.in.gov/idoa/mwbe/2494.htm>

## STEP 3: Select and Prepare the Correct Procurement Contract Package (if required)

Select and prepare the contract package (one of the options below)

- Addendum
- Contract for Services

### Standard Procurement Contract Clauses to focus on:

#### 1. Duties of Contractor

The duties of the Contractor should outline the exact, detailed services to be performed. Detailing those services ensures that the agency and the Contractor understand exactly what should be provided and lessens the chances that misunderstandings will arise. If the duties of the Contractor have already been set out in a Statement of Work or other separate document, the agency may fulfill the requirements of this clause by making a short descriptive statement about the duties to be performed then reference that separate document as an exhibit. **All attachments/exhibits must be specifically incorporated by reference and properly labeled.**

#### Duties of Contractor Clause

The Contractor shall provide the following services relative to this Contract:

#### 2. Consideration

Consideration should be stated as a definite amount at a certain rate with a ceiling limitation (per hour, per deliverable, per day, etc.). IDOA requires a not-to-exceed figure on total payments when a rate system is used. As in Clause 1 above, attaching an exhibit may be advisable where the system of consideration involves a number of deliverables and is sufficiently complex to make it advisable to do so. The agency should still state the not-to-exceed amount in

this clause. **This should be the second clause of the contract.**

## Consideration Clause

The Contractor will be paid at the rate of \_\_\_\_\_ for performing the duties set forth above. Total remuneration under this Contract shall not exceed \$ \_\_\_\_\_.

### 3. Term

Term should clearly state the duration of the Contract either by giving a specific beginning and ending date, (month, day and year) OR a duration that begins after the date of the last State signatory. There is no statutory term limit on service contracts. However, as a matter of policy, IDOA retains a 4-year limit, but is willing to discuss longer terms on a case by case basis. **This should be the third clause of the contract.**

## Term Clause

This Contract shall be effective for a period of \_\_\_\_\_. It shall commence on \_\_\_\_\_ and shall remain in effect through \_\_\_\_\_.

See [Attachment D](#) for the complete listing of boilerplate clauses, [Attachment E](#) for Procurement Contract Writing Reminders and [Attachment F](#) for Procurement Contracts Frequently Asked Questions.

### STEP 4: Assemble the Solicitation Documents

After the Sourcing Event has been created and bidders selected for solicitation, generate the hard copy forms for each bidder selected.

The hard copy RFQ Forms should be inserted into a solicitation package (standard forms package) for each bidder selected.

The most current solicitation packages are available on the Procurement Training [Solicitation Packages](#) web page and include the following pages and sections:

- Cover/General Information Page (Optional)
- <INSERT PEOPLESOFT RFQ FORM HERE>
- Standard Terms & Conditions
- Additional Specifications (inserted if applicable)
- Claiming Purchasing Preferences
- MBE Participation Plan
- Indiana Economic Impact form
- Drug-Free Workplace Certification
- Secretary of State Registration
- Compliance Certification
- Ethics Obligations
- Pricing
- FOB Destination
- Open Competition
- Creation of Binding Agreement
- Exceptions
- Employment Eligibility Verification
- Non-Collusion Certification
- Signature Section
- Procurement Contract document (if applicable)

The image shows a 'Request for Quotation' form from the State of Indiana. The form includes fields for 'REQUEST FOR QUOTATION', 'REQUESTED FOR', 'REQUESTED BY', 'REQUEST TO', 'PHONE', and 'YOUR RESPONSE MUST BE RECEIVED BY'. Below these fields is a 'GENERAL INFORMATION' section with several bullet points providing instructions and requirements for bidders. The form is titled 'STATE OF INDIANA' and 'Request for Quotation'.

## STEP 5: Send the Solicitation to Bidders

The prepared solicitation package may be emailed, faxed or mailed to prospective bidders. The same method for dispersing the request should be used for all bidders solicited.

All quotation information received from bidders is confidential until an award has been made, the vendor has accepted and/or a purchase order has been encumbered.

## Unsolicited Bidder Requests

The State of Indiana does not preclude anyone from responding to a solicitation. Any bidder requesting a copy of a solicitation or interested in responding to a solicitation must be accommodated.

## Purchases \$75,000 & Above

### Standard Delegation

- ! The program provides delegation of purchasing authority of \$75,000 as the standard. This authority allows State agencies to solicit for, award, and pay for purchases up to \$75,000.

All purchases with an estimated cost to exceed this standard delegation must be solicited, awarded, and processed by the IDOA Procurement Division. Send an email to the IDOA Procurement, Strategic Sourcing Director for guidance on submittal requirements for a bid or Request for Proposal (RFP). If the request will be processed through a bid (not an RFP), a requisition must be entered to pre-encumber funds and the requisition number identified in the email.

## Small Business Set-Aside Program

Created by statute (IC 5-22-14), the Small Business Set-Aside program was put in place to promote the growth and success of small businesses. The commodities identified below have been chosen to participate based on the small business community known to be capable of supporting the needs of the State while still allowing fair and equitable competition in the procurement process. The program is applicable to commodity purchases between \$5,000 and \$75,000.

Solicitation of quotes for purchases that qualify under the Small Business Set-Aside requirement should be conducted using the same documents and processes used for any other purchase within these estimated dollar amounts; the statute, however, dictates that only bidders who qualify as small businesses should be solicited.

Item	UNSPSC Code
First Aid/Safety Equipment	42170000, 42290000, 46180000
Hardware and relative items	24110000, 31162700, 46171500
Badges/Emblems	55120000
Hand Tools	27111500
Personal Computer Hardware/Peripherals	43000000, 26121600
Personal Computer Software	43190000, 43230000
Police Equipment	46000000
Plumbing Equipment	30180000
Building Maintenance Materials	72100000

Bidders responding to Small Business Set-Aside solicitations must complete the Indiana Small Business Claiming Preference Page (see [Templates and Documents, Attachment A](#)) to certify that they are

indeed a small business, indicating their category of classification.

- ! **Items within the commodity categories identified for this program may be available on QPA contracts and should be purchased from these contracts if the item offered meets the user’s requirements. QPA contracts should be reviewed for these types of commodities before soliciting through the Small Business Set-Aside program.**

If small businesses to solicit for the items listed above cannot be located, documentation must be provided explaining how that was determined, and an exception must be granted by the IDOA Procurement Division **before** quotations are solicited. Requests for exception should be directed to the IDOA Procurement Deputy Director by email or by fax at (317) 232-7312.

## Pre-Award Solicitation Activities

### Notice of Addendum

A Notice of Addendum (see [Templates and Documents, Attachment A](#)) may be used when it is necessary to make a change to a solicitation that could affect the bidder responses. This might include a change in specifications, delivery date or time requested, quantity requested, etc. As the bidders must be provided a sufficient amount of time to incorporate the changes, the Notice of Addendum may also be used to extend the closing date and time.

The Notice of Addendum document should be completed and sent by email, fax, or mail to all bidders solicited. If sent by fax, keep the transmittal report as verification that the addendum was sent and received. The form must be signed and returned with the bidder’s responses.

NOTICE OF ADDENDUM TO SOLICITATION

Solicitation Number: \_\_\_\_\_  
Opening Date: \_\_\_\_\_

Solicitation responses should be submitted incorporating the information detailed below:

Buyer: \_\_\_\_\_  
Approved: \_\_\_\_\_

The acknowledgement below should be signed and returned with your response.

ACKNOWLEDGEMENT

Receipt of Notice of Addendum for solicitation: \_\_\_\_\_

Bidder: \_\_\_\_\_  
Signed: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Any information **not** provided to each bidder as part of the solicitation may not be used for evaluation purposes. Anytime it is necessary to contact a bidder to verify information, it is important to always document who was spoken with and what was said. When documenting this information on the quote, use **red ink** so that it can be distinguished from any markings made by the bidder. In the process of verifying information provided by bidders, **do not** disclose any information offered by competitors. In situations where there is not time to make the appropriate changes, notify the bidders of cancellation in writing and re-quote.

### Canceling a Solicitation

In the event that it is necessary to cancel a Sourcing Event, all bidders solicited must be notified. Any pricing received must not be released. If re-soliciting for the same product or items, all of the original bidders must be solicited.

### Receiving Solicitation Responses

- ! **All bidder responses must be date and time stamped upon arrival, providing proof that the quotes were received by the date and time requested.**

Agencies not having a date and time “stamp” may manually write the date and time received and initial it using **red ink**. Quotes that have been automatically stamped with the date and time when received electronically are acceptable.

Always keep bidder responses in a safe place until the requested date and time for them to be returned has passed. Responses received after the date and time requested are considered late and should not be considered for an award. All quotation information received from bidders is confidential until an award has been made, the vendor has accepted and/or a purchase order has been encumbered.

# Evaluating Solicitation Responses

When determining which bidder should receive the award, there are details that must be considered in evaluating the responses.

If any of the following situations will affect the outcome of the award, they should be addressed on the [DPAP Solicitation Summary](#) form.

## Was the response received by the requested date and time?

Responses received after the requested date and time are considered late and may not be considered for an award. There are only two exceptions to this rule; all responses received were late or a late response was the ONLY response received.

## Does the bidder meet the requested specifications?

Alternate products may be considered if the bidder provides explanation, the item offered meets or exceeds the user's functional requirements and is the low bid. (For more details, see [Exceptions](#))

## If only one response is received, is the quoted price fair and reasonable?

An award to the only bidder responding requires justification indicating how it was determined that the quoted price is fair and reasonable before making the award. This justification must be in the file for audit purposes. (For more details, see [Fair and Reasonable Pricing](#))

After the award is made and as time allows, purchasing staff should investigate why other bidders did not offer quotations to verify that the specifications were not restrictive or vague, and to make certain the correct type of bidders were solicited.

## If there was a delay in making the award, are the prices still valid?

As indicated on the RFQ Form, all quoted prices are assumed valid for 90 days unless otherwise stated. It is acceptable for bidders to state a different time period; "Prices valid for 30 days," for example. If there has been a delay in the process of making an award, bidders should be contacted to verify that the quoted prices are still valid. The person spoken with and a brief summary of the conversation must be noted in red ink.

## Did the bidder return all necessary paperwork?

Verify that all the required pages and sections of the solicitation package have been properly completed. If not, they may be requested from the bidder. Did the bidder adequately complete the Indiana Economic Impact form and sign it on the second

page? Did the bidder submit MBE/WBE Participation information as required? Has the bidder noted any exceptions to the specifications in their response or in the Exception section of the package?

## Did the bidder complete the Signature block in the RFQ package?

By completing and signing the signature block, the bidder acknowledges agreement to all terms and conditions and declares that all information provided in the solicitation package is accurate and complete. If the bidder has not completed this section, they may be contacted and asked to do so, providing there is a manual signature somewhere in the response received before the deadline passed. An award should not be made to bidders refusing to complete the signature block.

## Did the bidder claim a preference?

Bidders must complete the Indiana Small Business Preference section of the Claiming Purchasing Preference page indicating under which criteria they qualify as a Small Business if the solicitation was conducted under the Small Business Set-Aside program or if the bidder is claiming the Indiana Small Business Preference. Advance notice to bidders of this requirement is recommended when soliciting under the Small Business Set-Aside program. (For more details, see [Small Business Set-Aside](#) and [Indiana Small Business Preference](#)).

## Did the bidder claim Indiana Business preference?

Claims of this preference require that the bidder complete the Indiana Economic Impact form (IEI) and it must be verified at the time of the award ([IBP Verification Instructions, Attachment C](#)). The procurement agent should also verify that the bidder's registration indicates qualification for the Indiana Business preference using the Indiana Business Preference Instructions found on the Procurement Training [Request for Quotations](#) web page.



### **Does use of federal funds negate geographical preferences claimed?**

Some federal grants do not allow consideration of geographical preferences (the Indiana Business and Indiana Small Business Preference) during evaluation.

### **Is there a state surplus requirement?**

If the solicitation involves the trade-in of surplus property, the bidder must include the trade-in allowance dollar amount to be deducted from the original cost. (For more details, see [State Surplus Requirements](#))

### **Are the extension prices calculated correctly?**

Unit prices can never be changed for any reason. If a bidder quotes a “lot” price, this price becomes the unit price and cannot be changed. If a bidder has mistakenly quoted the wrong unit price, the quotation must be withdrawn (in writing) or the price must be honored. The extension price may be corrected if there has been a mathematical error. Any changes made to the extension prices should be made using red ink and initialed.

Unit prices may be quantified (if a bidder quotes a “quantity” price instead of an “each” price, for example).

### **Are there any obvious price discrepancies?**

Whenever there is a large margin of difference between quoted prices, it is necessary to contact the bidder and verify that the price offered is correct. A large price difference could indicate that the bidder quoted the wrong price or the product offered does not meet the specifications.

### **Would a “Split Award” be cost effective? Is it necessary to get all the items requested?**

In many cases, there could be a cost savings by splitting the award between two or more vendors. Also, a split award may sometimes be necessary to get all the items requested if all bidders did not quote on all items.

Bidders may submit responses indicating “All or None” which cannot be considered for a split award. (For more details, see [Split Awards](#))

### **Is a spreadsheet needed?**

Procurement agents must create a spreadsheet for the evaluation of bidder responses for all solicitations of 15 or more line items, and/or solicitations involving a split between vendors ([Split Award Example, Attachment B](#)). This requirement is applicable to all purchases.

### **Can an award be made to a vendor who is not offering the lowest price?**

If the lowest bidder does not meet the required specifications and/or delivery time frames, these factors can be taken into consideration. Describe in detail specifically what they do not meet. Awarding to the next lowest bidder meeting the specification requirements is acceptable in this situation.

If the lowest bid meets all specifications but the bidder has not provided the required paperwork (after several requests have been documented), an award may be made to the second lowest bidder.

If the quote from the lowest bidder was received after the requested time and date, the award must be made to the second lowest responsive/responsible bidder.

Preferences claimed can also affect the outcome of the award.

### **Is there a “tie” between responses?**

If two or more bidders propose identical pricing, determinations for breaking the tie might include things such as an Indiana bidder vs. an out-of-state bidder, one bidder that can deliver before the requested delivery date, or one bidder with MWBE participation.

If assistance is needed in determining an award involving a tie situation, please contact the IDOA Procurement Division.

### **For Procurement Contract purchases, did the bidder agree to the State’s terms and conditions?**

Verify that the bidder has agreed to the mandatory clauses and non-mandatory terms having been incorporated.

### **For Procurement Contract purchases, did the bidder claim applicable preferences?**

The Recycled Preference could be claimed in the purchase of printing services, and the Buy American Preference claimed in Equipment/Rental purchases because an actual commodity, in addition to a service, will be provided.

### **For Procurement Contract purchases, did the bidder sign the contract?**

Verify that the bidder has signed the appropriate contract after agreeing to the State’s terms and conditions.

# Fair and Reasonable Pricing

When an adequate number of bidders have been solicited for a purchase and only one response is received, an award may be made to the only response received if the quoted price is considered fair and reasonable.

**This determination can be made if the answer to one of the following three questions is “yes.”**

- Is the quoted price within the government estimate? (Documentation required)
- Is the price similar to that received in the past for the same or similar item? (Documentation required)
- Is the price within that expected by the procurement professional? (An explanation must be documented.)

After the award is made and as time allows, purchasing staff should investigate why other bidders did not offer quotations to determine if the specifications might have been restrictive or vague, and to make certain the correct type of bidders were solicited.

## Purchasing Preferences

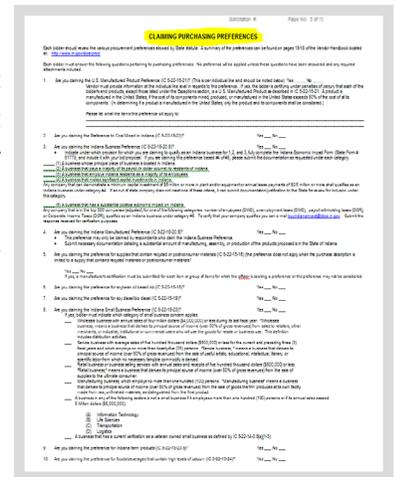
Vendor Handbook

<http://www.in.gov/idoa/files/VendorHandbook.pdf>

The State of Indiana is committed to making purchases that promote the economy, the environment, and the nation. In support of this commitment, “preferences” have been put in place providing advantages to certain types of businesses and products. Bidders must complete the “Claiming Purchasing Preferences” page of the solicitation package in order for preferences to be applied or considered. (see [Templates and Documents, Attachment A](#))

Bidders requesting information or detail concerning preferences, their purpose, or how they are applied may be directed to the [Vendor Handbook](#).

Some preferences such as U.S. Manufactured may not be applicable due to the commodity or service being solicited, make sure before applying a preference the preference chosen is appropriate.



## Absolute Preferences

- An absolute preference allows bidders meeting certain criteria to receive an award without regard to other criteria unless another bidder also claims the preference, meaning that the bidder offering the lowest cost may not be the correct choice for award. There are currently three absolute preferences offered.**

### U.S. Manufactured Preference

IC 5-22-15-21 & 25 IAC 1.1-3



#### IC 5-22-15-21

Promotion of purchase of supplies manufactured in the United States; rules

- Sec. 21. (a) This section does not apply to the state lottery commission created by IC 4-30-3-1.
- (b) A governmental body shall adopt rules to promote the purchase of supplies manufactured in the United States.
- (c) Rules adopted under subsection (b) shall provide that supplies manufactured in the United States shall be specified and purchased unless the governmental body determines that any of the following apply:
- (1) The supplies are not manufactured in the United States in reasonably available quantities.
  - (2) The price of the supplies manufactured in the United States exceeds by an unreasonable amount the price of available and comparable supplies manufactured outside the United States.

