Delegation of Purchasing Authority Program (DPAP)
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 for agencies of the executive branch. 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 Procurement 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 Types

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

Procurement methods and types include:

- Quantity Purchase Agreements (QPAs)
- Purchases from Indiana Correctional Industries
- 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 Procurement Agent must verify that items or services are not available from a QPA, Indiana Correctional Industries, Ability Indiana, or their own agency contract.
- Procurement Agents must get approval from the IDOA Vendor or Account Manager before purchasing goods or services from sources other than a QPA when goods or services are available on QPA contracts.
- All components of procurements should be in the State’s best interest.
- 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.
- 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.

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 Procurement Agents for all agencies of the executive branch.

As added by P.L.49-1997, SEC.1..
## Purchasing Methods and Types Overview

<table>
<thead>
<tr>
<th>Purchase Type</th>
<th>Procedure/Procurement Method to Follow</th>
</tr>
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<tbody>
<tr>
<td>Available on a QPA (Including Indiana Correctional Industries and Ability Indiana QPAs)</td>
<td>If it is available from a QPA, buy it from the QPA. The agency may request an exception from the IDOA Vendor or Account Manager if the savings is more than 10%.</td>
</tr>
<tr>
<td>Available from Indiana Correctional Industries or Ability Indiana and less than $500 (Not on QPA)</td>
<td>If it is available from Indiana Correctional Industries or Ability Indiana and the cost is less than $500, it must be purchased from them.</td>
</tr>
<tr>
<td>Available from Indiana Correctional Industries or Ability Indiana and more than $500 (Not on QPA)</td>
<td>If it is available from Indiana Correctional Industries 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.</td>
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<tr>
<td>Less than $500</td>
<td>Competition is not required.</td>
</tr>
<tr>
<td>More than $500, but less than $2,500</td>
<td>Purchases more than $500 require three quotes via phone, email, fax or mail.</td>
</tr>
<tr>
<td>More than $2,500, but less than $5,000</td>
<td>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.</td>
</tr>
<tr>
<td>More than $5,000</td>
<td>Purchases more than $5,000 require formal quotes from three bidders, including the package of standard forms. Bidders must be given seven business days to respond.</td>
</tr>
<tr>
<td>Small Business Set-Aside</td>
<td>Purchases more than $5,000 that fall into the list of UNSPSCs require formal quotes from three bidders, including the package of standard forms. Bidders must be given seven business days to respond. Statute dictates that only small businesses are solicited.</td>
</tr>
<tr>
<td>Special Procurement</td>
<td>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.</td>
</tr>
<tr>
<td>Procurement Contract</td>
<td>Contracts less than $2,500 require three quotes via phone, email, fax or mail. Contracts more than $2,500 require the formal quotes from three bidders, including the package of standard forms and sample contract. Bidders must be given seven business days to respond.</td>
</tr>
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</table>

**Delegation of Purchasing Authority Program**

5
Prepurchase Considerations

Before buying anything, always check to see if it is available from a QPA. If it is, it must be purchased from the QPA, unless IDOA approves an exception.

Mandatory Purchasing from QPAs

A Quantity Purchase Agreement (QPA), established by IDOA Procurement Division, is a contract for repetitively purchased items. They result from a competitive solicitation process; the vendor agrees to offer the quoted prices for the term of the contract based on the State’s estimated spend. Purchases may be made from these contracts at any time and no additional competitive solicitation is required.

All current QPAs can be found on the IDOA Procurement Division QPAs web page or through the State Intranet. Reviewing each QPA is necessary to understand the unique requirements and special instructions. QPA contracts are set up in different formats that determine the method used in PeopleSoft Financials to create a Requisition (web tab [punch-out], catalog tab [line items], or special request tab).

All items available on QPA are categorized as either Market Basket or Non-Market Basket according to the following requirements.

A Market Basket Item:

- Is typically identified with a Market Basket icon (see the example in the image on the right) in the PeopleSoft punch-out when creating a Requisition.
- Is identified with a PeopleSoft item number that is selected from the eProcurement catalog tab when creating a Requisition.
- Requires no special justification except for the copier, printer, fax machine, scanner and MFD QPA (See Requisition Routing Procedures and Special Approvals section).

A Non-Market Basket Item:

- Is not identified with a Market Basket icon in the PeopleSoft punch-out when creating the Requisition.
- Does not have an item number available in the eProcurement catalog tab when creating a Requisition.
- May offer an item category discounted by a percentage off List Price.
- May require a special justification on office supplies, ink and toner QPA (See Requisition Routing Procedures and Special Approvals section).

If the item to be purchased is available from more than one QPA, buy it from the one offering the lowest cost.
Potential for Savings? (QPA Exception)

If there could be more than 10% savings to buy outside a QPA, an exception may be requested from IDOA Procurement.