(3) The quality of the supplies is substantially less than the quality of comparably priced available supplies manufactured outside the United States.

(4) The purchase of supplies manufactured in the United States is not in the public interest.

As added by P.L.49-1997, SEC.1.

The statutes require the purchase of only United States manufactured products whenever possible. Bidders claiming this preference certify that the end products offered are U.S. manufactured. If the cost of its components mined, produced, or manufactured in the United States exceeds 50% of the cost of all its components, it meets the preference criteria. Bidders offering foreign-made products at a lower price should not receive an award if U.S. manufactured products that meet specifications are available for purchase.

The U.S. Manufactured preference does **not** apply in the award of Procurement Contracts in most circumstances.

## Steel Products Preference

IC 5-22-15-25

Steel products used in the manufacture of supplies for a contract or supplies used in the performance of services under the contract must be manufactured in the United States. This preference applies only to purchases over \$10,000.

The steel preference is applicable only when steel products requested by specification are rolled, formed, shaped, drawn, extruded, forged, cast, fabricated, or otherwise similarly processed, or processed by a combination of two (2) or more such operations, by the open hearth, basic oxygen, electric furnace, Bessemer, or other steel making process (i.e. I-Beam, rebar, etc.).

## Coal Mined in Indiana

IC 5-22-15-22

When purchasing coal for use as fuel, an absolute preference is given to coal mined in Indiana.

## Price Preferences

A price preference is offered to allow certain types of businesses or businesses that offer certain types of products to be able to compete for the State's business while taking into consideration a preference.

If a bidder claims a price preference, a given percentage will be deducted from the price of the item(s) that meet the criteria for that preference, and the newly figured prices will be used for evaluation purposes to determine who should receive the award.

**!** If such a bidder claiming a price preference receives an award, the original quoted amount will be paid for the products or services. Only one (1) price preference may be applied to each item, even if the bidder has indicated they wish to claim multiple preferences. The preference that is most beneficial should be applied. The only exception to this rule is the Indiana Manufactured Preference - this may be claimed in addition to the Indiana Business Preference.

### Example: How to Calculate Price Preference

The bidder's quoted price is . . .	\$6,000
A 15% preference is applied . . .	- \$900
Amount used for evaluation . . .	\$5,100

If this bidder receives the award, the amount the agency pays is \$6,000.

## Indiana Business Preference

5% Price Preference

IC 5-22-15-20.5

Defining an Indiana Business

Executive Order 05-05 establishes a goal that state agencies will procure 90 cents of every dollar from Indiana businesses. The effective date of this policy is July 1, 2005.

### “Indiana business” refers to any of the following:

- (1) A business whose principal place of business is located in Indiana
- (2) A business that pays a majority of its payroll (in dollar volume) to residents of Indiana
- (3) A business that employs Indiana residents as a majority of its employees
- (4) A business that makes significant capital investments in Indiana
- (5) A business that has a substantial positive economic impact on Indiana

Bidders claiming this preference must indicate which of the provisions above qualifies them as an Indiana business. They must also fully complete the Indiana Economic Impact Form (State Form 51788) and include it with their response.

If a company is claiming to be an “Indiana Business” under any of these definitions, the agency must verify the claim ([IBP Verification Instructions, Attachment C](#)).

### The following is the policy concerning items 4 & 5 described above

#### Significant Capital Investment

Any company that can demonstrate a minimum capital investment of \$5 million or more in plant and/or equipment or annual lease payments of \$2.5 million or more shall qualify as an Indiana business under category 4. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

#### Substantial Indiana Economic Impact

Any company that is in the top 500 companies (adjusted) for one of the following categories: number of employees (Department of Workforce Development/DWD), unemployment taxes (DWD), payroll withholding taxes (Department of Revenue/DOR), or Corporate Income Taxes (DOR); it shall qualify as an Indiana business under category 5. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

- ! **All bidders claiming this preference must complete, in its entirety, the Indiana Economic Impact form (IEI).**

For purchases under the program, qualifying bidders receive a **five percent (5%)** price preference.

Contact the IDOA Procurement Division if assistance is needed in applying this preference.

#### Indiana Manufactured Preference

**3% Price Preference**

**IC 5-22-15-20.5**

If an Indiana business offers to provide supplies manufactured, assembled, or produced in Indiana, and if two (2) or more bids submitted were the same, the following price preference is available to the Indiana business **in addition** to the price preference available under Indiana Business Preference:

Indiana manufactured is defined as a substantial amount of manufacturing, assembly or production occurring in the State of Indiana. To be eligible to claim the Indiana Manufactured Preference, necessary documentation confirming the supplies meet Indiana manufactured must be provided for review by the state.

For purchases under the program, qualifying bidders receive a **three percent (3%)** price preference.

Please contact the IDOA Procurement Division if assistance is needed in applying this preference.

#### Indiana Small Business Preference

**15% Price Preference**

**IC 5-22-15-23**

The State of Indiana offers a fifteen percent (15%) price preference to qualified businesses within the state to encourage the growth and success of small companies. This preference should not be confused with the [Small Business Set-Aside program](#).

To be eligible to claim the Indiana Small Business Preference, the bidder must be an Indiana business (as defined above in the

Indiana Business Preference section) and qualify in at least one of the six following categories:

- (1) A wholesale business with annual sales of \$4,000,000 or less during the last fiscal year.
- (2) A service business with average sales of \$500,000 or less for the current and preceding three fiscal years, and employs no more than 25 persons.
- (3) A retail business or a business selling services with annual sales and receipts of \$500,000 or less.
- (4) A manufacturing business which employs no more than 100 persons.
- (5) A business in the sector of Information Technology, Life Sciences, Transportation, or Logistics, not employing more than 100 persons or annual sales exceeding \$5,000,000.
- (6) A business that has a current verification as a veteran owned small business as defined by IC 5-22-14-3.5 (a) (1-3).

### **Veteran's Business Enterprise Program**

**IC 5-22-14-3.5 (a)(1-3)**

The Indiana Veteran's Business Enterprise (IVBE) Program was instituted when Governor Pence issued Executive Order 13-04 to provide additional economic opportunities by setting a goal of Indiana veteran-owned businesses achieving at least 3% of the State of Indiana's competitive purchase of goods and services. The General Assembly later codified this mission in IC 5-22-14-3.5.

The goal of the program is to help men and women who return home after serving their country to start or expand their own business. In doing so, the state will seek business opportunities with IVBEs for public works projects and contracts. Annually, IDOA is required to prepare and submit a report to the Governor and to the public, which shall describe the activities and efforts conducted by the state and the outcome, progress and the achievements made by this initiative.

To be eligible for the program, an Indiana firm must have its principal place of business located in Indiana and be certified by the Department of Veterans Affairs as a veteran-owned business. The State of Indiana will utilize the Federal Center for Veterans Business Enterprise and its VetBiz registry that follows the guidelines as set by Veterans Business Regulations (38CFR Part 74) to determine eligibility.



**All bidders claiming this preference must complete, in its entirety, the Indiana Economic Impact form (IEI).**

See [Attachment H](#) to verify certification through PeopleSoft Financials.

### **Recycled Products Preference**

**10-15% Price Preference**

**IC 5-22-15-16**

The Indiana Code governing the Recycled Preference offers an opportunity to inform the bidder community that we are serious about buying recycled! The State of Indiana should be requesting recycled products whenever possible.

To be eligible to claim the Recycled Preference, qualifying products must contain at least 20% recycled materials (30% post-consumer for white copy paper). Bidders **must** provide manufacturer certification to substantiate their claim. However, if recycled content is listed as a requirement in the item specifications, the preference is not applicable and cannot be claimed. This preference does **not** apply to Procurement Contracts in most cases.

The figure 15% as the preference amount is set as a standard. However, the preference offered may be anywhere between 10% and 15% as long as the amount of the preference that will be applied is stated in the solicitation.

### **Soybean Oil Based Ink Preference**

**10% Price Preference**

**IC 5-22-15-18**

A price preference of ten percent (10%) is offered for soybean oil based ink. The preference does not apply when the purchase description is limited to soybean oil based ink.

### **Soy Diesel/Biodiesel Preference**

**10% Price Preference**

**IC 5-22-15-19**

Fuel that is at least twenty percent (20%) soy diesel/biodiesel by volume qualifies for this preference. The price preference to be applied is ten percent (10%) of the bid price. This preference does not apply when the purchase description is limited to a fuel of

which at least 20% by volume is soy diesel/biodiesel.

## Indiana Farm Product Preference

## 10% Price Preference

IC 5-22-15-23.5

Agricultural products grown, produced, or processed in Indiana qualify for this price preference. To be eligible to claim the Indiana Farm Product Preference, necessary documentation confirming the products are grown, produced, or processed in Indiana must be provided for review by the State.

The price preference to be applied is ten percent (10%) of the bid price.

## Foods and Beverages that Contain High Levels of Calcium

IC 5-22-15-24

High calcium foods and beverages are preferred over those with lower calcium levels.

## Split Awards

The Procurement Division constantly looks for ways to make the wisest use of taxpayer dollars while considering the best interest of the State of Indiana. Therefore, an award split between two or more bidders is recommended whenever it would provide a substantial cost savings. A split may also be necessary to get everything needed when none of the bidders provide a quote for all the items requested.

A split award must be documented using a spreadsheet indicating which bidder offers the lowest price for each item. Caution should be used as only some items offered may qualify for certain preferences and others may not meet the required specifications. Price preferences claimed should be applied line item by line item when bidders do not offer a quote for all lines or by total dollar amount for responses marked “bidding all or none.” These types of determinations should also be noted on the spreadsheet.

If the procurement agent or designee determines in the process of evaluation that a split award will provide a cost savings of \$100 or more or to award all or most items, a split award is recommended. However, a split award is not required; the decision to split the award or make an award to the overall lowest complete quotation is at the agency’s discretion, but must be documented. (The “lowest complete quote” is the response that offers all items requested and meets all specifications at the lowest total cost.)

## Processing Split Awards

### Purchases \$500 to \$75,000

If a split award is cost effective, the savings must be documented using a spreadsheet and kept in the solicitation file with the DPAP solicitation summary. Bidders receiving an award as a result of the split and the items being awarded to each should also be documented. ([Split Award Example, Attachment B](#))

## Exceptions

The Exception section located in the RFQ solicitation package (see [Templates and Documents, Attachment A](#)) provides an opportunity for bidders to explain how products offered differ from the product requested, as well as how and why the alternate product meets or exceeds the requirements. The information should be considered during evaluation, especially if the alternate product presents substantial cost savings.

The screenshot shows a procurement document with several sections. The 'ETHICS OBLIGATIONS' section states that the contractor and its agents shall abide by all ethical requirements for public procurement. The 'PRICING' section requires that all prices must be stated and unambiguous. The 'F.O.B. DESTINATION' section requires that all bids be submitted on the basis of FOB destination. The 'OPEN COMPETITION' section states that the procurement is intended to be non-exclusive. The 'CREATION OF BINDING AGREEMENT' section states that a binding agreement will be created only if the contractor agrees to the terms of the Request for Quotation. The 'EXCEPTIONS' section is highlighted in yellow and contains the text: 'PLEASE CHECK APPLICABLE. All other requests must be made within the time specified in the Indiana Department of Administration and Indiana State Purchasing Agency Request for Quotation and the contractor must be approved by the Indiana Department of Administration and Indiana State Purchasing Agency. See also IC 5-22-15-24.5 and IC 5-22-15-24.6.' The 'EMPLOYMENT ELIGIBILITY VERIFICATION' section requires that the contractor certify that it complies with the provisions of IC 5-22-15-7. The 'NO INVESTMENT IN INDIANA' section requires that the contractor certify that it does not have any investment in Indiana.

## Example: Exception for Product Specification

A solicitation requests quotations for a high-volume copier. The specifications are not restrictive, but are very specific. One of the listed requirements is a maximum warm-up time of 7 minutes.

When the bidder responses are received, the lowest responsive/responsible bidder meets all specification requirements except one; the copier offered takes 13 minutes to warm-up. However, the bidder explains that although the warm-up time is more than that requested, the copier may be programmed to warm up on its own at any time. The quoted price is considerably less than the others received, and the exception is clearly noted.

The alternate product offered in the example should be considered, as the exception explained does not affect the functional requirements listed in the specifications, and a substantial cost savings could be realized.

- ! Bidders offering alternate products for consideration must note all exceptions
- somewhere within their solicitation response. If specification requirements are not met and no exceptions are noted, the product should not be considered for an award.

If assistance is needed in evaluating a solicitation involving exceptions or alternate products, please contact the IDOA Procurement Division.

## MBE and WBE Participation

The State of Indiana has established specific goals regarding racial minority and woman-owned enterprise participation in all purchasing activities. Each agency is responsible (and will be held accountable) for meeting the State's goals as stated below and should consider this when choosing bidders during the solicitation process.

	MBE Participation	WBE Participation
<i>Construction</i>	7%	5%
<i>Professional Services</i>	8%	8%
<i>Supplies</i>	4%	9%

Bidders should complete and submit the Minority and Women's Business Enterprise Participation Plan form included in the solicitation package (see [Templates and Documents, Attachment A](#)) with each solicitation response in accordance with 25 IAC 5 and IC 4-13-16.5. In the Plan, the bidder must show that there are Indiana certified racial minorities and woman-owned enterprises participating in the purchase being made or indicate that there is no participation involved with this particular procurement. While the participation may be as a subcontractor, second tier participation with common suppliers (office supplies, courier services, etc.) is acceptable.

Respondents must list on the form the name of each Indiana certified racial minority and/or woman-owned business involved, a contact name and phone number, the product or service being supplied, and the specific dollar amount from this purchase that will be directed toward each MWBE firm.

The form is titled "STATE OF INDIANA MBE/WBE SUBCONTRACTOR COMMITMENT FORM". It includes fields for "Quote/ Bid", "Due Date", and "TOTAL Quote/ Bid AMOUNT". There are two main sections for "MBE Firm" and "WBE Firm", each with sub-sections for "Company Name", "Address", "E-mail", "Telephone Number", "Fax Number", "Sub-Contract Amount", and "Sub-Contract Percentage of Total Bid". A section for "Provide approximate dates when Sub-Contractor will perform on the project:" is also present. At the bottom, there are fields for "Signature", "Telephone Number", "Fax Number", "E-mail Address", and "Authority Signature". A note at the bottom states: "IF PARTICIPATION EXISTS THIS FORM MUST BE COMPLETED IN ITS ENTIRETY WITH COMPLETED LETTERS OF COMMITMENT".



## Guidelines for Procurement Agents

Bidders claiming MWBE participation must include with their response a signed letter(s) on the company letterhead from the participating minority and/or woman-owned business. The letter(s) must reference and match the level of participation listed in the bidder's Minority and Women's Business Enterprise Plan.

- ! **The procurement agent must check the MWBE website to verify the MWBE's certification.**

If not certified, the amount of MWBE participation listed on the form must not be counted. The bidder should be contacted and given two full business days to become compliant if information is missing from the package. If the bidder does not provide the appropriate information after such time, the participation will not be counted and could result in a vendor not being awarded a solicitation if a tie-breaker situation is necessary.

- ! **If there is sub participation on a QPA, commodity, or a procurement contract purchase, then the information must be entered on the Tier 2 Details panel of the PeopleSoft purchase order.**

Please see documentation in the Requisition Expedition Process and Sourcing manuals posted on the Procurement Training [PeopleSoft Guides and Instructions](#) web page.

If the awarded vendor is an MWBE business, their participation, if indicated, is not applicable; only their subcontractors and suppliers participation is relevant towards the stated goals.

See [Attachment H](#) to verify certification through PeopleSoft Financials.

## Contractor Compliance

The solicitation package documents impose the following requirements and repercussions for vendors in fulfilling their MWBE participation claims.

If the M/WBE participation level will exceed or fail to meet the goals outlined in the contractor's proposal, the contractor must notify the MWBE office immediately at [mwbe@idoa.in.gov](mailto:mwbe@idoa.in.gov). In the event that the contractor fails to report changes in participation attainment, demonstrate a good faith effort to reach the participation goals, pay the MBE and WBE in a timely manner, or satisfactorily resolve any outstanding claims, the department may elect to withhold a disputed amount from the payments due to the contractor, suspend or terminate the contract, recommend suspension of the contractor's certification status with the public works division, and/or suspend, revoke, or deny the MBE or WBE certification and eligibility to participate in the MBE or WBE program per 25 IAC 5-7-8.

Contractors with questions involving the regulations governing the Minority and Women's Business Enterprises Participation Plan should be directed to the compliance department of the Minority and Women's Business Enterprises office at (317) 232-3061.

## Special and Emergency Procurements

### Instruction Page



Indiana Code

<http://www.in.gov/legislative/ic/code/title5/ar22/ch10.html>

### State Form 54650, Request for Special Procurement

As provided for by Indiana Code IC 5-22-10, Special Purchasing Methods may be used when unique circumstances exist, allowing standard practices to be circumvented. The need for this type of purchase must qualify under **at least one** of the criteria in 5-22-10 and justification must be provided explaining why this type of purchasing method applies. The special purchasing methods permitted can be found below or on the Indiana General Assembly [Indiana Code](#) web page.

Time sensitive purchases with the potential to seriously impair the function of an agency may require that bidder responses are

requested as quickly as needed: allowing the requirement that provides bidders seven business days to respond (purchases over \$5,000) to be bypassed.

The requirement to solicit responses from at least three bidders may be suspended if the essential purchase can only be made from a single source. Only the bidder capable of meeting the agency's reasonable requirements should be solicited. The bidder must supply a letter or memo from the manufacturer certifying that the requested item or product is not available from another source. A price quote should also be included. It will also be necessary to provide a price comparison of a similar product to prove that the quoted price is fair and reasonable.