Savings Validation

Get three quotes from outside vendors using the procurement rules defined by the dollar amount of the purchase. Indiana Correctional Industries and Ability Indiana must be included in the solicitation in addition to the three quotes if what is being purchased is something they offer outside of their respective QPA products and services. (See section Purchasing from Indiana Correctional Industries and Ability Indiana).

Calculate the average of the quoted prices.

- If the average cost of the three quotes does not indicate a savings of more than 10%, buy from the QPA.
- If the average cost of the three quotes indicates a savings of more than 10%, an exception must be requested and approval granted before making the purchase. The request must be emailed to the IDOA QPA Vendor or Account Manager and include the justification and price comparison. Keep the approval email in the purchasing file. If approved by IDOA, the agency must buy from the approved vendor.
- If it is an emergency, purchase from the QPA.

Example: Price of QPA versus 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 Procurement Agent thought he might be able to save some money, so he got quotes from three other vendors for the same items. He validated these items are not available through Indiana Correctional Industries or Ability Indiana.

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acme</td>
<td>$29.95</td>
</tr>
<tr>
<td>Global</td>
<td>$30.50</td>
</tr>
<tr>
<td>A &amp; R</td>
<td>$33.25</td>
</tr>
</tbody>
</table>

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 more than $3.11 (10% of the QPA price). 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 more than 10% savings (meaning that the QPA price was more than 10% HIGHER than the average), he could consider contacting the IDOA Vendor or Account Manager to request an exception.
Purchasing from Indiana Correctional Industries and Ability Indiana

- If an item or service is not found on a QPA, the next resources to check are the
  - Indiana Correctional Industries and Ability Indiana catalogs (websites).

Indiana Correctional Industries – IC 5-22-11

The Indiana Correctional Industries offers a variety of quality products and services to State and local government while equipping offenders for reentry through career development. The full [Indiana Correctional Industries](http://www.in.gov/idoc/penproducts/index.htm) full catalog is available for viewing online.

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. The Ability Indiana [full catalog](http://www.abilityin.org/) is available for viewing online. A current list of Ability Indiana vendors can be found on their [Employment Center Directory](http://www.in.gov/idoc/penproducts/index.htm) web page.

- Indiana code dictates that the items/services we buy from Indiana Correctional Industries and Ability Indiana meet our specifications and must be purchased at a reasonable price. If there is a tie in pricing between Indiana Correctional Industries and Ability Indiana, then buy from Indiana Correctional Industries.

Is the Item available from Indiana Correctional Industries or Ability Indiana Catalogs?

- Procurement Agents must become familiar with the products and services available from the
  - Indiana Correctional Industries and Ability Indiana catalogs (websites). If what they sell is available on a QPA, buy it from the QPA unless an exception is approved and granted. 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 when the purchase is more than $500.

If what the agency needs is not available from a QPA, but is available from the Indiana Correctional Industries or Ability Indiana catalogs, and the [total is less than $500](http://www.in.gov/idoc/penproducts/index.htm), the purchase must be made from Indiana Correctional Industries or Ability Indiana.

If what the agency needs is not available from a QPA, but is available from the Indiana Correctional Industries or Ability Indiana catalogs, and the [total is greater than $500](http://www.in.gov/idoc/penproducts/index.htm), get three competitive quotes plus include Indiana Correctional Industries or Ability Indiana in the solicitation.

Follow the requirements for soliciting the quotes based on the estimated dollar amount.

- After analyzing the quotes, purchase from Indiana Correctional Industries or Ability Indiana if they provide the lowest quote.

- If an outside vendor provides the lowest quote, then offer Indiana Correctional Industries or Ability Indiana the opportunity to match the lowest quote.
  - If Indiana Correctional Industries or Ability Indiana [can match](http://www.in.gov/idoc/penproducts/index.htm) the lowest quote, make the purchase from Indiana Correctional Industries or Ability Indiana.
  - If Indiana Correctional Industries or Ability Indiana [cannot match](http://www.in.gov/idoc/penproducts/index.htm) the lowest quote, calculate the average of the three competitive quotes.
    - If Indiana Correctional Industries or Ability Indiana [is within 10%](http://www.in.gov/idoc/penproducts/index.htm) of the average price, make the purchase from Indiana Correctional Industries or Ability Indiana.
    - If Indiana Correctional Industries or Ability Indiana [is not within 10%](http://www.in.gov/idoc/penproducts/index.htm) of the average price, document the opportunity was offered and make the purchase from the vendor providing the lowest quote.

[Indiana Correctional Industries](http://www.in.gov/idoc/penproducts/index.htm)
[Ability Indiana](http://www.abilityin.org/)
If an item or service is not found on a QPA, the next resources to check are the Indiana Correctional Industries and Ability Indiana catalogs (websites).

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After analyzing the quotes, purchase from Indiana Correctional Industries or Ability Indiana if they provide the lowest quote. If an outside vendor provides the lowest quote, then offer Indiana Correctional Industries or Ability Indiana the opportunity to match the lowest quote.

• If Indiana Correctional Industries or Ability Indiana can match the lowest quote, make the purchase from Indiana Correctional Industries or Ability Indiana.
• If Indiana Correctional Industries or Ability Indiana cannot match the lowest quote, calculate the average of the three competitive quotes. If Indiana Correctional Industries or Ability Indiana is within 10% of the average price, make the purchase from Indiana Correctional Industries or Ability Indiana. If Indiana Correctional Industries or Ability Indiana is not within 10% of the average price, document the opportunity was offered and make the purchase from the vendor providing the lowest quote.
Example: When Indiana Correctional Industries or Ability Indiana Can Price Match

The Procurement Agent needs to buy 500 non-reflective traffic cones. After checking the Ability Indiana catalog, she found that Highway Safety Specialists carries the non-reflective traffic cones and their price is $8.45 each for a total of $4,225.00. The Procurement Agent thought she might be able save some money, so she got quotes from three other vendors for the same item:

- Lowball $8.75 each for a total of $4,375.00
- Mowball $8.50 each for a total of $4,250.00
- Nowball $8.15 each for a total of $4,075.00

In this example, Highway Safety Specialists does not offer the lowest quote, so she contacts them to see if they can match it. Highway Safety Specialists agrees to match the lowest quote, so the Procurement Agent gets the required paperwork and awards the Purchase Order to them for $4,075.00.

Example: When Indiana Correctional Industries or Ability Indiana Cannot Price Match

The Procurement Agent needs to buy two 60" round top tables. After checking the Indiana Correctional Industries catalog, she found that they carry the tables and their price is $285.00 each for a total of $570.00. The Procurement Agent thought she might be able save some money, so she got quotes from three other vendors for the same item:

- Acme $325.75 each for a total of $651.50
- Bacme $310.50 each for a total of $621.00
- Cacme $268.95 each for a total of $537.90

In this example, Indiana Correctional Industries does not offer the lowest quote, so she contacts them to see if they can match it. Indiana Correctional Industries cannot match the lowest quote, so she calculates the average of all of three outside quotes which is $603.47

\[
\frac{651.50 + 621.00 + 537.90}{3} = 603.47
\]

Indiana Correctional Industries is within 10% of the average price, so she must make the purchase from them.

100% x 570.00 (Indiana Correctional Industries’ price) = 57,000.00

57,000 ÷ 603.47(average price) = 94.45%

Indiana Correctional Industries is 5.54% from the average price

If Indiana Correctional Industries was not within 10% of the average price, the Procurement Agent would collect the required paperwork from Cacme and award the Purchase Order to them.
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, Post Masters 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. Post Masters will route all requests to them when needed and communicate with the order contact person if they have questions or need additional information.

**All Printing Purchases begin with Post Masters**

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

Visit the Printing and Mailing Services web page to find information, user guides, and detailed instructions that include all types of printing purchases.

Define the Purchase Type

The program includes two separate categories of purchasing aside from QPAs, Indiana Correctional Industries 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. A link to 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 that may not be changed without explicit Indiana Department of Administration and the Office of the Attorney General (OAG) approval
- Non-Mandatory terms that 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 and Mailing Services Procurement Training*  
[http://www.in.gov/idoa/2455.htm](http://www.in.gov/idoa/2455.htm)  
[http://www.in.gov/idoa/2864.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. The Addendum provides that certain clauses in the Contractor’s Form Contract are automatically deleted. Nonetheless, the agency should carefully read the Form Contract to ensure there are no other unacceptable terms.

Addendum Development

• After the Addendum has been circulated for signature and approved by IDOA, IOT, Budget and the OAG, the agency may sign the form contract if the vendor insists. The Addendum will take precedence over the form contract.

• 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. The agency can delete inapplicable clauses in the Addendum (but keep the heading and the paragraph number so that the reviewers can easily identify what has been deleted).

• 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 when using the paper based method.

Contract for Services

The terms “contract” and “grant” are often used interchangeably, and this misuse results in operational inconsistencies, confusion, inefficiency and waste. The confusion stems from the fact that a contract and a grant contain the same essential elements: competent parties, lawful subject matter, sufficient consideration and consent of minds. However, contracts create “State procurement relationships” and grants create “State assistance relationships”. IDOA and OAG will reject documents from State agencies that attempt to avoid the competitive procurement process necessary for a contract by inappropriately framing a contract as a grant. Each agency is responsible for reviewing the funding source that supports the grant or contract to assure the proper agreement is utilized.

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 contract is required. When the term “competitive procurement” (i.e. the use of RFPs) is used, it refers to contracting for goods and services under a sealed bid or competitive negotiation procedure, and does not usually include grant proposals. 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 (what is being purchased) that tie the duties of the contractor to the payment.

Contract Termination

IDOA has established a process to assist agencies when it has been determined that contract termination is in its best interest. Please find the termination request form at https://www.in.gov/idoa/files/ContractTerminationRequest.pdf. Complete and submit the form to contract_termination@idoa.in.gov with sufficient time for IDOA’s review and approval before notice of termination is sent to the vendor pursuant to the contract terms.
**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.