For any non QPA purchase between **\$2,500 and \$5,000 that qualifies as a special procurement**, the agency must complete the form and have a signed Quotation Confirmation (or RFQ Form produced in PeopleSoft) and Terms and Conditions document from the recommended vendor, but it does not need IDOA approval prior to completing the purchase.

All special procurements with a value over \$5,000 must be submitted to [idoaspecprocreq@idoa.in.gov](mailto:idoaspecprocreq@idoa.in.gov) by the agency head procurement agent **prior to purchasing** the product or entering into a contractual agreement for a product / service.

**All one-time purchase non QPA requests over \$5,000** require a completed RFQ package and the required DOR/DWD vendor clearance results. Special Procurement requests that will result in a contract only need the clearance checks when submitting the special procurement request. They will also require pricing information from the vendor (i.e. formal quote, email with pricing, etc.). IDOA will notify the agency head procurement agent via email when a special procurement is approved. For any purchase over \$25,000 and/or IOT services/purchases, IDOA will route all special procurement documentation for approval. Once the agency receives the approval from IDOA the requesting agency or IDOA (for any purchase over an agency's delegation) will issue the Purchase Order.

If the request **results in a contract**, the requesting agency shall include the approved special procurement documentation, along with DWD/DOR clearance results when routing the contract for signature. If the requesting agency fails to do a contract then it will result in a failed audit and require all future special procurement requests to complete an RFQ packet and clearance checks prior to submission regardless of a resulting contract.

Any special procurement requests that do not qualify will be returned for solicitation using the standard DPAP process.

## Indiana Code related to special procurements



### **IC 5-22-10-1: Purchase without soliciting bids or proposals**

Sec. 1. Notwithstanding any other provision of this article, a purchasing agent may make a purchase under this chapter without soliciting bids or proposals.

### **IC 5-22-10-2: Competition**

Sec. 2. A special purchase must be made with competition as is practicable under the circumstances.

### **IC 5-22-10-3: Contract files; record listing all contracts**

Sec. 3. (a) A purchasing agent shall maintain the contract records for a special purchase in a separate file.

(b) A purchasing agent shall include in the contract file a written determination of the basis for:

- (1) the special purchase; and
- (2) the selection of a particular contractor.

(c) Notwithstanding any other law, a governmental body shall maintain a record listing all contracts made under this chapter for a minimum of five (5) years. The record must contain the following information:

- (1) Each contractor's name.
- (2) The amount and type of each contract.
- (3) A description of the supplies purchased under each contract.

(d) The contract records for a special purchase are subject to annual audit by the state board of accounts.

#### **IC 5-22-10-4: Emergency conditions**

Sec. 4. (a) A purchasing agent may make a special purchase when there exists, under emergency conditions, a threat to public health, welfare, or safety.

(b) The counterterrorism and security council established by IC 10-19-8-1 may make a purchase under this section to preserve security or act in an emergency as determined by the governor.

#### **IC 5-22-10-5: Savings to governmental body**

Sec. 5. A purchasing agent may make a special purchase when there exists a unique opportunity to obtain supplies or services at a substantial savings to the governmental body.

#### **IC 5-22-10-6: Auctions**

Sec. 6. A purchasing agent may make a special purchase at an auction.

#### **IC 5-22-10-7: Data processing contract or license agreements**

Sec. 7. A purchasing agent may make a special purchase of data processing contracts or license agreements for:

- (1) software programs; or
- (2) supplies or services, when only one (1) source meets the using agency's reasonable requirements.

#### **IC 5-22-10-8: Compatibility of equipment, accessories, or replacement parts**

Sec. 8. A purchasing agent may make a special purchase when:

- (1) the compatibility of equipment, accessories, or replacement parts is a substantial consideration in the purchase; and
- (2) only one (1) source meets the using agency's reasonable requirements.

#### **IC 5-22-10-9: Purchasing method impairs functioning of agency**

Sec. 9. A purchasing agent may make a special purchase when purchase of the required supplies or services under another purchasing method under this article would seriously impair the functioning of the using agency.

#### **IC 5-22-10-10: No offer received under other purchasing method**

Sec. 10. A purchasing agent may make a special purchase when the purchasing agency has solicited for a purchase under another purchasing method described in this article and has not received a responsive offer.

#### **IC 5-22-10-11: Evaluation of supplies or system containing supplies**

Sec. 11. A purchasing agent may make a special purchase for the evaluation of supplies or a system containing supplies for any of the following reasons:

- (1) To obtain:
  - (A) functional information; or (B) comparative data
- (2) For a purpose that in the judgment of the purchasing agent may advance the long term competitive position of the governmental body.

#### **IC 5-22-10-12: Governmental discount available**

Sec. 12. A purchasing agent may make a special purchase when the market structure is based on price but the governmental body is able to receive a dollar or percentage discount of the established price.

#### **IC 5-22-10-13: Single source for supply; award of contract**

Sec. 13. Subject to sections 14 and 15, a purchasing agent may award a contract for a supply when there is only one (1) source for the supply and the purchasing agent determines in writing that there is only one (1) source for the supply.

#### **IC 5-22-10-14: General Services Administration price**

Sec. 14. A purchasing agent may make a purchase from a person when the purchasing agent determines in writing that:

(1) supplies can be purchased from the person or the person's authorized representative at prices equal to or less than the prices stipulated in current federal supply service schedules established by the federal General Services Administration; and

(2) it is advantageous to the governmental body's interest in efficiency and economy.

### **IC 5-22-10-15: Purchase from person who has contract with federal agency**

Sec. 15. (a) A purchasing agent may purchase supplies if the purchase is made from a person who has a contract with a federal agency and the person's contract with the federal agency requires the person to make the supplies available to the state or political subdivisions.

(b) A purchasing agent for a political subdivision may purchase supplies if the purchase is made from a person who has a contract with a state agency and the person's contract with the state requires the person to make the supplies or services available to political subdivisions, as provided in IC 4-13-1.6 or IC 5-22-17-9.

### **IC 5-22-10-16: Acquisition of supplies through transfer from federal government**

Sec.16. (a) A purchasing agent may acquire supplies if the purchasing agent determines that the governmental body can obtain the transfer of the supplies from the federal government under IC 4-13-1.7 at a cost less than would be obtained from purchase of the supplies by soliciting for bids or proposals.

(b) A governmental body may not make a purchase under this section if title to the property will be transferred to the governmental body before a sufficient appropriation to pay the costs of the purchase is appropriated. However, if the supplies will be transferred to the governmental body upon conditional sale or under a lease, a lease with option to purchase, or a contract for the use of the supplies, the governmental body may make the purchase under this section if there are sufficient funds appropriated to pay the consideration required for one (1) year of the agreement.

(c) A purchasing agent who purchases or leases surplus federal materials shall, at the time of the purchase or lease, or immediately thereafter, give public notice in accordance with IC 5-3-1.

### **IC 5-22-10-17: Acquisition of supplies through acceptance of gift**

Sec. 17. A purchasing agent may acquire supplies by accepting a gift for the purchasing agent's governmental body.

### **IC 5-22-10-18: Special purchase of copyrighted material**

Sec. 18. A purchasing agent for a state purchasing agency may make a special purchase of copyrighted materials to be used, provided, or distributed by a state agency.

### **IC 5-22-10-19: Purchase from public utility following independent appraisal**

Sec. 19. A purchasing agent may make a special purchase from a public utility if the purchase or lease price is a negotiated price that considers the results of an independent appraisal that the purchasing agency obtains and an independent appraisal that the public utility obtains.

### **IC 5-22-10-20: Purchase of petroleum products by aviation commissioners, airport authority or port authority**

Sec. 20. (a) This section applies to the purchase of petroleum products by:

(1) a board of aviation commissioners under IC 8-22-2;

(2) an airport authority under IC 8-22-3; or

(3) a port authority organized under IC 8-10-5.

(b) A purchasing agent may make a special purchase of petroleum products if the petroleum products are for resale to the general public.

# Preparation for Solicitation Award

## DPAP Solicitation Summary

The IDOA Procurement Division requires all solicitations over \$500 to be summarized using the DPAP Solicitation Summary form ([Templates and Documents, Attachment A](#)) or a letter that contains all the same information unless covered by a Request for Special Procurement. The summary assists in the accurate review of purchasing files and also creates a check system for purchasing agents insuring that all required procedures have been followed and all necessary information provided.

The **Quoted Price Detail** section should be completed documenting the responses that were received from each bidder solicited.

The **Details of Evaluation/Justification of Vendor Selection** section requires a paragraph be written that provides an overview of the solicitation addressing the following:

The form is titled "DPAP Solicitation Summary" and includes a subtitle "Record of Price Quotes, Analysis, and Award Recommendation". It contains several sections:
 

- Header Information:** Buyer Name, Agency/Facility, Reg/Solicitation Number, Procurement Method, and Description of Purchase.
- QUOTED PRICE DETAIL:** A table with columns for Vendor 1, Vendor 2, and Vendor 3. Each vendor column has sub-columns for Unit Price, Pref/%?, and Ext/Eval Amt. The rows are for Item Description, Qty, and multiple rows for pricing details.
- Details of Evaluation / Justification for Vendor Selection:** A large text area for providing an overview of the solicitation.
- Requirements Checklist:** A list of items to be checked, including: Are these items on OPA?, PEN/INAR included (if applicable)?, Small Business Set-Aside considered?, All required forms submitted?, Contract clearances completed?, Company registered as a bidder?, and Special Proc approval needed?.
- Awarded Vendor:** A table with columns for Line Items Awarded and Total Dollar Amount Awarded.

- Based on the responses received, were the specifications satisfactory?
- If a name brand specific product was requested, an explanation as to why alternate products cannot be considered must be provided.
- Were there any delays in the purchasing process? If so, are the bidder’s prices still valid?
- If any Preferences were claimed, did they affect the award?
- Include a statement that the award is being made/recommended to the lowest responsive and responsible vendor.
- If making an award to other than low quotation, explain why.
- If lowest response does not meet specifications, explain exactly what they do not meet.
- If only one response was received, explain how it was determined that the quoted price is fair and reasonable. (See [Fair and Reasonable Pricing](#))
- If this is a Special Procurement purchase, attach certification from the manufacturer/vendor (sole source letter – only good for 90 days).
- If a Recycled Preference was claimed, attach the manufacturer’s certification.

The **Requirements Checklist section** is provided to assist the procurement agent or designee in making sure that all requirements for award have been addressed.

The **Award Vendor section** should list the name of the vendor(s) awarded or recommended for award, the specific line item numbers awarded to each vendor and total dollar amount of the award.



# Procurement Contract Checklist

Before sending a procurement contract through the signature approval process, check it against the following list. If all items are completed, the contract should not encounter any problems during the approval process.

## General Information

- Terms spelled out, consistent, do not conflict with federal or state law, etc.
- All contract documents are paginated and in order.
- All references in contract correspond with appropriate clauses and attachments.

## Attachments

- Must be incorporated by reference
- If referenced, must be attached **following** the signature page
- If referenced, must reference proper attachment number
- If attached, must be referenced
- All attachments should be labeled in accordance with the references made in the contract
- If dated, must be dated prior to contract signature dates

## Confidentiality

- If contractor has referenced any additional confidentiality requirements, they must be subject to IC 5-14-3

## Consideration

- Clear, detailed description of consideration
- If itemized, items must equal total

## Copies

- If more than one copy of the contract, must have original signature (no faxes or photocopies)
- If more than one copy of the contract, must have attachments for each copy, if applicable

## Duties

- Clear, detailed description of duties

## Handwritten changes

- Must be initialed by both parties and must be initialed by parties with the authority to sign contracts

## Math

- Does basic math in the contract add up? (ex: per square foot costs, itemized totals)

## SSNs

- Should be no visible personal social security numbers in contract, attachments, or EDS sheets

## Terms

- If it lists a number of months and two dates, the number of months must equal the time between the two dates (example: 12 months, Jan 1 to Dec 31)
- There must be termination date
- Drug-free workplace Certification\*\*\*
- Duties of Contractor, Rate of Pay and Terms of Contract\*\*\*
- Employment Eligibility Verification Clause\*\*\*
- Ethics\*\*\*
- Funding Cancellation\*\*\*
- Non-Collusion Statement\*\*\*
- Non-Discrimination Clause\*\*\*
- Boilerplate Affirmation Clause\*\*\*
- Governing Laws\*\*\*
- Indemnity (Hold-Harmless Clause) - **the state can never indemnify the contractor**
- Travel (required if travel costs included in contract\*\*\*)
- Telephone Privacy clause has been included and has not been modified\*\*\*

## Signature Page

- Contractor and **agency** signature (originals; **no faxes or photocopies**)
- Remember to get IOT signature if necessary
- Commissioner, Indiana Department of Administration
- Director, State Budget Agency
- Attorney General of Indiana

Required\*\*\*

## DOR and DWD Clearance Checks

**! The Department of Revenue (DOR), Workforce Development (DWD) and Administration (IDOA) have been working to upgrade agency clearance procedures for all state contractors, vendors and licensees to an electronic format/process. As of September 1, 2004, all executive agencies/commissions began using the upgraded clearance process for all contracts and procurements \$2,500 and above. Agencies that issue licenses are also urged to use this upgraded process. Clearances on QPAs will not be required.**

The process is designed to ensure that, at the time of contract or procurement award, prospective contractors/vendors are in good standing with the DOR, DWD and properly registered with the Secretary of State (private corporations, nonprofit corporations, limited liability companies, limited liability partnerships and limited partnerships). Technical staffs of both DOR and DWD have developed a process that will accept batch submittals and process them electronically. Effective September 7, 2004, the Department of Administration (IDOA) may reject all contracts and procurements \$2,500 and above processed through IDOA that do not have required documentation that clearances have been conducted. When submitting purchasing documents to IDOA for processing, a copy of the DOR and DWD Clearance Sheet, as well as a screen print of the Secretary of State (SOS) registration from the SOS Website must be attached, and not more than thirty (30) days old.

**! If the clearance is denied by DOR or DWD, before an award can be made, the vendor must be contacted and informed of the denial. The vendor should further be instructed that it is their responsibility to correct the issue or they will not receive the award. The IDOA Procurement Division suggests allowing the vendor **no less than fifteen (15) business days to rectify the problem; at the end of this deadline, the clearance check should be performed again. If the clearance check is denied a second time, place the documentation of the denial in the purchasing file and proceed with making an award to the second low responsive/responsible bidder.****

Agencies are urged also to perform clearance checks during the post-contract and accounts payable processes that involve multiple or progress payments, as practicable. IDOA has also prepared standard contract language that allows agencies to enforce applicable policies for all contractors and vendors. Agencies may also access the Secretary of State's [Corporations Online](http://www.in.gov/sos/business/2436.htm) database independently to confirm clearance for entities regulated by the Business Services Division of the Secretary of State's office.

## Secretary of State Registration

Corporations Online

<http://www.in.gov/sos/business/2436.htm>

All In State bidders except those noted below are to be registered with the Secretary of State (SOS).

In accordance with IC 5-22-16-4, an out-of-state bidder scheduled to receive an award is required to register with the Secretary of State. An award can be made pending this registration, providing that the process has been initiated. It is each bidder's responsibility to meet the registration requirements, and the purchasing agent's responsibility to verify that registration has been initiated if required.

**Below is a list of the types of businesses that must comply with the registration requirements.** This list is not exhaustive. If more information is needed, please reference IC 5-22-16-4.

- **Limited Liability Partnerships**
- **Limited Partnerships**
- **Corporations**
- **S-Corporations**
- **Nonprofit Corporations**
- **Limited Liability Company**

The following businesses are **not** required to be registered with the Secretary of State, but may still do business with the State:

- Sole proprietorships
- General partnerships (A general partnership may consist of two or more entities that are required to file; two corporations can form a partnership, for example.)

Agencies unsure if a bidder is an entity required to be registered should note the type of business indicated on the solicitation package signature page by the bidder, or contact the bidder and ask if they are one of the types of businesses listed above. A businesses' registration status can be verified via the Secretary of State [Business Search](#) using the bidder's company name as search criterion.

Bidders not registered or having a registration status of "inactive" or "revoked" should be contacted and given the opportunity to become compliant. By providing documentation of compliance in the form of a copy of their application, a copy of a check written for registration fees, an award can be issued.

Bidders may obtain information concerning their registration by contacting the Secretary of State's office.

### Secretary of State of Indiana

Corporations Division  
302 West Washington Street, E018  
Indianapolis, IN 46204  
317/232-6576  
[www.in.gov/sos](http://www.in.gov/sos)



SOS Business Search <http://www.in.gov/sos/business/2436.htm>

## Secretary of State/Names on Procurement Contract Purchase Orders

If the contract and/or Request of Quotation reads ABC Company dba (doing business as) The Alphabet, the agency cannot issue the purchase order to ABC dba The Alphabet if the Secretary of State registration does not have them registered that way.

If ABC is registered with the Secretary of State as ABC and has a dba as The Alphabet which is noted under "Other Names for this Entity", then the purchase order could be issued to ABC dba The Alphabet or simply ABC or The Alphabet. If Secretary of State only reads ABC, but the contract reads ABC dba The Alphabet, they must update their registration prior to us issuing a purchase order.

### Filing of Business Entity Reports:

The company **must** be current with their business entity reports. This information shows about mid way down on the results page. If the statement displayed states "Entity is past due with Business Entity Report", the agency cannot issue a purchase order, even though the status may state "Active."

Below are options that vendors can use to file these reports:

- SOS offers the filing of business entity reports online. This is available 24 hours a day/7 days a week, the filing only takes a few minutes and it is updated immediately.
- If they choose not to use the online service, the normal turn-around time for processing the paperwork is as follows:
  - a. Walk-in and express mail filings received by noon will be completed by noon the following business day. Filings received after noon will be completed at noon in two business days.
  - b. Mailed filings will be completed in 3-5 business days from the date received by the office.