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 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.

1 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.”

2 “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 Supplier Contract Management (SCM). PeopleSoft Financials 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 documents 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.

(See Attachment F to verify registration through PeopleSoft Financials).

The State’s standard contract and grant templates are loaded into 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 can also be loaded into the SCM. SCM can allow 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 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 Version History.

eSignature

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.

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.  

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, and OAG) through a predetermined workflow based on the document requirements.

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

The IDOA 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.

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 cober 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-site 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/quan ½” 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.

_dissadvantage_ 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 because it:

- 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

<table>
<thead>
<tr>
<th>ENGINE:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>3-cylinder, 4-cycled, vertical overhead valve, liquid-cooled diesel engine with min. 24 HP (18.6kw) rating. Min. 57 cubic inch displacement</td>
<td>Yes___ No___</td>
</tr>
<tr>
<td>Engine produces 36 foot pounds of torque to ensure capability of climbing hills and mowing uneven slopes</td>
<td>Yes___ No___</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ELECTRICAL:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>12-volt battery with min. 500-CCA or 450-amp hour min</td>
<td>Yes___ No___</td>
</tr>
<tr>
<td>35-amp alternator, 40-amp manual reset circuit breaker</td>
<td>Yes___ No___</td>
</tr>
<tr>
<td>Dash-mounted ignition switch</td>
<td>Yes___ No___</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TIRES/WHEELS:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Two front drive tires 23x8.50-12 or 23X10.50-12, tubeless, extra traction treads. 4-ply rating</td>
<td>Yes___ No___</td>
</tr>
<tr>
<td>Two rear steering tires, 16.6.50-8, rib tread, 4-ply rating</td>
<td>Yes___ No___</td>
</tr>
</tbody>
</table>

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 Procurement Agent) 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, Indiana Correctional Industries and Ability Indiana, regardless of dollar amount, must be initiated by creating a “catalog”, “web” or “special request” Requisition in PeopleSoft. Most of the products and services available from these sources can be located and selected from the eProcurement catalog using search criteria such as the item ID number. All other commodity and service requests, regardless of the dollar amount, must be initiated by creating a “special request” Requisition in PeopleSoft. 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.

<table>
<thead>
<tr>
<th>Purchase Cost</th>
<th>Minimum Delivery Date Required from the anticipated Sourcing Event Start Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than &lt; $5,000</td>
<td>7 Days</td>
</tr>
<tr>
<td>More than &gt; $5,000</td>
<td>15 Days</td>
</tr>
</tbody>
</table>

For purchases less than $5,000, the date should be at least seven days from the date that the quotes were taken or seven 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 to complete all of the required processing.

All information entered when creating the Requisition will electronically copy to the PeopleSoft Request for Quotation (RFQ) form used for soliciting bidders and eventually to the resulting Purchase Order. It is important to be certain that all pertinent information is included.

Instruction for creating Requisitions in PeopleSoft is available on the Procurement PeopleSoft Guides web page.
Requisition Routing Procedures and Special Approvals

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 Categories) 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 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 Requisition.

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

Manager: IDOA Procurement Division machine 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 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 or Phil Napariu from Ricoh 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 – please 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. (Please align device to address)
- 5) Identify the average total monthly volume (i.e. all devices being replaced) 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) Please include any additional comments you believe would be important for the IDOA reviewer

Special Approvals Contact Information

- 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
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.

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) What line item(s) are non-market basket?
□ 2) Why is each specific product needed?
□ 3) What research was done to determine that there is not a similar “Best Value” item available?
□ 4) If there is a similar “Best Value” product, what sets this item apart from the “Best Value” item?
□ 5) 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.

Non-Competitive Purchases

Purchases less than $500 only

Commodities

The requirement to purchase items available on QPA, through Indiana Correctional Industries, 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 taken to a Purchase Order.

When purchasing products or services not available from a QPA, Indiana Correctional Industries 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

When using the paper based method, 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/approval. 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, Indiana Correctional Industries 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 Requisition if the agency/approvers require it. Instruction for processing 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 Requisition if the agency/approvers require it. Instruction for processing Requisitions is available on the Procurement PeopleSoft Guides web page. The awarded vendor must complete the correct procurement contract for signature/approval 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 Strategic 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...
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 Categories) that they identified at the time of bidder registration; Minority Business Enterprises, Women Business Enterprises, Indiana Veteran Owned Small Businesses 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](http://www.in.gov/idoa/2871.htm) web page.

All agencies are responsible (and will be held accountable) for meeting the State’s [goals for minority and woman-owned business participation](http://www.in.gov/idoa/mwbe/2494.htm). Each agency may work toward accomplishing these goals at their own discretion. IDOA encourages each agency to include MBEs, WBEs, IVOSBs and Small Businesses in solicitations whenever possible.

**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 Strategic 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 End 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 with.

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 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 or SCM contract. 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

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 outside the parameters of the QPA 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.

AND

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 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/

AND

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 categories) that they identified at the time of bidder registration; MBEs, WBEs, IVOSBs 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, IVOSBs and Small Businesses in solicitations whenever possible.

**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**

   The 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

The 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 C](#) for the complete listing of boilerplate clauses, [Attachment D](#) for Procurement Contract Writing Reminders and [Attachment E](#) 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 form(s) 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 and Conditions
- Additional Specifications (inserted if applicable)
- Claiming Purchasing Preferences
- MBE and WBE Subcontractor Commitment Form
- 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)

[Solicitation Packages](http://www.in.gov/idoa/2925.htm)
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 and 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.

<table>
<thead>
<tr>
<th>Item</th>
<th>UNSPSC Categories</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Aid/Safety Equipment</td>
<td>42170000, 42290000, 46180000</td>
</tr>
<tr>
<td>Hardware and relative items</td>
<td>24110000, 31162700, 46171500</td>
</tr>
<tr>
<td>Badges/Emblems</td>
<td>55120000</td>
</tr>
<tr>
<td>Hand Tools</td>
<td>27111500</td>
</tr>
<tr>
<td>Personal Computer Hardware/Peripherals</td>
<td>43000000, 26121600</td>
</tr>
<tr>
<td>Personal Computer Software</td>
<td>43190000, 43230000</td>
</tr>
<tr>
<td>Police Equipment</td>
<td>46000000</td>
</tr>
<tr>
<td>Plumbing Equipment</td>
<td>30180000</td>
</tr>
<tr>
<td>Building Maintenance Materials</td>
<td>72100000</td>
</tr>
</tbody>
</table>
Bidders responding to Small Business Set-Aside solicitations must complete the Indiana Small Business Preference section of the 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 though 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 response.

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 the Indiana Business preference?**
1) Claims of this preference require that the bidder complete the Indiana Economic Impact form (IEI).
2) Bidders who wish to claim one of the Buy Indiana preferences, must have email confirmation of their status provided by buyindianainvest@idoa.in.gov. A copy of the confirmation must be included in the solicitation response.
3) The email confirmation must have been provided within one year prior to the solicitation due date. The procurement agent must verify all three are complete/present.

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Request for Quotations [http://www.in.gov/idoa/2933.htm](http://www.in.gov/idoa/2933.htm)
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 M/WBE 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 within that expected by the procurement professional? (An explanation must be documented.)
- Is the price similar to that received in the past for the same or similar item? (Documentation required)

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

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 and Supplier Resource Center.

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 and 25 IAC 1.1-3

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**

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**

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**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>The bidder’s quoted price</td>
<td>$6,000</td>
</tr>
<tr>
<td>A 15% preference is applied</td>
<td>- $900</td>
</tr>
<tr>
<td>Amount used for evaluation</td>
<td>$5,100</td>
</tr>
</tbody>
</table>

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 fully complete the Indiana Economic Impact Form (State Form 51788) and include it with their response.

Vendors who wish to claim one of the Buy Indiana preferences above, must have email confirmation of their status provided by buyindianainvest@idoa.in.gov. A copy of this confirmation must be included in the solicitation response. The email confirmation must have been provided within one year prior to the solicitation due date.

The following is the policy concerning items 4 and 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.

**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.

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.

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**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.
Delegation of Purchasing Authority Program

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).

About the Indiana Veteran Owned Small Business (IVOSB) Program

Program Goal

- Promote meaningful business opportunities for Indiana Veterans
- Build productive partnerships
- Create successful integration of Indiana veteran owned small businesses within the business infrastructure of the State of Indiana

IVOSB Laws and Policies

On July 1, 2013, IC 5-22-14-3.5 became effective, establishing a 3% goal to utilize veteran owned small businesses as subcontractors for goods and services on State contracts.

On July 1, 2016 the following changes to IC 5-22-14 became effective:

1. The term “Indiana Veteran” was redefined to include any individual who is currently active or previously served and was honorably discharged in any branch of the United States Armed Forces, the Reserves, National Guard or the Indiana National Guard
2. A State certification option was added as an alternative to the VA OSDBU recognized certification
3. Removed the 1 year Indiana resident requirement

Solicitations under $75,000

In solicitations under $75,000, IVOSB Prime Contractors can claim a Price Preference of 15% (Indiana Small Business Price Preference).

The IVOSB Prime Contractor must meet the definition from IC 5-22-14-3.5.

In order to be certified/registered as an Indiana Veteran Owned Small Business, a business must be an Indiana business registered through the U.S. Department of Veterans Affairs or through the State of Indiana registration process.
U.S. Department of Veterans Affairs Eligibility

To review the U.S. Department of Veterans Affairs program and eligibility visit the Veterans Affairs Office of Small and Disadvantaged Business Utilization web page.