A company not current on business reports is one step away from the status of "revoked." The purchase order and/or contract could be issued one day and the next day they could be in revoked status. This is important because if something goes wrong and the State has to file suit, the State needs to be able to track down their resident agent. If they are using a "doing business as" which is not listed in their SOS reports or their status is revoked, then the State would have a very difficult time determining who their registered agent is, because the search of the SOS database would come up "empty".

Purchase Orders must also be issued in the same name as the parties on the contract. If a vendor wants to assign the right to receive payments to another entity, then there must be an “Assignment Clause” in the contract and the vendor must give written notice to the State 30 days in advance of any payment. Payments cannot be assigned to more than one party. If there is not an assignment clause, then an amendment is required.

## Bidder Profile Registration/Buy Indiana Registration

Any company or business desiring to participate in State of Indiana procurements is encouraged to complete the online [Bidder Profile Registration](#). **All bidders to receive a solicitation award must have completed their registration in order to process a purchase order.** Companies qualified as Indiana businesses and those not qualified as Indiana businesses, must certify themselves as such (the Buy Indiana tab) by identifying the qualifying criteria and clicking the Certification checkbox.

Bidder certification can be verified in the PeopleSoft under Sourcing>Bidder Information. Indiana companies not having completed their registration/certification should be directed to the web address above. Instructions for verifying registration are located in [Attachment H](#).

**In the event that a bidder refuses to accommodate the purchasing agent’s request to complete the online self-serve registration, IDOA will manually register the company under the following conditions:**

1. The company provides, in writing, **a statement indicating** that they will not complete the registration online as requested.
2. The company provides to IDOA’s Bidder Registration Coordinator a **W-9 form** so that the information can be entered manually.

If the bidder refuses to comply with the requirements for a manual entry, then contact the IDOA Procurement Division Director of Technology and Operations Management.

## State and Federal Suspended Vendor Listings

Check the [Suspended Vendors List](#) to verify whether or not the vendor is currently suspended from doing business with the State. Check the [System for Award Management \(SAM\)](#) to verify whether or not the vendor is currently suspended from doing business with the Federal government. Print the results for the purchasing file or attach electronically to the PeopleSoft purchase order Header Comments.

## Auditor of State Vendor File

Vendors not currently listed in PeopleSoft must submit to the Auditor’s Office a W-9 and Automated Direct Deposit Authorization Agreement forms found on the Auditor’s Office [Forms](#) web page. Agencies requiring additions, updates, or revisions to vendor information (in the PeopleSoft database) for making payments should contact the Auditor of State Vendor Specialists.

IC 4-13-2-14.8 mandates that all payments to vendors be made via direct deposit.

The procurement agent or designee should always check PeopleSoft for existing vendor information before initiating the procedures to issue a purchase order or process a payment.

As stated in IC 5-17-5-1, unless there is contract language specifying the terms and conditions of payment, vendors are to be paid within thirty-five (35) days of the date on the vendor’s invoice. If payment is made after day thirty-five (35), a penalty of one percent (1%) per month (compounded monthly) of the gross payment due to the vendor will be assessed.

If there is internal contract language that determines when payment is to be made (and it conflicts with the 35-day policy), it should be indicated on the Purchase Order under “vendor details”.

**Bidder Profile Registration**

<http://www.in.gov/idoa/2464.htm>

**Suspended Vendors List**

<http://www.in.gov/idoa/2481.htm>

**System for Award Management**

<https://www.sam.gov/portal/public/SAM/>

**AOS Forms**

<http://www.in.gov/auditor/2340.htm>

# Procurement Contract Review and Signature Routing

When specifying beginning dates for procurement contracts, a minimum allowance of 45 to 60 days from the Request or Quotation bid opening date should be given to allow for contract signature routing.



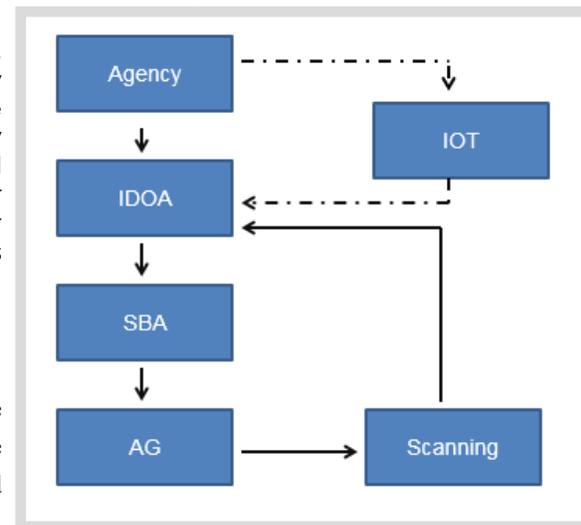
## IC 4-13-2-14.1

(a) requires that, after signature by the vendor and the agency, contracts must be approved by (1) Indiana Office of Technology (IOT), (2) Indiana Department of Administration (IDOA), (3) the State Budget Agency (SBA), and (4) the Office of the Attorney General (OAG). Unless the agency has specific delegated authority from IDOA or SBA, or is using a specific contract that has been given written form approval by the OAG within the last 12 months, it will have to be circulated through these 3 agencies for approval.

### IOT Review

Any contract that includes information technology (IT) goods or services must be reviewed by IOT so they can ensure that the goods and/or services are compatible with the State's policies and current IT investment. Examples include software and software licenses and maintenance agreements, software application development, website development, database access through the Internet and cabling. Moreover, outsourcing data entry contracts almost always involve IT issues. IOT's IT policies, standards and guidelines are available on the [IOT Policies, Procedures & Standards](http://www.in.gov/iot/architecture) web page. If the agency is unsure about whether the contract will require IOT approval or if there are any other questions, please contact IOT at [iotcontract@iot.in.gov](mailto:iotcontract@iot.in.gov) or (317) 232-3172.

### Contract Signature Process



[Policies, Procedures & Standards](http://www.in.gov/iot/architecture)

<http://www.in.gov/iot/architecture>

### IOT must review and approve the following:

- All contracts involving information technology hardware: anything with a processor, including computers, tablets, scanners, printers, mobile or portable devices of all types, and peripherals
- All contracts involving software, software development, and software support and maintenance
- All database or software as a subscription contracts
- All data sharing contracts
- All contracts involving telecommunications

### IDOA Review

- Whether the deliverables are clearly defined or not
- Are the required boilerplate clauses present?
- Was the proper procurement/solicitation procedure used?
- Is the vendor properly registered with the Secretary of State?
- Are the financial interests of the State and the rights of contractors protected?
- Whether all signatures are present (original signatures not copies, stamps or facsimiles)

### SBA Review

- Reviews contracts to determine the financial impact of the contract to the agency.
- Checks to determine whether budget related required terms are included or not.
- Considers the policy issues in regards to the budget.

## OAG Review

- Confirming that all State required clauses are present and that the contract does not contain clauses that violate State law
- Checking for ambiguities or inconsistencies that may give rise to litigation (i.e., missing or mislabeled exhibits/attachments)
- Ensures that the correct form has been used (i.e. using the grant form when the agreement is a contract)
- Checking to make sure that the contract signature process has been followed

Once a contract has been approved by the last signatory, it is picked up by IDOA and sent to scanning. This process is typically accomplished overnight, and the scanned contract is returned to IDOA. The agency will be notified when it is available for pickup at IDOA. The scanned contract can be found on the [Active Contracts Search](#) page.

 **Because all contracts are scanned, it is important for the agency to submit only information and documents that are appropriate for public disclosure. No contract submissions should include an individual's social security number or information classified as confidential either by state law, by an agency, or by a vendor. Refer to the Access to Public Records Act, IC 5-14-3-4 or contact the Public Access Counselor if uncertain about disclosable and non-disclosable information.**

[KMS](#) is the tracking mechanism for contracts to determine the status of review by other signatories.

1. Choose the criteria to search by, i.e. EDS number, Contractor's name, etc. and enter the information.
2. Click the "Search" button and the search results will appear.
3. To locate the routing information, click on the "select" link next to the appropriate EDS number.

## State Surplus Requirements

State Surplus approval is not necessary prior to making an award for the purchase of new equipment using an existing piece of equipment as a trade-in. Approvals should be requested after an award is made or a purchase order is issued.

After the bidder responses are received, the [DPAP Solicitation Summary](#) completed and an award made, complete the Notification of Surplus State-Owned Property SF 13812 ([State Forms, Attachment A](#)).

Attach the form to a copy of the awarded vendor's quote and forward the documents to State Surplus.

 **The PeopleSoft requisition number must appear at the top of the form.**

When the signed approval is received from State Surplus, it should be filed with the purchasing documents.

For questions concerning surplus procedures or to request a copy of the State Surplus Procedures Manual visit the State & Federal Surplus [General Surplus Information](#) web page or contact State Surplus at (317) 234-3685.



<b>Active Contracts Search</b>	<a href="https://hr.gmis.in.gov/psp/paprd/EMPLOYEE/EMPL/h/?tab=PAPP_GUEST">https://hr.gmis.in.gov/psp/paprd/EMPLOYEE/EMPL/h/?tab=PAPP_GUEST</a>
<b>KMS</b>	<a href="http://intranet.doit.state.in.us/idoa/CSS/">http://intranet.doit.state.in.us/idoa/CSS/</a>
<b>General Surplus Information</b>	<a href="http://www.in.gov/idoa/2365.htm">http://www.in.gov/idoa/2365.htm</a>

# Procurement Contract Maintenance Options

## Amendment

The Amendment boilerplate should be used to alter the terms and/or conditions of an original contract. An Amendment is also used when the identity of the Contractor changes because of a corporate purchase, sale or other re-structuring. If the agency wishes to modify the terms of the original contract and renew the contract for an additional term, both of these things can be done with an Amendment/Renewal document.

### Amendment Reminders

- Amendments **must** be numbered in proper consecutive order.
- For amendments, the original start date does not change, only the ending date (year). Do not include any statement that purports to change the starting date of the contract term.
- A copy of the original contract being modified and a copy of any amendments/renewals previously executed (signed by all required parties) **MUST** be attached to the amendment document. Please include the original EDS sheet for the contract being modified as well as a copy of the EDS sheet(s) for any previous amendments/renewals.
- Please provide justification for why the original contract must be amended (i.e. why was the additional work being requested not in the original contract? Is the work covered under the amendment in line with the work described in the original contract?).
- If amending the dollar amount of the original contract, please explain the need for the increase/decrease and any deviation from the original rate of compensation. Without a material change in the type or, in some cases, quantity of work to be performed justifying it, a change in the rate of compensation will not be approved.
- The amendment signature page must duplicate the signature page of the original contract. IDOA, IOT (if applicable) SBA and OAG (if required) must sign.
- Do not include instructional language (the text boxes) when using templates.

## Amendment-Renewal

This document should be used when the terms and/or conditions of original contract are changing and contract is being renewed for a period that is not longer than the original term. It must be signed by vendor prior to the expiration date of the contract or a new original contract will have to be created. It must be signed by IDOA, IOT (if applicable) SBA and OAG (if required).

## Renewal

- 📌 **Note: Most contracts awarded or renewed after July 1, 2012 will need to have the Employment Eligibility Verification and Indiana Veteran Business Enterprise Compliance clauses added. If the renewal requires these clauses, it must be processed as an amendment or amendment/renewal.**

Renewals should be used when the agency would like to continue the same terms and conditions of the original contract for an additional term. Renewals cannot contain any modification to the contract.

### Reminders

- An expired contract cannot be renewed. It **must** be signed by vendor prior to the expiration date of the contract or a new, original contract will have to be created.
- A contract cannot be renewed if there was not a renewal clause in the original contract nor may it be renewed for a term longer than the original term.
- When renewing a contract, the agency is bringing all the original terms and conditions forward for another term (i.e. one additional year and \$10,000 more dollars).
- Renewals must be numbered.
- A renewal may allow for an increase in payment only if an increase has been provided for in the original contract.
- A copy of the original contract being renewed **must** be attached to the renewal document.
- The renewal signature page does not require the approval of the Attorney General's Office or the Information Technology Oversight Commission/Indiana Office of Technology. IDOA must sign and SBA signature may be required.
- If more time is needed on the contract to complete work in process, then consider an amendment to extend the term only.
- **Only use one** type of renewal language.
- IDOA retains a four (4) year limit on renewals, but is willing to discuss longer terms on a case by case basis.
- Please include a completed Executive Document Summary (EDS) as the face sheet of the contract.
- The Attorney General's signature is not required for renewals as long as **no additional terms** have been added to the contract.

# Amendment, Amendment-Renewal, Renewal Checklist



## Additional funds

- The total must match underlying documents plus the new amendment
- If budget exhibit, must be updated to include additional funds

## Boilerplate

- If missing from the original contract - has new or updated boilerplate (ex. Employment Eligibility Verification, Assignment of Antitrust Claims, Indiana Veteran's Business Enterprise Compliance, etc.)

## Copies

- If more than one copy of the contract, must have original signature (no faxes or photocopies)
- If more than one copy of the contract, must have attachments for each copy, if applicable

## Math

- Does basic math in the contract add up? (ex: per square foot costs, itemized totals, old plus new amounts)

## Non-collusion

- Should be last paragraph of amendment

## Signature

- Must be signed prior to end of underlying contract term
- Must be original (no faxes or photocopies)

## SSNs

- Should be no visible personal social security numbers in contract, attachments, EDS sheets, or underlying EDS sheets, contracts, or attachments

## Underlying contracts

- Copies of all underlying contracts, attachments, renewals and amendments should be attached

# Awarding Solicitations and Maintaining Purchasing Records

## Commodity Purchases under \$500

- The requisition number/form
- A split bid analysis for any request over 15 line items,
- Secretary of State Registration or proof that the vendor is not required to register, State suspended vendor list and federal suspended vendor list.
- The purchase order number/form,
- Documentation/Justification/Approval to purchase outside a QPA from the IDOA Vendor/Contract Manager (if applicable).

## Commodity Purchases \$500 to \$5,000

### At a minimum

- The requisition number/form,
- The RFQ number/form and any additional specifications (if used/required),
- The [DPAP Solicitation Summary](#) form including a split bid analysis for any request over 15 line items,
- All quote paperwork received from bidders,
- The purchase order number/form,
- All required clearance results (black out Social Security Numbers): DWD (required if over \$2,500), DOR (required if over \$2,500), Secretary of State Registration or proof that the vendor is not required to register, State suspended vendor list and federal suspended vendor list,
- Any additional approvals or documentation specific to the purchase (Approved Special Procurement Request, Approved State Surplus Property form, Documentation/Justification/Approval to purchase outside a QPA from the IDOA Vendor/Contract Manager, Proof of Fair and Reasonable Pricing, etc.)

## Commodity Purchases \$5,000 to \$75,000

### At a minimum

- The requisition number/form,
- The RFQ number/form and any additional specifications (if used/required),
- The [DPAP Solicitation Summary form](#) including a split bid analysis for any request over 15 line items,
- All quote paperwork received from bidders,
- The purchase order number/form,
- All required clearance results (black out Social Security Numbers): DWD, DOR, Secretary of State Registration or proof that the vendor is not required to register, State suspended vendor list and federal suspended vendor list,
- Any additional approvals or documentation specific to the purchase (Approved Special Procurement Request, Approved State Surplus Property form, Documentation/Justification/Approval to purchase outside a QPA from the IDOA Vendor/Contract Manager, Proof of Fair and Reasonable pricing, etc.)

## Purchases over \$75,000 processed through IDOA Procurement

- The requisition number/form
- Specifications
- Contract Award Recommendation letter/documentation
- The purchase order number/form,

## Procurement Contracts

### At a minimum

- The requisition number/form
- The RFQ number/form and any additional specifications(if used/required)
- The [DPAP Solicitation Summary](#) including a split bid analysis for any request over 15 line items,
- All quote paperwork received from bidders
- The purchase order number/form
- All required clearance results (black out Social Security Numbers): DWD, DOR, Secretary of State Registration or proof that the vendor is not required to register, State suspended vendor list and federal suspended vendor list
- The EDS number/form, the original executed contract and any subsequent amendments or renewals
- Any additional approvals or documentation specific to the purchase (Approved Special Procurement Request, Approved State Surplus Property form, Documentation/Justification/ Approval to purchase outside a QPA from the IDOA Vendor/Contract Manager, Proof of Fair and Reasonable pricing, etc.)

## Procurement Contract Life Cycle and Paperwork Submission

Every contract is unique, but most new contracts will progress through the following steps:

1. Enter a requisition in PeopleSoft (multiple year requisition if multiple year commitment). See Creating a Special Request Requisition document on the [Procurement PeopleSoft Guides](#) web page.
2. The approved requisition with a valid budget check is taken to a Sourcing Event (if required/used). See Sourcing manual on the [Procurement PeopleSoft Guides](#) web page.
3. The solicitations are sent to the prospective bidders with the appropriate contract attached.
4. Complete the [DPAP Solicitation Summary](#)
5. Run the clearance checks (DOR and DWD).
6. Verify that the selected vendor is not on the State or Federal Suspended vendors lists.
7. Verify that the selected vendor is registered in all the right places. Bidder (Buy Indiana) Registration, Auditor of State, and SOS.
8. Complete the EDS. See the Completing a New EDS Entry document on the [Executive Document Summary](#) web page.
9. Submit all the contract paperwork to IDOA Procurement. If being processed as a Special Procurement, then the approved form must be included in the paperwork.
  - a. EDS signed by the agency Fiscal Officer
  - b. Signed requisition (approved with a valid budget check)



**Proc PeopleSoft Guides** <http://www.in.gov/idoa/2871.htm>  
**EDS** <http://www.in.gov/idoa/2525.htm>

- c. Contract signed by the vendor/contractor and the agency (include all exhibits)
  - d. Clearance results
  - e. Evidence of Secretary of State Registration or evidence that the vendor is not required to register
  - f. The solicitation documents and [DPAP solicitation summary](#) or justification for vendor selection (if special procurement is being requested)
- 10. IDOA routes for signature (State Budget Agency, Attorney General’s Office and IOT – if applicable).
- 11. The executed contract will be scanned, posted on the [Public Search for Contracts](#) and returned to the agency by IDOA.
- 12. The agency will expedite the requisition to a purchase order and take through PO dispatched status. See Sourcing manual on the Procurement Training [PeopleSoft Guides and Instructions](#) web page.
- 13. The agency must send a copy of the purchase order and the executed contract to the vendor.

### Amendments

Will skip steps 2, 3 and 4 as long as the contract period is still valid when the paperwork is signed by the vendor. Follow the rest of the steps of the life cycle and include the following as Step 9.

- a. EDS signed by the agency Fiscal Officer (will be a new sequence number against the last contract whether the original, a previous amendment or previous renewal).
- b. Signed requisition (approved with a valid budget check)
- c. Amendment signed by the vendor/contractor and the agency (include all exhibits) prior to the expiration date
- d. Clearance results
- e. Evidence of Secretary of State Registration or evidence that the vendor is not required to register
- f. Copies of the original executed contract and all previously executed Amendments and Renewals including the EDS forms

When a contract amendment is initiated a requisition will be created for the amendment amount. Reference to the original purchase order should be noted on the requisition for reference of those it will route to for approval. This will pre-encumber funding to cover the amendment. The requisition line(s) will be copied to the “original” purchase order for the contract upon completing the signature process. A note will also be placed in the Activities link of the PO to indicate the change order number and line(s) that was added.

When a contract amendment is executed to decrease a contract, the existing purchase order line will be decreased and a note will be placed in the “Activities” on the purchase order header indicating the amount of the amendment and the date it was decreased on the original purchase order line.

### Renewals

Will skip steps 2, 3 and 4 as long as the contract period is still valid when the paperwork is signed by the vendor. Follow the rest of the steps of the life cycle and include the following as Step 9.

- a. EDS signed by the agency Fiscal Officer (will be a new sequence number against the last contract whether the original, a previous amendment or previous renewal)
- b. Signed requisition (approved with a valid budget check)
- c. Renewal signed by the vendor/contractor and the agency (include all exhibits) prior to the expiration date



- d. Clearance results
- e. Evidence of Secretary of State Registration or evidence that the vendor is not required to register
- f. Copies of the original executed contract and all previously executed Amendments and Renewals including the EDS forms

When a contract is renewed a requisition will be created for the renewal amount. Reference to the original purchase order should be noted on the requisition for reference of those it will route to for approval. This will pre-encumber funding to cover the renewal period and the requisition lines will be copied to the “original” purchase order for the contract upon completing the signature process. A note will also be placed in the Activities link of the PO to indicate the change order number and line that was added.

 **NOTE:** Agencies should keep in mind that if their purchase order will be completely received against before the amendment or renewal is fully executed, they must not close the purchase order. The original purchase order must be used to add the new requisition lines to. This keeps all contract spend on a single purchase order.

## Procurement Compliance Audits

### The Purpose

The audits are being done to verify that agencies under IDOA’s Delegation of Purchasing Authority are in compliance with Procurement statutes, policies and procedures. If agencies do not meet the established criteria, attendance in IDOA Procurement led training classes may be required, an action plan will have to be submitted and a follow up audit will be scheduled.

Approximately every other calendar year the agency’s procurement procedural performance will be audited. During the audits, we will review a selection of the agency’s procurement files for the previous two quarters. The audits files will normally be requested electronically, but we may conduct physical audits if warranted. In most cases, we will audit 10% of the records returned in the query with a maximum of 30; if the agency has fewer than 30, all will be audited.

The Audit Criteria ([Attachment G](#)) are assigned a point value based on the severity of the infraction. After the audit, the assigned error points will be totaled and subtracted from 100, giving a performance rating per file. The Audit Summary with the overall score will be provided to the head procurement agent and will detail the types of errors found on purchases.

### The Process

The auditor will run PeopleSoft queries to help determine which non QPA purchase order files to audit and the agency will be notified to submit them electronically. The auditor will prepare the files and will request any additional information needed. The audit will result in a letter and an Audit Summary being sent to the agency head procurement agent. The score will be solely based on the purchase order audit, but any findings based on the AP\_NO\_PO query results will be noted as well. The agency will be given three days to respond and any modifications to the score will be discussed. The audit results will determine when the next audit will occur; a normal two year cycle or follow up.

## Legalities

### IDOA Procurement Requires the Nomination of a Head Procurement Agent

- a. Each state agency shall nominate a head procurement agent from among its employees to IDOA Procurement. IDOA Procurement may appoint the nominated employee as the head procurement agent or request another nomination.
- b. The head procurement agent shall do the following:
  1. Serve as a liaison between the state agency and IDOA Procurement.
  2. Complete and maintain all documents that IDOA Procurement requires to be completed by the state agency.
- c. If a state agency has branches, facilities, or institutions located at multiple sites, IDOA Procurement may appoint a head procurement agent for any or all of the sites as agreed to with central office head procurement agent.
- d. IDOA Procurement shall provide training in purchasing procedures for all procurement agents and delegates purchasing authority to each individually.
- e. If a head procurement agent's actions are not satisfactory to IDOA Procurement, IDOA Procurement may revoke the appointment and require the state agency to nominate another head procurement agent.
- f. The Head Procurement agent is responsible for notifying IDOA Procurement at such time that they are leaving the role or leaving State employment.
- g. A state agency may not make purchases during any period during which the state agency does not have a head procurement agent.

A head procurement agent has been delegated purchasing authority through IDOA Procurement and has been nominated to that position by an agency head. If someone leaves that position, then a new person needs to be appointed immediately or the agency cannot make purchases.

#### Some Head Procurement Agent Responsibilities

- Must submit a Financial Disclosure Statement to the Inspector General's office annually and upon separation from the position, responsibility, or employment with the State.
- Ultimately responsible for all procurement related activities made by the agency. The person may also be involved in agency Request for Proposals, State/Federal Surplus, Records Retention, Forms Management, Asset Management, Encumbrance Management, Professional Service contracts, Ethics Training coordination, and Financial Disclosure Statement submission coordination efforts.
- Act as a single point of contact between the agency and IDOA Procurement for resolution of any issues with their agency purchasing agents.
- Listed as an agency procurement contact on the Agency Purchasing Administrators list on the IDOA website.
- IDOA Procurement offers them as a resource to the agency's procurement personnel and vendors which is why it is important for the head procurement agent to stay current on changes even if he or she does not handle everything personally. Considered the agency "expert/super-user".
- Confirm that all purchasing personnel are submitting and retaining paperwork in a manner that will allow for successful audits (through PeopleSoft and through hard copy files, whichever is applicable). Files above the agency delegation, which have been returned for agency to issue PO, must also be maintained for audit.

- Ensure the agency’s procurement personnel attend training as needed, that the agency’s Buyers have a current Delegation of Purchasing Authority, that the agency’s procurement personnel have appropriate roles in PeopleSoft Financials, and do not violate any of the

State Board of Accounts system access Separation of Duties/Internal Controls rules.

- Make sure the agency’s procurement personnel are given information pertinent to duties performed via the IDOA Procurement website and through emails.

## Artificially Dividing

### IC 5-22-8-1 regarding artificially dividing purchases

Purchases may not be artificially divided (split into two or more smaller purchases) to avoid the solicitation requirements that would apply to the total amount.

## Important General Information

### Financial Disclosure Statement

The State Ethics Commission (Inspector General’s Office) requires that all State of Indiana procurement agents complete a Financial Disclosure Statement (SF 40876) each year. The form may be completed on the [Financial Disclosure Statements](#) web page. It must be completed and filed with the Commission no more than sixty (60) days from the training session date where delegation of authority is granted. The State Ethics Commission will contact procurement agents each year thereafter. It must also be completed and filed with the Commission not more than thirty (30) days after leaving state employment or taking a position that no longer has the required procurement components. Questions regarding this requirement should be directed to Cynthia Carrasco, Director, at (317) 232-3850.

- ! **A charge of \$10.00 per day may be assessed for Financial Disclosure Statements received past the deadlines.**

The Complete Guide to Financial Disclosure Statements is posted on the Inspector General’s [Training](#) web page.

### Guidelines for Ethical Contracting Practices

Elected and appointed state officials and state employees are entrusted with the safety and welfare of taxpayers. Citizens are entitled to have complete confidence in the integrity of their government and expect State employees’ private interests will not conflict with public business. To maintain the integrity and credibility of contracting, a clear set of guidelines, rules and responsibilities to govern the behavior of State employees is required.

General standards of ethical conduct for State employees are enumerated in 42 IAC 1-5-1 through 16; and 42 IAC 1-6-2. A State employee who violates either these statute sections or rules may be subject to State Ethics Commission sanctions and/or agency disciplinary action. Pursuant to 42 IAC 1-7 and 42 IAC 1-8, State employees may have any ethics question reviewed and decided by the State Ethics Commission. If the employee has a question about a specific action, have him/her contact the State Ethics Commission directly.

For complete information regarding ethical practices in contracting, refer to the [Inspector General](#) website or call the Ethics Commission at (317) 232-3850.



<b>Financial Disclosure Statements</b>	<a href="http://www.in.gov/ig/2331.htm">http://www.in.gov/ig/2331.htm</a>
<b>Inspector General Training</b>	<a href="http://www.in.gov/ig/2333.htm">http://www.in.gov/ig/2333.htm</a>
<b>Inspector General</b>	<a href="http://www.in.gov/ig/index.htm">http://www.in.gov/ig/index.htm</a>

## Social Security Number Protection and Breach Notification

State agencies are required to exercise an enhanced level of due diligence in the protection of social security numbers from public dissemination. It is the agency's responsibility to ensure that individual social security numbers are redacted from all contract documents, including EDS sheets, underlying contracts prepared before the new law took effect, amendments, renewals, supplements, or any other collateral document that is submitted with a contract for approval.

For the specific statutory requirements and exceptions regarding disclosure, please see [IC 4-1-10](#). For the processes that agencies must follow regarding notification in light of a breach, please see [IC 4-1-11](#).

The penalties assessable for the unlawful release of a social security number can range from a Class A infraction up to a D felony, depending on the nature of the release and the actions taken by the agency/employee towards prevention. The OAG has adopted administrative rules under 10 IAC 5 to assist agencies with their compliance efforts.

## Shipping Terms

The State of Indiana does not accept any shipping terms other than FOB Destination. Shipping costs may be included in quotations, but the seller must maintain responsibility for the products or items during transit. Bidders indicating other shipping terms, such as FOB Origin, must be asked to honor the State's policy. If the bidder refuses, the IDOA Procurement Division, Deputy Director must be contacted for approval before considering the quotation for an award. Listed below are some of the more common shipping terms and their definitions.

Indiana Code

<http://www.in.gov/legislative/ic/code/>

**FOB Destination:** Free on Board Destination.

The seller maintains responsibility for the goods until they are delivered and accepted. (Acceptable with no approval)

**FOB Point:** Equivalent to FOB Destination, sometimes also called FOB Shipping Point. (Acceptable with no approval)

**FOB Origin:** The buyer accepts responsibility for the goods at the time they are transferred from the seller to the courier. (Never acceptable)

**FOB PPD & ADDED:** Free on Board, Prepaid and Added. Shipping costs are prepaid by the seller and added to the cost of the purchase. The seller maintains responsibility for the goods until they are delivered and accepted. (Accepted in certain circumstances with approval from the IDOA Procurement Deputy Director or designee)

## UNSPSC Codes

The [United Nations Standard Products and Services Codes \(UNSPSC\)](#) have been adopted by the State of Indiana as the category classification system for purchasing goods and services. The system assists purchasing efforts by organizing items, bidders, and vendors into category groups, while providing a tool for electronic routing of information and detailed reporting.

UNSPSC Codes are assigned to every product and service entered on a PeopleSoft requisition and are used to determine requisition routing, the account code assigned to the line and whether or not the item is flagged as an asset (single line item over \$500 with an expected life of a year or more) to the State. If a Requisitioner is using the QPA catalog item or a punch-out catalog, they are automatically assigned. If entering a special request item, the Requisitioner must assign/pick the code for the item. The codes and complete descriptions can be accessed through the [UNSPSC website](#).

## Website Information

The [IDOA Procurement Division web page](#) provides important information to assist procurement agents and purchasing staff, including required documents, manuals, training session schedules, QPAs, and eProcurement user guides.

## PeopleSoft Help

Submit technical issues by any of the following methods:

- IOT Customer Service (317) 234-HELP
- Helpdesk Assistant (Icon on your desktop)
- [Submit a GMIS Issue/Ticket](#)
- Use the GMIS Report Issue menu link if you are already logged in to PeopleSoft



## NAICS codes

The [North American Industry Classification System \(NAICS\)](#) code, also called the Business Activity code, must be provided by bidders at the time of registration. The codes can be found on the following Federal business Income Tax return documents.

Individual - Form 1040 - Schedule C, Page 1, Line B

Partnership - Form 1065 - Page 1, Line C

Corporation - Form 1120 - Page 2, Schedule K, Line 2a

Sub Chapter S Corporations - Form 1120S - Page 1, Line B

## Buy Indiana!

Businesses may register using the [Bidder Profile Registration web page](#) to receive notice of IDOA Procurement Division solicitations by email based on the UNSPSC codes selected.

Registered bidders meeting the qualification requirements as an “Indiana Business” may elect to participate in the Buy Indiana business-to-business directory available to anyone interested in buying Indiana products and/or services. There is no cost to be listed or to access the information.



**Bidder Profile Registration**  
**IDOA Procurement**  
**NAICS Code**  
**UNSPSC**  
**Submit a GMIS Ticket**

<http://www.in.gov/idoa/2464.htm>

[www.IN.gov/idoa/proc](http://www.IN.gov/idoa/proc)

<http://www.naics.com/>

<http://www.unspsc.org/>

[https://fs85.gmis.in.gov/psc/guest/EMPLOYEE/ERP/c/SOI\\_CUSTOM\\_APPS.SOI\\_GMIS\\_ISSUE.GBL](https://fs85.gmis.in.gov/psc/guest/EMPLOYEE/ERP/c/SOI_CUSTOM_APPS.SOI_GMIS_ISSUE.GBL)

# Attachment A

## Templates & Documents

<b>Terms and Conditions:</b>	<a href="http://www.in.gov/idoa/files/DPAP_TermsAndConditions.pdf">http://www.in.gov/idoa/files/DPAP_TermsAndConditions.pdf</a>
<b>Solicitation Package:</b>	<a href="http://www.in.gov/idoa/2925.htm">http://www.in.gov/idoa/2925.htm</a>
<b>Notice of Addendum to Solicitation:</b>	<a href="http://www.in.gov/idoa/files/fillable_addendum.pdf">http://www.in.gov/idoa/files/fillable_addendum.pdf</a>
<b>DPAP Solicitation Summary Form:</b>	<a href="http://www.in.gov/idoa/files/DPAP_SolicitationSummaryForm.xls">http://www.in.gov/idoa/files/DPAP_SolicitationSummaryForm.xls</a>
<b>Quotation Confirmation Form:</b>	<a href="http://www.in.gov/idoa/files/Proc_QuotationConfirmationForm.pdf">http://www.in.gov/idoa/files/Proc_QuotationConfirmationForm.pdf</a>

## State Forms

<b>Notification of Surplus State-Owned Property</b>	<a href="#">SF 13812</a>
<b>Request for Special Procurement</b>	<a href="#">SF 54650</a>



### When searching the IARA website for a State Form:

Click on the gray button that says "State Employee Login", enter your user name, password and domain and click "OK", when the search page comes up enter the State Form number in the field and click "search".

## Attachment B

### Split Award Example

	A	B	C	D	E	F	G	H	I	J	K	L
1	Line	Description	Qty	ABC Unit	ABC extend	ABC Eval	DEF unit	DEF extend	DEF Eval	GHI Unit	GHI extend	GHI Eval
2	1	Baby wipes	100	1.730	173.000	164.350	2.080	208.000	176.800	2.030	203.000	192.850
3	2	size 1 disposable diapers	50	41.970	2,098.500	1,993.575	50.360	2,518.000	2,140.300	39.770	1,988.500	1,889.075
4	3	size 2 disposable diapers	50	41.970	2,098.500	1,993.575	50.360	2,518.000	2,140.300	39.770	1,988.500	1,889.075
5	4	size 3 disposable diapers	50	41.970	2,098.500	1,993.575	52.360	2,618.000	2,225.300	44.570	2,228.500	2,117.075
6	5	size 4 disposable diapers	50	41.970	2,098.500	1,993.575	52.360	2,618.000	2,225.300	44.570	2,228.500	2,117.075
7	6	baby wash	100	5.960	596.000	566.200	7.150	715.000	607.750	6.360	636.000	604.200
8	7	baby lotion	100	5.960	596.000	566.200	7.150	715.000	607.750	5.660	566.000	537.700
9	8	baby powder	100	3.920	392.000	372.400	4.700	470.000	399.500	4.120	412.000	391.400
10	9	baby wash cloths	75	5.970	447.750	425.363	7.160	537.000	456.450	6.270	470.250	446.738
11	10	baby towels	75	6.000	450.000	427.500	7.200	540.000	459.000	5.700	427.500	406.125
12	11	baby rattle	100	2.880	288.000	273.600	3.460	346.000	294.100	2.740	274.000	260.300
13	12	baby pacifier	100	3.970	397.000	377.150	4.760	476.000	404.600	5.170	517.000	491.150
14	13	baby shampoo	100	5.960	596.000	566.200	7.150	715.000	607.750	5.260	526.000	499.700
15	14	baby blanket	100	5.440	544.000	516.800	6.530	653.000	555.050	5.910	591.000	561.450
16	15	baby formula - new borns	50	19.980	999.000	949.050	23.980	1,199.000	1,019.150	18.980	949.000	901.550
17				TOTAL	13,872.750	13,179.113	TOTAL	16,846.000	14,319.100	TOTAL	14,005.750	13,305.463

ABC qualifies for the IN business preference.