State of Indiana IVOSB Application Eligibility

The State certification requires the company be at least 51% owned by a veteran, who must have control over the management and day to day operations and meet one of the following:

- Pays the majority of its payroll (in dollar volume) to residents of Indiana;
- Employs Indiana residents as a majority of its employees;
- Makes a significant capital investment in Indiana; or
- Has its headquarters in the State of Indiana.

Indiana Code IC 5-22-14-2.5 defines veteran as

- An individual who has previously served on active duty in any branch of the armed forces of the United States or their reserves, in the National Guard, or in the Indiana National Guard; and received an honorable discharge from service.
- Or an individual who is currently serving in any branch of the armed forces of the United States or their reserves, the National Guard or the Indiana National Guard.

Guidelines for Procurement Agents

- The procurement agent must check the IDOA Find an IVOSB website (http://www.in.gov/idoa/3067.htm) to verify the IVOSB certification.
- Use the U.S. Department of Veterans Affairs catalog to verify federal certifications for Indiana businesses. If the Indiana business is found there, nothing more is required.
- Use the State of Indiana IVOSB Directory to search for businesses headquartered in Indiana that are not certified through VA OSDBU and outside businesses that are eligible for the certification if they meet one of the allowable criteria. If the business is found there, nothing more is required.

If the business is not found on either the U.S. Department of Veterans Affairs catalog or the State of Indiana IVOSB Directory, then the amount of the IVOSB participation must not be counted. The bidder should be contacted and given the information about getting properly registered (http://www.in.gov/idoa/2863.htm) so that it can be counted in the future.

- If there is sub participation on a QPA, commodity or procurement contract purchase, then the information must be entered on the Tier 2 Details panel of the PeopleSoft Purchase Order.
- All bidders claiming this preference must complete, in its entirety, the Indiana Economic Impact form (IEI).

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 achievements made by this initiative.
Because the award of a contract may have been based, in part, on the IVOSB participation plan as detailed in the IVOSB Subcontractor Commitment Form, any changes to this information during the contract term must be approved by IDOA’s IVOSB Division (“IVOSB Division”) and may require an amendment to the contract. It is the State’s expectation that the Contractor will meet the subcontractor commitments during the contract term. If a change to the subcontractor participation plan is requested, please follow this process:

1. A request to the IVOSB Division must be received on the prime contractor’s letterhead detailing the request for a change to the subcontractor participation plan and signed by the company official. The request should be emailed to IndianaVeteransPreference@idoa.IN.gov for review and approval.

2. The request must include the following information:
   a. the reason for the change,
   b. the name of the certified replacement firm or additional firm,
   c. the scope of services to be performed by the firm, and
   d. the percentage of the contract being added or removed from that firm.

Changes to the contract terms should be included in an amendment to the contract.
**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**

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 Exceptions 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.

*! 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.

**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.
MBE and WBE Participation

IDOA’s Minority and Women’s Business Enterprises (“M/WBE”) Division of Supplier Diversity (“DSD”) is established by IC 4-13-16.5 and further controlled by 25 IAC 5. As required by statute, the DSD certifies minority and women’s owned business enterprises. IC 4-13-16.5-3(b)(5) also requires “all state agencies, separate bodies corporate and politic, and state educational institutions to report [to DSD] on planned and actual participation of minority and women’s business enterprises in contracts awarded by state agencies.”

The DSD works with the Governor’s Commission on Minority and Women’s Business Enterprises to establish annual goals for the use of minority and women’s business enterprises. These goals are updated annually and are to be derived from a statistical analysis of the utilization study of State contracts that is required to be conducted every five (5) years. Inclusion of a contractor’s utilization of a minority or women’s business in the contract itself is a tool used by the DSD to ensure prime contractor compliance, as set forth in 25 IAC 5, with the participation terms of the contract.

Each agency is responsible (and will be held accountable) for meeting the State’s goals for minority and women-owned business participation and should consider this when choosing bidders during the solicitation process.

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 suppliers, 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 M/WBE firm.

Guidelines for Procurement Agents

Bidders claiming M/WBE 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 verify a Minority or Women Owned Business Certification on the IDOA Certified Business Search web page.

If not certified, the amount of M/WBE 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 Purchase Order Processing manual posted on the Procurement Training PeopleSoft Guides and Instructions web page.

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

**Contractor Compliance**

Because the award of a contract may have been based, in part, on the Minority and/or Women’s Business Enterprise (“MBE” and/or “WBE”) participation plan as detailed in the Minority and Women’s Business Enterprises Subcontractor Commitment Form, any changes to this information during the contract term must be approved by MWBE Compliance and may require an amendment to the contract. It is the State’s expectation that the Contractor will meet the subcontractor commitments during the contract term. If a change to the subcontractor participation plan is requested, please follow this process:

1. A request to DSD must be received on the prime contractor’s letterhead detailing the request for a change to the subcontractor participation plan and signed by the company official. The request should be addressed to Maia Siprashvili-Lee, Deputy Commissioner of the Division of Supplier Diversity, and emailed to Kesha Rich, Deputy Director of Development and Compliance, at krich@ioda.in.gov, for initial review.