DEF qualifies for the IN small business preference.

GHI qualifies for the IN business preference.

#### Best net pricing

ABC lines 1, 4, 5, 6, 8, 9, 12 and 14

\$6,409.41

GHI lines 2, 3, 7, 10, 11, 13 and 15

\$6,383.53

**\$12,792.94**



**It is in the State's best interest to award a split bid between ABC & GHI.**

# Attachment C

## Indiana Business Preference (IBP) Verification Instructions

### (IC 5-22-15-20.5)

When a bidder claims the IBP they must indicate which provision qualifies them for this preference. The request should be evaluated in the following manner:

**1. A business whose principal place of business is located in Indiana**

Check line 6 on the IEI Form – must say Indiana. If line 6 says anything other than Indiana they cannot claim this preference under this provision. The agency may also check the Secretary of State Business registration site.

**2. The majority of its payroll (in dollar volume) is paid to residents of Indiana**

Line 14 & 15 must be complete. Divide line 14 by line 15 to calculate the percentage. This percentage must be greater than 50% to qualify for the preference under this provision.

**3. Employs Indiana residents as a majority of its employees**

Line 12 & 13 must be complete. Divide line 12 by line 13 to calculate the percentage. This percentage must be greater than 50% to qualify for the preference under this provision.

**4. Significant capital investment in Indiana**

The information listed below must be submitted with the bidders quote/bid package.

**Substantial Capital Investment**

Any company that can demonstrate a minimum capital investment of \$5 million or more in plant and/or equipment or annual lease payments of \$2.5 million or more shall qualify as an Indiana business under category 4. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

**Documentation**

- \$5 Million or more in plant and/or equipment: Certified Financial Statement
- \$2.5 Million in lease payment : Copy of Lease Agreement/Contracts

**5. Substantial positive economic impact in Indiana**

The bidder must submit proof from the e-mail address listed below to verify their status. If the bidder does not submit this, the agency should verify through the e-mail address listed below.

**Substantial Indiana Economic Impact**

Any company that is in the top 500 companies (adjusted) for one of the following categories: number of employees (DWD), unemployment taxes (DWD), sales tax (DOR), payroll withholding taxes (DOR), or Corporate Income Taxes (DOR); it shall qualify as an Indiana business under category 5. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

To verify this information send an email to: [buyindianainvest@idoa.in.gov](mailto:buyindianainvest@idoa.in.gov)

# Attachment D

## Listing of State Boilerplate Clauses

The following paragraphs 4 -49 are defined by IDOA as State Boilerplate Clauses and are found in the [Professional Services Contract Manual](#). State Boilerplate Clauses shall remain unaltered and in their standard form, unless any changes or alterations are documented as required under Paragraph 46, “BOILERPLATE AFFIRMATION CLAUSE”.

### 4. Access to Records

The Contractor and its subcontractors, if any, shall maintain all books, documents, papers, accounting records, and other evidence pertaining to all costs incurred under this Contract. They shall make such materials available at their respective offices at all reasonable times during this Contract, and for three (3) years from the date of final payment under this Contract, for inspection by the State or its authorized designees. Copies shall be furnished at no cost to the State if requested.

### 5. Assignment; Successors

The Contractor binds its successors and assignees to all the terms and conditions of this Contract. The Contractor shall not assign or subcontract the whole or any part of this Contract without the State’s prior written consent. The Contractor may assign its right to receive payments to such third parties as the Contractor may desire without the prior written consent of the State, provided that the Contractor gives written notice (including evidence of such assignment) to the State thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Contract and shall not be made to more than one party.

### 6. Assignment of Antitrust Claims

As part of the consideration for the award of this Contract, the Contractor assigns to the State all right, title and interest in and to any claims the Contractor now has, or may acquire, under state or federal antitrust laws relating to the products or services which are the subject of this Contract.

**Instructions:** *We encourage the use of this clause. This clause ensures that the State may recover for antitrust claims that arise between the Contractor and its vendors or subcontractors. The clause places into the contract the same rights the state has under IC §24-1-1-5.1 and IC §24-1-1-5.2.*

### 7. Audits

The Contractor acknowledges that it may be required to submit to an audit of funds paid through this Contract. Any such audit shall be conducted in accordance with IC §5-11-1, *et seq.*, and audit guidelines specified by the State.

**Instructions:** *The following clause should be used as an alternative if Federal funds are used.*

The State considers the Contractor to be a “Contractor” under 2 C.F.R. 200.330 for purposes of this Contract. However, if it is determined that the Contractor is a “subrecipient” and if required by applicable provisions of 2 C.F.R. 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements), Contractor shall arrange for a financial and compliance audit, which complies with 2 C.F.R. 200.500 *et seq.*

### 8. Authority to Bind Contractor

The signatory for the Contractor represents that he/she has been duly authorized to execute this Contract on behalf of the Contractor and has obtained all necessary or applicable approvals to make this Contract fully binding upon the Contractor when his/her signature is affixed, and accepted by the State.

### 9. Changes in Work

**Instructions:** *This provision can be customized to meet your agency’s contracting needs.*

The Contractor shall not commence any additional work or change the scope of the work until authorized in writing by the State. The Contractor shall make no claim for additional compensation in the absence of a prior written approval and amendment executed by all signatories hereto. This Contract may only be amended, supplemented or modified by a written document executed in the same manner as this Contract.

## 10 . Compliance with Laws

- A. The Contractor shall comply with all applicable federal, state, and local laws, rules, regulations, and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment or modification of any applicable state or federal statute or the promulgation of rules or regulations thereunder after execution of this Contract shall be reviewed by the State and the Contractor to determine whether the provisions of this Contract require formal modification.
- B. The Contractor and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State as set forth in IC §4-2-6, *et seq.*, IC §4-2-7, *et seq.* and the regulations promulgated thereunder. **If the Contractor has knowledge, or would have acquired knowledge with reasonable inquiry, that a state officer, employee, or special state appointee, as those terms are defined in IC 4-2-6-1, has a financial interest in the Contract, the Contractor shall ensure compliance with the disclosure requirements in IC 4-2-6-10.5 prior to the execution of this contract.** If the Contractor is not familiar with these ethical requirements, the Contractor should refer any questions to the Indiana State Ethics Commission, or visit the Inspector General's website at <http://www.in.gov/ig/>. If the Contractor or its agents violate any applicable ethical standards, the State may, in its sole discretion, terminate this Contract immediately upon notice to the Contractor. In addition, the Contractor may be subject to penalties under IC §§4-2-6, 4-2-7, 35-44.1-1-4, and under any other applicable laws.
- C. The Contractor certifies by entering into this Contract that neither it nor its principal(s) is presently in arrears in payment of taxes, permit fees or other statutory, regulatory or judicially required payments to the State of Indiana. The Contractor agrees that any payments currently due to the State of Indiana may be withheld from payments due to the Contractor. Additionally, further work or payments may be withheld, delayed, or denied and/or this Contract suspended until the Contractor is current in its payments and has submitted proof of such payment to the State.
- Instructions:** *Authority to withhold payments is found in IC 4-13-2-14.5 for contractors on the tax warrant list for delinquent taxes.*
- D. The Contractor warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by the State, and agrees that it will immediately notify the State of any such actions. During the term of such actions, the Contractor agrees that the State may delay, withhold, or deny work under any supplement, amendment, change order or other contractual device issued pursuant to this Contract.
- E. If a valid dispute exists as to the Contractor's liability or guilt in any action initiated by the State or its agencies, and the State decides to delay, withhold, or deny work to the Contractor, the Contractor may request that it be allowed to continue, or receive work, without delay. The Contractor must submit, in writing, a request for review to the Indiana Department of Administration (IDOA) following the procedures for disputes outlined herein. A determination by IDOA shall be binding on the parties. Any payments that the State may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest, except as permitted by IC §5-17-5.
- F. The Contractor warrants that the Contractor and its subcontractors, if any, shall obtain and maintain all required permits, licenses, registrations, and approvals, and shall comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the State. Failure to do so may be deemed a material breach of this Contract and grounds for immediate termination and denial of further work with the State.
- G. The Contractor affirms that, if it is an entity described in IC Title 23, it is properly registered and owes no outstanding reports to the Indiana Secretary of State.
- H. As required by IC §5-22-3-7:
1. The Contractor and any principals of the Contractor certify that:
    - A the Contractor, except for de minimis and nonsystematic violations, has not violated the terms of:
      - i. IC §24-4.7 [Telephone Solicitation Of Consumers];
      - ii. IC §24-5-12 [Telephone Solicitations]; or
      - iii. IC §24-5-14 [Regulation of Automatic Dialing Machines];
- in the previous three hundred sixty-five (365) days, even if IC §24-4.7 is preempted by federal law; and

B the Contractor will not violate the terms of IC §24-4.7 for the duration of the Contract, even if IC §24-4.7 is preempted by federal law.

2. The Contractor and any principals of the Contractor certify that an affiliate or principal of the Contractor and any agent acting on behalf of the Contractor or on behalf of an affiliate or principal of the Contractor, except for de minimis and nonsystematic violations,

A has not violated the terms of IC §24-4.7 in the previous three hundred sixty-five (365) days, even if IC §24-4.7 is preempted by federal law; and

B will not violate the terms of IC §24-4.7 for the duration of the Contract, even if IC §24-4.7 is preempted by federal law.

### 11. Condition of Payment

All services provided by the Contractor under this Contract must be performed to the State's reasonable satisfaction, as determined at the discretion of the undersigned State representative and in accordance with all applicable federal, state, local laws, ordinances, rules and regulations. The State shall not be required to pay for work found to be unsatisfactory, inconsistent with this Contract or performed in violation of and federal, state or local statute, ordinance, rule or regulation.

### 12. Confidentiality of State Information

The Contractor understands and agrees that data, materials, and information disclosed to the Contractor may contain confidential and protected information. The Contractor covenants that data, material, and information gathered, based upon or disclosed to the Contractor for the purpose of this Contract will not be disclosed to or discussed with third parties without the prior written consent of the State.

The parties acknowledge that the services to be performed by Contractor for the State under this Contract may require or allow access to data, materials, and information containing Social Security numbers maintained by the State in its computer system or other records. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), the Contractor and the State agree to comply with the provisions of IC §4-1-10 and IC §4-1-11. If any Social Security number(s) is/are disclosed by Contractor, Contractor agrees to pay the cost of the notice of disclosure of a breach of

the security of the system in addition to any other claims and expenses for which it is liable under the terms of this contract.

### 13. Continuity of Services

**Instructions:** *This clause is vital in certain types of contracts, particularly those involving the administration of essential programs. But often, inclusion of this clause is unnecessary and confusing to the contractor. Do not hesitate to delete it when its inclusion is inappropriate.*

A. The Contractor recognizes that the service(s) to be performed under this Contract are vital to the State and must be continued without interruption and that, upon Contract expiration, a successor, either the State or another contractor, may continue them. The Contractor agrees to:

1. Furnish phase-in training; and
2. Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

B. The Contractor shall, upon the State's written notice:

1. Furnish phase-in, phase-out services for up to sixty (60) days after this Contract expires; and
2. Negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase-out services required. The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the State's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this Contract are maintained at the required level of proficiency.

C. The Contractor shall allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this Contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

D. The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (i.e., costs incurred within the agreed period after contract expiration that result from

phase-in, phase-out operations).

#### 14. Debarment and Suspension

- A. The Contractor certifies by entering into this Contract that neither it nor its principals nor any of its subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency or political subdivision of the State of Indiana. The term “principal” for purposes of this Contract means an officer, director, owner, partner, key employee or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of the Contractor.
- B. The Contractor certifies that it has verified the state and federal suspension and debarment status for all subcontractors receiving funds under this Contract and shall be solely responsible for any recoupment, penalties or costs that might arise from use of a suspended or debarred subcontractor. The Contractor shall immediately notify the State if any subcontractor becomes debarred or suspended, and shall, at the State’s request, take all steps required by the State to terminate its contractual relationship with the subcontractor for work to be performed under this Contract.

#### 15. Default by State

If the State, sixty (60) days after receipt of written notice, fails to correct or cure any material breach of this Contract, the Contractor may cancel and terminate this Contract and institute measures to collect monies due up to and including the date of termination.

#### 16. Disputes

**Instructions:** *This is a very important clause. You should include it in every contract. This gives you and the Contractor an avenue to settle grievances, rather than to terminate the contract. No authority can replace that of the Commissioner of the Indiana Department of Administration. It is sometimes helpful to reinforce to the Contractor that this procedure is merely to assist the State in determining true conflicts from mere misunderstandings, and that the decision of the Commissioner is non-binding.*

- A. Should any disputes arise with respect to this Contract,

the Contractor and the State agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.

- B. The Contractor agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all of its responsibilities under this Contract that are not affected by the dispute. Should the Contractor fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the State or the Contractor as a result of such failure to proceed shall be borne by the Contractor, and the Contractor shall make no claim against the State for such costs.
- C. If the parties are unable to resolve a contract dispute between them after good faith attempts to do so, a dissatisfied party shall submit the dispute to the Commissioner of the Indiana Department of Administration for resolution. The dissatisfied party shall give written notice to the Commissioner and the other party. The notice shall include (1) a description of the disputed issues, (2) the efforts made to resolve the dispute, and (3) a proposed resolution. The Commissioner shall promptly issue a Notice setting out documents and materials to be submitted to the Commissioner in order to resolve the dispute; the Notice may also afford the parties the opportunity to make presentations and enter into further negotiations. Within 30 business days of the conclusion of the final presentations, the Commissioner shall issue a written decision and furnish it to both parties. The Commissioner’s decision shall be the final and conclusive administrative decision unless either party serves on the Commissioner and the other party, within ten business days after receipt of the Commissioner’s decision, a written request for reconsideration and modification of the written decision. If the Commissioner does not modify the written decision within 30 business days, either party may take such other action helpful to resolving the dispute, including submitting the dispute to an Indiana court of competent jurisdiction. If the parties accept the Commissioner’s decision, it may be memorialized as a written Amendment to this Contract if appropriate.
- D. The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to the Contractor of one or more invoices not in dispute in accordance with the terms of this

Contract will not be cause for the Contractor to terminate this Contract, and the Contractor may bring suit to collect these amounts without following the disputes procedure contained herein.

- E. With the written approval of the Commissioner of the Indiana Department of Administration, the parties may agree to forego the process described in subdivision C. relating to submission of the dispute to the Commissioner.
- F. This paragraph shall not be construed to abrogate provisions of Ind. Code 4-6-2-11 in situations where dispute resolution efforts lead to a compromise of claims in favor of the State as described in that statute. In particular, releases or settlement agreements involving releases of legal claims or potential legal claims of the state should be processed consistent with Ind. Code 4-6-2-11, which requires approval of the Governor and Attorney General.

## 17. Drug-Free Workplace Certification

**Instructions:** *This clause is required by Executive Order 90-5 and applies to all individuals and private legal entities who receive grants or contracts from State agencies. This clause was modified in 2005 to apply only to Contractor's employees within the State of Indiana. Do not modify, alter or change this clause. A copy of Executive Order 90-5 is available on the IDOA intranet.*

As required by Executive Order No. 90-5 dated April 12, 1990, issued by the Governor of Indiana, the Contractor hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. The Contractor will give written notice to the State within ten (10) days after receiving actual notice that the Contractor, or an employee of the Contractor in the State of Indiana, has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of this certification may result in sanctions including, but not limited to, suspension of contract payments, termination of this Contract and/or debarment of contracting opportunities with the State for up to three (3) years.

In addition to the provisions of the above paragraph, if the total amount set forth in this Contract is in excess of \$25,000.00, the Contractor certifies and agrees that it will provide a drug-free workplace by:

- A. Publishing and providing to all of its employees a statement notifying them that the unlawful manufacture,

distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace, and specifying the actions that will be taken against employees for violations of such prohibition;

- B. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) the Contractor's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;
- C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- D. Notifying the State in writing within ten (10) days after receiving notice from an employee under subdivision (C) (2) above, or otherwise receiving actual notice of such conviction;
- E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and
- F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

## 18. Employment Eligibility Verification

**Instructions:** *This clause is required by IC 22-5-1.7-11, 12, 13 for all contracts for services.*

As required by IC §22-5-1.7, the Contractor swears or affirms under the penalties of perjury that the Contractor does not knowingly employ an unauthorized alien. The Contractor further agrees that:

- A. The Contractor shall enroll in and verify the work

eligibility status of all his/her/its newly hired employees through the E-Verify program as defined in IC §22-5-1.7-3. The Contractor is not required to participate should the E-Verify program cease to exist. Additionally, the Contractor is not required to participate if the Contractor is self-employed and does not employ any employees.

- B. The Contractor shall not knowingly employ or contract with an unauthorized alien. The Contractor shall not retain an employee or contract with a person that the Contractor subsequently learns is an unauthorized alien.
- C. The Contractor shall require his/her/its subcontractors, who perform work under this Contract, to certify to the Contractor that the subcontractor does not knowingly employ or contract with an unauthorized alien and that the subcontractor has enrolled and is participating in the E-Verify program. The Contractor agrees to maintain this certification throughout the duration of the term of a contract with a subcontractor.

The State may terminate for default if the Contractor fails to cure a breach of this provision no later than thirty (30) days after being notified by the State.

## 19. Employment Option

If the State determines that it would be in the State's best interest to hire an employee of the Contractor, the Contractor will release the selected employee from any non-competition agreements that may be in effect. This release will be at no cost to the State or the employee.

## 20. Force Majeure

In the event that either party is unable to perform any of its obligations under this Contract or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately or as soon as is reasonably possible under the circumstances give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Contract shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Contract.

## 21. Funding Cancellation

**Instructions:** *This clause is required by IC 5-22-17-5 and FMC 2007-1.*

When the Director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Contract, this Contract shall be canceled. A determination by the Director of State Budget Agency that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

## 22. Governing Law

**Instructions:** *This clause is MANDATORY in all contracts and is covered by IC 34-13-2-3(d). Many Contractors want to alter the clause to include the laws of the state in which their parent company resides. This is NEVER acceptable.*

This Contract shall be governed, construed, and enforced in accordance with the laws of the State of Indiana, without regard to its conflict of laws rules. Suit, if any, must be brought in the State of Indiana.

## 23. HIPAA Compliance

If this Contract involves services, activities or products subject to the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the Contractor covenants that it will appropriately safeguard Protected Health Information (defined in 45 CFR 160.103), and agrees that it is subject to, and shall comply with, the provisions of 45 CFR 164 Subpart E regarding use and disclosure of Protected Health Information.

## 24. Indemnification

**Instructions:** *This clause is also known as a Hold-Harmless Clause. NEVER include a clause that provides that the State will hold harmless or indemnify the other party.*

The Contractor agrees to indemnify, defend, and hold harmless the State, its agents, officials, and employees from all third party claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of the Contractor and/or its subcontractors, if any, in the performance of this Contract. The State shall not provide such indemnification to the Contractor.

## 25. Independent Contractor; Worker's Compensation Insurance

**Instructions:** *This is a very important clause. Refer to the earlier section in the Manual that addresses abuses of this option per IRS rulings.*

The Contractor is performing as an independent entity under this Contract. No part of this Contract shall be construed to represent the creation of an employment, agency, partnership or joint venture agreement between the parties. Neither party will assume liability for any injury (including death) to any persons, or damage to any property, arising out of the acts or omissions of the agents, employees or subcontractors of the other party. The Contractor shall provide all necessary unemployment and workers' compensation insurance for the Contractor's employees, and shall provide the State with a Certificate of Insurance evidencing such coverage prior to starting work under this Contract.

## 26. Information Technology Enterprise Architecture Requirements

**Instructions:** *Unless there is a waiver approved by the Indiana Office of Technology (IOT), this clause should be used in all contracts having to do with procuring new Information Technology products and services to assure consideration for approval by IOT.*

If the Contractor provides any information technology related products or services to the State, the Contractor shall comply with all IOT standards, policies and guidelines, which are online at <http://iot.in.gov/architecture/>. The Contractor specifically agrees that all hardware, software and services provided to or purchased by the State shall be compatible with the principles and goals contained in the electronic and information technology accessibility standards adopted under Section 508 of the Federal Rehabilitation Act of 1973 (29 U.S.C. 794d) and IC §4-13.1-3. Any deviation from these architecture requirements must be approved in writing by IOT in advance. The State may terminate this Contract for default if the Contractor fails to cure a breach of this provision within a reasonable time.

## 27. Insurance

**Instructions:** *This clause is not mandatory. However, you may make a business decision that requires insurance provisions. If so, you should use the language provided here.*

A. The Contractor and their subcontractors ( if any) shall

secure and keep in force during the term of this Contract the following insurance coverages (if applicable) covering the Contractor for any and all claims of any nature which may in any manner arise out of or result from Contractor's performance under this Contract:

1. Commercial general liability, including contractual coverage, and products or completed operations coverage (if applicable), with minimum liability limits not less than \$700,000 per person and \$5,000,000 per occurrence unless additional coverage is required by the State. The State is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly under or in connection with this Contract.
2. Automobile liability for owned, non-owned and hired autos with minimum liability limits of \$700,000 per person and \$5,000,000 per occurrence. The State is to be named as an additional insured on a primary, non-contributory basis.
3. Errors and Omissions liability with minimum liability limits of \$1,000,000 per claim and in the aggregate. Coverage for the benefit of the State shall continue for a period of two (2) years after the date of service provided under this Contract.
4. Fiduciary Liability is required if the Contractor is responsible for the management and oversight of various employee benefit plans and programs such as pensions, profit-sharing and savings, among others. These contractors face potential claims for mismanagement brought by plan members. Limits should be no less than \$700,000 per cause of action and \$5,000,000 per occurrence.
5. Valuable Papers coverage, available under an Inland Marine policy, is required when any plans, drawings, media, data, records, reports, billings and other documents are produced or used under this agreement. Insurance must have limits sufficient to pay for the re-creation and reconstruction of such records.
6. The Contractor shall secure the appropriate Surety or Fidelity Bond(s) as required by the state department served or by applicable statute.
7. The Contractor shall provide proof of such insurance coverage by tendering to the undersigned State representative a certificate of insurance prior

to the commencement of this Contract and proof of workers' compensation coverage meeting all statutory requirements of IC §22-3-2. In addition, proof of an "all states endorsement" covering claims occurring outside the State is required if any of the services provided under this Contract involve work outside of Indiana.

- B. The Contractor's insurance coverage must meet the following additional requirements:
1. The insurer must have a certificate of authority or other appropriate authorization to operate in the state in which the policy was issued.
  2. Any deductible or self-insured retention amount or other similar obligation under the insurance policies shall be the sole obligation of the Contractor.
  3. The State will be defended, indemnified and held harmless to the full extent of any coverage actually secured by the Contractor in excess of the minimum requirements set forth above. The duty to indemnify the State under this Contract shall not be limited by the insurance required in this Contract.
  4. The insurance required in this Contract, through a policy or endorsement(s), shall include a provision that the policy and endorsements may not be canceled or modified without thirty (30) days' prior written notice to the undersigned State agency.
  5. The Contractor waives and agrees to require their insurer to waive their rights of subrogation against the State of Indiana.

C. Failure to provide insurance as required in this Contract may be deemed a material breach of contract entitling the State to immediately terminate this Contract. The Contractor shall furnish a certificate of insurance and all endorsements to the State before the commencement of this Contract.

## 28. Key person(s)

**Instructions:** *This clause should only be included if your agency has identified persons key to the success of the contract. The Key Person should be identified in the Duties section of the contract OR may be included in this section.*

- A. If both parties have designated that certain individual(s) are essential to the services offered, the parties agree that should such individual(s) leave their employment during the term of this Contract for whatever reason, the State

shall have the right to terminate this Contract upon thirty (30) days' prior written notice.

- B. In the event that the Contractor is an individual, that individual shall be considered a key person and, as such, essential to this Contract. Substitution of another for the Contractor shall not be permitted without express written consent of the State.

Nothing in sections A and B, above shall be construed to prevent the Contractor from using the services of others to perform tasks ancillary to those tasks which directly require the expertise of the key person. Examples of such ancillary tasks include secretarial, clerical, and common labor duties. The Contractor shall, at all times, remain responsible for the performance of all necessary tasks, whether performed by a key person or others.

Key person(s) to this Contract is/are \_\_\_\_\_

## 29. Licensing Standards

The Contractor, its employees and subcontractors shall comply with all applicable licensing standards, certification standards, accrediting standards and any other laws, rules, or regulations governing services to be provided by the Contractor pursuant to this Contract. The State will not pay the Contractor for any services performed when the Contractor, its employees or subcontractors are not in compliance with such applicable standards, laws, rules, or regulations. If any license, certification or accreditation expires or is revoked, or any disciplinary action is taken against an applicable license, certification, or accreditation, the Contractor shall notify the State immediately and the State, at its option, may immediately terminate this Contract.

## 30. Merger & Modification

This Contract constitutes the entire agreement between the parties. No understandings, agreements, or representations, oral or written, not specified within this Contract will be valid provisions of this Contract. This Contract may not be modified, supplemented, or amended, except by written agreement signed by all necessary parties.

## 31. Minority and Women's Business Enterprises Compliance

Award of this Contract was based, in part, on the MBE/WBE participation plan. The following certified MBE or WBE subcontractors will be participating in this Contract:

MBE/WBE          PHONE          COMPANY NAME

SCOPE OF PRODUCTS and/or SERVICES

UTILIZATION          DATE          PERCENT

A copy of each subcontractor agreement must be submitted to IDOA’s MBE/WBE Division within thirty (30) days of the effective date of this Contract. Failure to provide a copy of any subcontractor agreement will be deemed a violation of the rules governing MBE/WBE procurement, and may result in sanctions allowable under 25 IAC 5-7-8. Failure to provide any subcontractor agreement may also be considered a material breach of this Contract. The Contractor must obtain approval from IDOA’s MBE/WBE Division before changing the participation plan submitted in connection with this Contract.

The Contractor shall report payments made to MBE/WBE Division subcontractors under this Contract on a monthly basis. Monthly reports shall be made using the online audit tool, commonly referred to as “Pay Audit.” MBE/WBE Division subcontractor payments shall also be reported to the Division as reasonably requested and in a format to be determined by Division.

**32. Nondiscrimination**

**Instructions:** *You MUST include this clause. Please see the following section for contracts using federal funding.*

Pursuant to the Indiana Civil Rights Law, specifically including IC §22-9-1-10, and in keeping with the purposes of the federal Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act, the Contractor covenants that it shall not discriminate against any employee or applicant for employment relating to this Contract with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of the employee’s or applicant’s race, color, national origin, religion, sex, age, disability, ancestry, status as a veteran, or any other characteristic protected by federal, state, or local law (“Protected Characteristics”). Contractor certifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination based on the Protected Characteristics in the provision of services. Breach of this paragraph may be regarded as a

material breach of this Contract, but nothing in this paragraph shall be construed to imply or establish an employment relationship between the State and any applicant or employee of the Contractor or any subcontractor.

**Instructions:** *If federal funding is involved with the contract, you must include the following stipulated language.*

The State is a recipient of federal funds, and therefore, where applicable, Contractor and any subcontractors shall comply with requisite affirmative action requirements, including reporting, pursuant to 41 CFR Chapter 60, as amended, and Section 202 of Executive Order 11246 as amended by Executive Order 13672.

**33. Notice to Parties**

Whenever any notice, statement or other communication is required under this Contract, it shall be sent by first class mail or via an established courier / delivery service to the following addresses, unless otherwise specifically advised.

A. Notices to the State shall be sent to: (Include contact name and/or title, name of agency & address)

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B. Notices to the Contractor shall be sent to: (Include contact name and/or title, name of vendor & address)

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As required by IC §4-13-2-14.8, payments to the Contractor shall be made via electronic funds transfer in accordance with instructions filed by the Contractor with the Indiana Auditor of State.

**34. Order of Precedence; Incorporation by Reference**

**Instructions:** *We strongly encourage the use of this clause. This clause can be extremely important when a problem arises. Word the clause accordingly, but state-created documents should ALWAYS take precedence over Contractor documents or other material. You can refer to an RFP, a Grant Application, replies to an RFP or Grant Application Request prepared by a Vendor/Grantee, etc. If you include this clause in your contract, PLEASE fill in the information appropriately.*

Any inconsistency or ambiguity in this Contract shall be resolved by giving precedence in the following order: (1)

this Contract, (2) attachments prepared by the State, (3) RFP#\_\_\_\_\_, (4) Contractor's response to RFP#\_\_\_\_\_, and (5) attachments prepared by the Contractor. All attachments, and all documents referred to in this paragraph, are hereby incorporated fully by reference.

### 35. Ownership of Documents and Materials

- A. All documents, records, programs, applications, data, algorithms, film, tape, articles, memoranda, and other materials (the "Materials") not developed or licensed by the Contractor prior to execution of this Contract, but specifically developed under this Contract shall be considered "work for hire" and the Contractor hereby transfers and assigns any ownership claims to the State so that all Materials will be the property of the State. If ownership interest in the Materials cannot be assigned to the State, the Contractor grants the State a non-exclusive, non-cancelable, perpetual, worldwide royalty-free license to use the Materials and to use, modify, copy and create derivative works of the Materials.
- B. Use of the Materials, other than related to contract performance by the Contractor, without the prior written consent of the State, is prohibited. During the performance of this Contract, the Contractor shall be responsible for any loss of or damage to the Materials developed for or supplied by the State and used to develop or assist in the services provided while the Materials are in the possession of the Contractor. Any loss or damage thereto shall be restored at the Contractor's expense. The Contractor shall provide the State full, immediate, and unrestricted access to the Materials and to Contractor's work product during the term of this Contract.

### 36. Payments

**Instructions:** *This provision may be modified to stipulate the type of payment- monthly, progress, per hour etc. Further detail can be added, such as how invoices should be submitted (for example, in triplicate, etc.).*

- A. All payments shall be made 35 days in arrears in conformance with State fiscal policies and procedures and, as required by IC §4-13-2-14.8, the direct deposit by electronic funds transfer to the financial institution designated by the Contractor in writing unless a specific waiver has been obtained from the Indiana Auditor of State. No payments will be made in advance of receipt of the goods or services that are the subject of this Contract

except as permitted by IC §4-13-2-20.

**Instructions:** *Use this paragraph if payment in advance is made for maintenance of equipment or software.*

- B. The State Budget Agency and the Contractor acknowledge that Contractor is being paid in advance for the maintenance of equipment and / or software. Pursuant to IC §4-13-2-20(b)(14), Contractor agrees that if it fails to perform the maintenance required under this Contract, upon receipt of written notice from the State, it shall promptly refund the consideration paid, pro-rated through the date of non-performance.

### 37. Penalties/Interest/Attorney's Fees

The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest or attorney's fees, except as permitted by Indiana law, in part, IC §5-17-5, IC §34-54-8, IC §34-13-1 and IC § 34-52-2-3.

Notwithstanding the provisions contained in IC §5-17-5, any liability resulting from the State's failure to make prompt payment shall be based solely on the amount of funding originating from the State and shall not be based on funding from federal or other sources.

### 38. Progress Reports

**Instructions:** *This provision may be modified to include specific dates or periods that reports are due. Please modify the language in such a way as to be appropriate for your agency.*

The Contractor shall submit progress reports to the State upon request. The report shall be oral, unless the State, upon receipt of the oral report, should deem it necessary to have it in written form. The progress reports shall serve the purpose of assuring the State that work is progressing in line with the schedule, and that completion can be reasonably assured on the scheduled date.

### 39. Public Record

**Instructions:** *We strongly encourage the use of this clause. All state contracts are subject to the Access to Public Records Act (IC 5-14-3). Unless an APRA exception applies all state contracts are disclosable public records. Under Executive Order 05-07, state contracts are required to be posted on the IDOA website for easy access to the public. This clause clearly informs the Contractor of that fact.*

The Contractor acknowledges that the State will not treat this Contract as containing confidential information, and will post this Contract on its website as required by Executive Order 05-07. Use by the public of the information contained in this Contract shall not be considered an act of the State.

#### 40. Renewal Option

**Instructions:** *If there is the potential that your agency will want to renew the Contract, this clause is REQUIRED. As a matter of policy we retain a four (4)-year limit on renewals, but are willing to discuss longer terms on a case-by-case basis. If a contract is going to allow for a price increase, the method of determining the increase must be defined in the original contract. If you do not provide for a price increase in the original contract, you cannot increase the price upon renewal but must do a formal amendment instead.*

This Contract may be renewed under the same terms and conditions, subject to the approval of the Commissioner of the Department of Administration and the State Budget Director in compliance with IC §5-22-17-4. The term of the renewed contract may not be longer than the term of the original contract.

#### 41. Severability

The invalidity of any section, subsection, clause or provision of this Contract shall not affect the validity of the remaining sections, subsections, clauses or provisions of this Contract.

#### 42. Substantial Performance

This Contract shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any written amendments or supplements.

#### 43. Taxes

The State is exempt from most state and local taxes and many federal taxes. The State will not be responsible for any taxes levied on the Contractor as a result of this Contract.

#### 44. Termination for Convenience

**Instructions:** *While not mandatory, inclusion of this clause is highly recommended.*

This Contract may be terminated, in whole or in part, by the State, which shall include and is not limited to the Indiana Department of Administration and the State Budget Agency whenever, for any reason, the State determines that such

termination is in its best interest. Termination of services shall be effected by delivery to the Contractor of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. The Contractor shall be compensated for services properly rendered prior to the effective date of termination. The State will not be liable for services performed after the effective date of termination. The Contractor shall be compensated for services herein provided but in no case shall total payment made to the Contractor exceed the original contract price or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date. For the purposes of this paragraph, the parties stipulate and agree that the Indiana Department of Administration shall be deemed to be a party to this agreement with authority to terminate the same for convenience when such termination is determined by the Commissioner of IDOA to be in the best interests of the State.

#### 45. Termination for Default

- A. With the provision of thirty (30) days' notice to the Contractor, the State may terminate this Contract in whole or in part if the Contractor fails to:
  1. Correct or cure any breach of this Contract; the time to correct or cure the breach may be extended beyond thirty (30) days if the State determines progress is being made and the extension is agreed to by the parties;
  2. Deliver the supplies or perform the services within the time specified in this Contract or any extension;
  3. Make progress so as to endanger performance of this Contract; or
  4. Perform any of the other provisions of this Contract.
- B. If the State terminates this Contract in whole or in part, it may acquire, under the terms and in the manner the State considers appropriate, supplies or services similar to those terminated, and the Contractor will be liable to the State for any excess costs for those supplies or services. However, the Contractor shall continue the work not terminated.
- C. The State shall pay the contract price for completed supplies delivered and services accepted. The Contractor and the State shall agree on the amount of payment for manufacturing materials delivered and accepted and for

the protection and preservation of the property. Failure to agree will be a dispute under the Disputes clause. The State may withhold from these amounts any sum the State determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.

- D. The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or equity or under this Contract.

**46. Travel**

No expenses for travel will be reimbursed unless specifically permitted under the scope of services or consideration provisions. Expenditures made by the Contractor for travel will be reimbursed at the current rate paid by the State and in accordance with the State Travel Policies and Procedures as specified in the current Financial Management Circular. Out-of-state travel requests must be reviewed by the State for availability of funds and for appropriateness per Circular guidelines.

**47. Veteran’s Business Enterprise Compliance, Indiana**

Award of this Contract was based, in part, on the Indiana Veteran’s Business Enterprise (“IVBE”) participation plan. The following IVBE subcontractors will be participating in this Contract:

VBE	PHONE	COMPANY NAME
_____		
SCOPE OF PRODUCTS and/or SERVICES		
_____		
UTILIZATION	DATE	PERCENT
_____		

A copy of each subcontractor agreement shall be submitted to IDOA within thirty (30) days of the request. Failure to provide any subcontractor agreement may also be considered a material breach of this Contract. The Contractor must obtain approval from IDOA before changing the IVBE participation plan submitted in connection with this Contract.

The Contractor shall report payments made to IVBE subcontractors under this Contract on a monthly basis. Monthly reports shall be made using the online audit tool, commonly referred to as “Pay Audit.” IVBE subcontractor payments shall also be reported to IDOA as reasonably

requested and in a format to be determined by IDOA.

**48. Waiver of Rights**

No right conferred on either party under this Contract shall be deemed waived, and no breach of this Contract excused, unless such waiver is in writing and signed by the party claimed to have waived such right. Neither the State’s review, approval or acceptance of, nor payment for, the services required under this Contract shall be construed to operate as a waiver of any rights under this Contract or of any cause of action arising out of the performance of this Contract, and the Contractor shall be and remain liable to the State in accordance with applicable law for all damages to the State caused by the Contractor’s negligent performance of any of the services furnished under this Contract.

**49. Work Standards**

The Contractor shall execute its responsibilities by following and applying at all times the highest professional and technical guidelines and standards. If the State becomes dissatisfied with the work product of or the working relationship with those individuals assigned to work on this Contract, the State may request in writing the replacement of any or all such individuals, and the Contractor shall grant such request.

**49. State Boilerplate Affirmation Clause**

I swear or affirm under the penalties of perjury that I have not altered, modified, changed or deleted the State’s Boilerplate contract clauses (as contained in the 2015 OAG/ IDOA *Professional Services Contract Manual*) in any way except for the following clauses which are named below: \_\_\_\_\_

**Instructions:** *Identify by paragraph and subject matter each paragraph of the State Boilerplate that is modified or deleted.*

**Non-Collusion and Acceptance**

**Instructions:** *You MUST have this clause in your contract. It is required by IC 5-22-16-6. THIS SHOULD BE THE FINAL CLAUSE BEFORE THE SIGNATURE PAGE. All contracts, amendments, renewals, addendums, supplements, etc. must include this clause.*

The undersigned attests, subject to the penalties for perjury, that the undersigned is the Contractor, or that the undersigned is the properly authorized representative, agent, member

or officer of the Contractor. Further, to the undersigned's knowledge, neither the undersigned nor any other member, employee, representative, agent or officer of the Contractor, directly or indirectly, has entered into or been offered any sum of money or other consideration for the execution of this Contract other than that which appears upon the face hereof.

**Furthermore, if the undersigned has knowledge that a state officer, employee, or special state appointee, as those terms are defined in IC 4-2-6-1, has a financial interest in the Contract, the Contractor attests to compliance with the disclosure requirements in IC 4-2-6-10.5.**

In Witness Whereof, Contractor and the State have, through their duly authorized representatives, entered into this Contract. The parties, having read and understood the foregoing terms of this Contract, do by their respective signatures dated below agree to the terms thereof.

[Contractor]  
By: \_\_\_\_\_

[Indiana Agency]  
By: \_\_\_\_\_

\_\_\_\_\_  
Name and Title, Printed

\_\_\_\_\_  
Name and Title, Printed

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved by:  
Indiana Department of Administration

Approved by:  
State Budget Agency

By: \_\_\_\_\_ (for)  
Jessica Robertson, Commissioner

By: \_\_\_\_\_ (for)  
Brian E. Bailey, Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED as to Form and Legality:  
Office of the Attorney General

\_\_\_\_\_  
(for)  
Gregory F. Zoeller, Attorney General

Date: \_\_\_\_\_

Approved by:  
Indiana Office of Technology

By: \_\_\_\_\_ (for)  
Paul Baltzell, Chief Information Officer

Date: \_\_\_\_\_

**Instructions:** *If your Contract does not involve technology please delete the signature block for IOT or designate N/A in signature line.*

# Attachment E

## Procurement Contract Development

*The following reminders are offered to help avoid having contracts returned unsigned during the review process. This is not an exhaustive listing but rather a listing of those items that occur frequently.*

- The contractor's duties need to be described fully within the contract itself. All too frequently a contract is rejected (particularly amendments) because the agency has explained the duties on the EDS sheet, but has failed to include them in the contract or amendment.
- To assist in the timely review of the contract it is important that IDOA approval is received in advance and in writing for approval of special procurements, particularly if relying on a sole source under IC 5-22-10-13.
- If the Contractor is not an individual, be sure to include the business entity designation that appears in the Secretary of State's listing ("Inc.", "Corp.", "LLC", "LP", etc.) both in the first paragraph of the contract, on the signature page, and on the EDS sheet.
- Indiana firms/universities/individuals must be sought to fill the contractual needs of state agencies. If the agency contracts with someone other than an Indiana entity, it will need to explain how it determined that there was no Indiana entity that could fill the agency's needs. Always attach a completed Indiana Economic Impact Statement.
- If deleting a boilerplate clause, leave the paragraph numbering the same, delete the text, and state "not applicable" or "deleted by agreement of the parties" (ex. 17. Employment Option – DELETED BY MUTUAL AGREEMENT OF THE PARTIES).
- Non-Collusion is the final clause before the signature page for all agreements including renewals/amendments. The signature page of an agreement should be placed after the contract language and before attachments/exhibits. The signature page must be flagged for easy identification by the approving agencies.
- Attachments/exhibits attached to a contract must be incorporated by reference in the body of the contract and must be labeled. Make sure information in exhibits, attachments, appendices, etc. is consistent with the contract. No extraneous items should be attached to a contract.
- Mutual Termination for Convenience Clauses are generally unacceptable and will likely result in a rejection of the contract.
- The use of Executive Letters to change a contract is unacceptable. All changes to a contract must be by mutual agreement and by amendment and signed by all parties, including IDOA, Budget and OAG.
- When changes/corrections are made in an agreement after signatures have been affixed, the changes must be initialed and dated by both the Contractor and the agency.
- Include all optional clauses the agency believes will best protect the agency. Do not include clauses which are not appropriate/useful (i.e. using a Key Person clause if there is no key person to the agreement, using order of precedence when there are no other documents to the agreement, etc.).
- If using clauses that require the insertion of information to make them complete (RFP #\_\_\_, payment shall be sent to \_\_\_), insert the needed information or remove the clause.
- In contracts with an individual, an issue arises as to whether that individual is a true independent contractor or an employee. So, it is a good idea to include a written analysis of the service in relation to the IRS guidelines. This should be placed behind the EDS. It will help move the contract along.
- Make sure all dates are consistent in a document. Fiscal year does not automatically set contract dates.
- The federal government frequently requires certain boilerplate in contracts where the receipt of federal funds is involved. The required boilerplate language varies with the source of the funds. This manual does not attempt to address this type of boilerplate. If the contract will involve federal funds, check with the agency's legal section or program management to make sure all necessary clauses are included.
- **Do not include instructional language (the text boxes) when using templates.**
- Number each page of the contract, preferably "X of Y".
- Use the correct form (i.e. Contract for Services, Amendment, Addendum, etc.)
- **All signatures must be in original ink, no signature stamps or copies are accepted.**
- Make sure dates and amounts are consistent. The term of the contract should be consistent with the dates listed and the amounts listed need to add up correctly.

# Attachment F

## Procurement Contracts Frequently Asked Questions

### **Do I need an EDS (Executive Document Summary) with every contract I submit?**

Yes. A contract cannot be routed through the signature process without a fully completed EDS. The EDS form is available on-line through PeopleSoft Financials.

### **If the vendor is an individual, should I list their personal identification number on the EDS sheet?**

The State Auditor assigns all state vendors a unique identification number. This number is required in Box 23 on the EDS sheet. Under no circumstances should there be an individual's social security number ("SSN") on the EDS sheet. Contracts and the EDS sheets are public records. Agency personnel should ensure that these documents do NOT include an individual's social security number. A state employee commits a Class D Felony if he /she knowingly, intentionally, or recklessly discloses a SSN in violation of IC 4-1-10. The negligent release of a SSN may result in conviction for a Class A Infraction. Moreover, all contracts are scanned and are available on line after they are approved.

### **Can I draft clauses outside of the boilerplate?**

Absolutely. While the manual outlines clauses that are mandatory in Contracts, it really provides a basic framework for state Contracting needs. Consult with your agency attorney regarding additional clauses.

### **Can I renew or amend a contract after the expiration date?**

No. An expired contract cannot be renewed or amended. If the agency wants to renew or amend a contract, the contractor's signature must be on the renewal or amendment prior to the expiration of the original contract. If it is a straight renewal where no consent or agreement of the contractor is required, then the signature of the agency is required prior to the expiration of the underlying term.

### **Do I need a Non-Collusion Statement in an Amendment or a Renewal?**

Yes, always. This clause must be included in all amendments and/or renewals. The ability to collude becomes greater once a relationship has been established with a contractor.

### **What is the difference between an Amendment and an Addendum?**

An Amendment changes or adds to the terms or conditions of an existing contract. An Addendum is to be attached to a contractor's form contract for purposes of deleting terms to which the State cannot agree and adding the mandatory clauses required in any State contract. The State should NOT sign the form contract – only the Addendum.

### **Do I need to seek competition when selecting a vendor?**

Absolutely. Analysis and discussion of the procurement process and the use of RFPs and bids is beyond the scope of materials covered in this manual. The agency should become thoroughly familiar with IC 5-22 if there is any question about the type of competition and procurement that should be used in pursuing a particular contract. Even Special Procurements under IC 5-22-10 require competition, documentation and the approval of IDOA's Commissioner.

### **My contract has been preapproved by the Attorney General's Office but denied by IDOA. How can that happen?**

IDOA and the OAG serve different functions in the contract approval process. While the OAG reviews contracts for form and legality, IDOA focuses on policy, contract language and procedures, and business issues. Just because the contract is legal does not mean that underlying transaction is consistent with the State's policies, purchasing procedures, or that it is in the State's best interests.

### **Does IOT need to approve my contract?**

Any contract that includes information technology goods or services must be reviewed by IOT so that IOT can ensure that the goods and/or services are compatible with the State's policies and current IT investment. Examples include the procurement of hardware (anything with a processor), software and software licenses and maintenance agreements, software application development, website development, database access through the Internet, data sharing and cabling. Moreover, outsourcing data entry contracts almost always involve IT issues. IOT's IT policies, standards and guidelines are available at <http://www.in.gov/iot/architecture>. If the

agency is unsure about whether the contract will require IOT approval or if there are any other questions, please contact IOT at [contracts@iot.in.gov](mailto:contracts@iot.in.gov) and (317) 232-3172.

### **Can I have a contract for more than four years?**

It is IDOA's policy that a contract shall not exceed four years. If, however, there is a compelling business reason to exceed the four-year limit, it may be done, but the agency must first obtain written approval from the IDOA Contract Administration. This approval should be sought well in advance of the expiration of an existing contract.

### **Can I submit a contract with faxed or stamped signatures?**

No. Only contracts with original signatures will be approved.

### **Can I submit a contract without a vendor signature?**

No. The State should always be the last party to sign the contract so we know exactly what is being approved. The OAG must be the last party to sign the contract or it will be rejected unless it was granted form approval by the OAG. In cases where the OAG has granted form approval, IDOA and Budget must be the last entities to sign.

### **What is the policy on approving duplicate originals?**

IDOA, Budget, and the OAG strongly discourage the routine use of duplicate originals. We anticipate requiring those few agencies that seem to use them routinely to justify why two or more originals are necessary.

### **Do I have to print my contract on double-sided paper?**

Executive Order 05-21 requires that all "agencies shall duplex (double side) all copy and laser printing operations. Exceptions will be made when current technology does not allow for this provision or when specific documents require single-side printing."

### **How does the scanning process work?**

Once a contract has been approved by the OAG, it is picked up by Pitney Bowes Management Services, scanned, and returned to IDOA. IDOA will notify the agency contact via email when the contract(s) is/are ready to be picked up.

### **How do I assign an EDS number to an agreement?**

Each agency is assigned one or more Agency Requisition Prefix codes to begin the EDS number. The codes usually consists of a letter followed by two or three numbers (i.e., IDOA's code is C39). The EDS number consists of (1) an Agency Requisition Prefix code, (2) last 2 digits of fiscal year (the fiscal year runs July 1 – June 30; fiscal year '12 began July 1, 2011, and (3) a combination of letters or digits in an order the agency finds most helpful in contract management. Agency Requisition Prefix codes can be found at <http://www.in.gov/idoa/2525.htm>.

### **May I use an out-of-state vendor?**

Yes. At times it will be necessary to use an out-of-state contractor, but great efforts should be made to keep this to a minimum. If it is necessary to use an out-of-state contractor, a justification should accompany the contract.

### **What documents, in addition to the contract, are needed for approval?**

In addition to the contract, any exhibits or attachments referenced in the contract must be submitted for approval. If submitting an amendment or renewal, the agency MUST include a copy of the underlying contract and all of its exhibits and attachments and a copy of all previous amendments/renewals and the exhibits and attachments to the amendments/renewals including EDS forms.

### **Are templates available for contracts, addendums, etc.?**

Yes. The templates for Procurement Contract documents are posted at <http://www.in.gov/idoa/3000.htm>

### **What is the difference between an amendment and a renewal?**

An amendment changes or adds to the terms or conditions of an existing contract. A renewal brings all the original terms and conditions forward for another term but does not add any additional terms or conditions. If the agency desires to renew the terms of the contract as well as add new terms or conditions, including new statutorily required clauses, (e.g. Employment Eligibility, Iran, and Veteran's Business Enterprises) to the contract, use the amendment template. The OAG signature is not required for renewals, but is required on all amendments.



# Attachment H

## Verification of a Company's Bidder Registration

In PeopleSoft Financials navigate to **Sourcing > Bidder Information**.

Use any of the search criteria options to locate the company. The “Name 1” field refers to the company name. Remember that the “%” may be used as a wildcard if the exact value is unknown. The operator “begins with” may also be changed offering other options. Click the “Search” button.

If the company cannot be located and/or is not completely registered, then they must be contacted and asked to complete the process. For instructions on bidder registration, please visit the IDOA [Bidder Profile Registration](#) web page.

### Buy Indiana

When the registration is opened, be sure the “Buy Indiana” tab is selected.

A bidder is properly registered when a radio button in the Buy Indiana Certification box is darkened, the first check box has a checkmark and it has a date/time stamp underneath.

The screenshot shows the Oracle PeopleSoft interface for Bidder Information. The 'Buy Indiana' tab is selected. The 'Buy Indiana Certification' section contains several radio buttons. The first option, 'A business whose principal place of business is located in Indiana', is selected and has a date/time stamp of '10/21/09 7:45:27PM EDT' underneath it. Other options include 'A business that pays a majority of its payroll...', 'A business that employs Indiana residents...', and 'A business that makes significant capital investments in Indiana...'. Below the radio buttons, there are several checkboxes for certification and listing, with the first one checked.

### Veteran Owned Business

If a bidder is certified through the Federal government as a Veteran Owned Business they qualify as an Indiana Veteran Business Enterprise, that information can be verified on the IVBE/MBE/WBE & Small Business tab of the profile.

The screenshot shows the Oracle PeopleSoft interface for Bidder Information. The 'IVBE/MBE/WBE & Small Business' tab is selected. The 'Veteran Information' section shows the 'Indiana Veteran Business Enterprise' checkbox checked, with a DUNS #: 948775028. Below this, there is a section for 'State of Indiana MBE/WBE Certification' and 'Other MBE/WBE Certification' with various checkboxes.

### Minority- or Woman-Owned Business

If a bidder is certified through the IDOA MWBE office as a Minority or Woman-Owned Business, that information can be verified on the IVBE/MBE/WBE & Small Business tab of the profile.

The screenshot shows the Oracle PeopleSoft interface for Bidder Information. The 'IVBE/MBE/WBE & Small Business' tab is selected. The 'State of Indiana MBE/WBE Certification' section shows the 'WBE Expiration Date: 09/30/2016'. Below this, the 'Other MBE/WBE Certification' section shows the 'Women Business Enterprise' checkbox checked.

# Attachment I

## Record of Document Updates

### **Version 16.5-4**

Updated references to IN-ARF/State Use to Ability Indiana.  
Removed Vehicle Purchase Telephone number from pg. 20  
Updated RFQ references to Sourcing Events  
Redirected Ability Indiana list of vendors reference to website  
Updated URLs