2. The request must include the following information:
   a. the reason for the change,
   b. the name of the certified replacement firm or additional firm,
   c. the scope of services to be performed by the firm, and
   d. the percentage of the contract being added or removed from that firm.

Changes to the contract terms should be included in an amendment to the contract.
**Special and Emergency Procurements**

**Instruction Page**

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 online: [http://www.in.gov/legislative/ic/code/title5/ar22/ch10.html](http://www.in.gov/legislative/ic/code/title5/ar22/ch10.html)

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 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 idospecprocreq@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. 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 that will be routed through the state signature and approval process, DWD/DOR clearances are not required when submitting the special procurement request to IDOA. However the requesting agency shall include the approved special procurement documentation, along with DWD/DOR clearance results when routing the contract for signature.

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1 IDOA reserves the right to re-instate the clearance requirement for all requests, on an agency by agency basis, as a result of a failed audit.
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 Procurement 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:

- 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 Awarded 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 you send your contract through the signature/approval process, check it against the following list. If all items are completed, your contract should not encounter any problems during the approval process.

- Contractor has made any applicable reports to the Ethics Commission – See IC 4-2-6-10.5
- All clearances have been obtained (from DWD, SOS, and DOR) and are attached to your contract packet or included in Supplemental Documents within SCM.
- Term
  - if it lists a number of months and two dates, the number of months must equal the time between the two dates (Ex. 12 months, Jan. 1 to Dec. 31)
  - must include an end date.
- All contract documents are paginated and in order.
- All references in the contract correspond with appropriate clauses and attachments.
- Attachments
  - must be incorporated by reference (please put references in **bold** for ease of reviewing)
  - 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 confidentially requirements, they must be subject to IC 5-14-3
- Consideration
  - clear, detailed description of consideration
  - if itemized, items must equal total
  - if no money is changing hands, provide that the “consideration for this Contract is the mutual covenants and promises set forth herein. There is no monetary consideration.”
- Duties - clear, detailed description of duties either in the body of the Contract or in an incorporated attachment.
- 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 (i.e., per square foot costs, itemized totals)
- SSNs must be **no** social security numbers in contract, attachments, or EDS sheets
- Telephone Privacy clause has been included and has not been modified. (Subsection H in Compliance with Laws)—REQUIRED
- Ethics (Subsection B in Compliance with Laws)—REQUIRED
- Drug-free workplace Certification –REQUIRED for private contractors
- Employment Eligibility Verification (E-Verify) – REQUIRED for private contractors
- Funding Cancellation – REQUIRED by the Budget Agency even when the contractor is paying the State.
- Governing Law – REQUIRED to be Indiana. (If the agreement is with another state or an agency of another state, you may delete by agreement of the parties.)
- Indemnity (Hold Harmless Clause) - **the State can never indemnify the contractor**
- Nondiscrimination Clause – REQUIRED
- Travel - (REQUIRED if travel costs included in contract)
- Boilerplate Affirmation Clause – REQUIRED
- Non-Collusion Statement – REQUIRED
- Signature Page
  - Contractor and AGENCY Signature
  - Remember to get IOT Signature, if necessary, otherwise designate N/A on the signature line.
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 and DWD. 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 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.

Secretary of State Registration

The process is designated to ensure that, at the time of contract or procurement award, prospective contractors/vendors are properly registered with the Secretary of State (SOS). When submitting purchasing documents to IDOA for processing a screen print of the SOS registration from the SOS website must be attached and not more than thirty (30) days old.

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

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 Procurement 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  • S-Corporations
• Limited Partnerships  • Nonprofit Corporations
• 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. Registration status can be verified via the Secretary of State Business Search for entities regulated by the Business Services Division.

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

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**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 displays on the upper right of the business details 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:
  - 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.
  - Mailed filings will be completed in three to five 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 F.

In the event that a bidder refuses to accommodate the Procurement 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
Suspender Vendors List http://www.in.gov/idoa/2481.htm
System for Award Management https://www.sam.gov/SAM/
AOS Forms https://www.in.gov/auditor/924.htm
Procurement Contract Review and Signature/Approval Routing

When specifying beginning dates for procurement contracts, a minimum allowance of 45 to 60 days from the Sourcing Event bid opening date should be given to allow for the contract signature and approval 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 goods or services must be reviewed by the Indiana Office of Technology (IOT) to confirm compatibility with the State’s Policy, Standards and alignment to current IT investment(s). Products that are currently purchased and meet the majority of business requirements shall be the first choice prior to purchasing redundant products. Examples of goods and services are:

- Hardware (desktop/laptop, appliances, phones, printers, etc.)
- Software
- Software Licenses and Maintenance Agreements
- Software Application Development
- Website Development
- Database Access through the internet
- Data sharing and cabling
- Cloud contracts, such as
  - Infrastructure as a Service (IaaS)
  - Platform as a Service (PaaS)
  - Software as a Service (SaaS)
- Cloud contracts have both specific boilerplate terms that are required, as well as cybersecurity requirements in the “Cloud Product and Services” State Standard. IOT’s IT Policies, Standards and Guidelines can be found in the following locations:
  - http://www.in.gov/iot/architecture
  - https://secure.iot.in.gov/2811.htm

If you are unsure about whether your contract will require IOT approval or if you have any other questions, please contact IOT at iotprocurement@iot.in.gov or 317-232-3172.
**IDOA Review**

Indiana Code 4-13-2-14.1(a) requires that IDOA review and approve contracts after signature by the vendor and the agency. IDOA also reviews contracts to determine whether the appropriate contents of the agreement have been included. The most common content issues that IDOA reviews are:

- Is the correct template being used for the agreement?
- Was the proper procurement/solicitation procedure used?
- Is the procurement/solicitation documentation included in Supplemental Documents?
- Is the contract or amendment term within the four-year maximum? If not, has IDOA approved the extension?
- Are the deliverables clearly defined?
- Is the agreement in the best interest of the State?
- Are all exhibits or attachments referenced in the contract attached to the contract in order?
- Are the financial interests of the State and the rights of the contractor protected?
- Are the required boilerplate clauses present?
- Is the contractor properly registered with the Secretary of State?
- Have all of the required vendor clearances been conducted and are they included in Supplemental Documents within SCM?
- Are contractor’s and the agency’s signatures affixed to the document?

**SBA Review**

Budget is required by Indiana Code § 4-12-1-13(d) and Indiana Code § 4-13-2-14.1(a) to review and approve contracts related to the operation and administration of state programs and offices. Budget reviews contracts to determine the financial impact of the contract to the agency. Further, Budget checks to determine whether budget related required terms are included (e.g. the “Funding Cancellation” clause required by IC 5-22-17-5 and FMC 2007-1). Finally, SBA considers the policy issues in regards to the budget (e.g. substantial spending with an out of state vendor or unnecessary purchases or contracts).

**OAG Review**


Contract reviews are done by Deputy Attorneys General assigned to the Advisory Division of the office. Form and legality review ensures the contract contains not only the elements necessary to make the agreement binding on the parties, but also complies with law. The review includes the following:

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

If the OAG finds a contract does not meet form and legality requirements, the contract must be disapproved in writing, with an explanation of how it is legally defective, and advice on how to make it compliant. The same statute gives the OAG up to 45 days to conduct this review.
When using the paper based method, after the contract has been approved/signed by the last signatory and the agency indicated it should be posted to the Active Contract Search page (Indiana Transparency Portal), 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.

When a paper based contract will be scanned and posted to the Active Contracts Search page (Indiana Transparency Portal) 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.

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 and Federal Surplus General Surplus Information web page or contact State Surplus at (317) 234-3685.

![Active Contracts Search](https://hr.gmis.in.gov/psp/paprd/EMPLOYEE/EMPL/h/?tab=PAPP_GUEST)

![General Surplus Information](http://www.in.gov/idoa/2365.htm)
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.

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 a copy of the EDS sheet(s) for any previous amendments/renewals.
- When using the paper based method, please provide justification for why the original contract must be amended (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?).
- When using the paper based method, 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 Checklist

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

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

Copies (When using paper based method)
- 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 (When using paper based method)
- 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
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.

If you are adding additional terms or clauses, including new required boilerplate clauses, the extension must be processed as an Amendment.

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 Indiana Office of Technology, so long as no additional terms have been added to the contract.
- If more time is needed on the contract to complete work in process, then consider an amendment to extend the term only.
- IDOA retains a four (4) year limit on the contract term, including renewals. IDOA is willing to discuss longer terms on a case by case basis.
- When using the paper based method, please include a completed Executive Document Summary (EDS) as the face sheet of the contract.
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 (if required), 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 when using the paper based method:


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 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)
   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. If the agency indicated it should be posted to the Active Contract Search page, the executed contract
    will be scanned, posted on the Public Search for Contracts and returned to the agency by IDOA.

12. The agency will create a Purchase Order and take it through PO Dispatched status. See the manuals 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.
   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 if funds are being increased. 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/approval 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
   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/approval 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 a Purchase Order will be completely received against before an amendment or renewal is fully executed, the agency 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 acceptable performance measurement, additional training may be recommended, a corrective action plan may be needed, and a follow up audit will be scheduled.

Approximately every third calendar year, the agency’s procurement procedural performance will be audited. During the audits, the auditor will review a selection of the agency’s procurement files from the audit timeframe. Timeframe covered will be determined after the initial review of reports pulled from Peoplesoft. The audit files will normally be requested electronically, but we may conduct physical audits if warranted.

**The Process**

The auditor will run PeopleSoft queries to help determine which non-QPA Purchase Order files to audit and the agency’s head procurement agent will be notified, along with instructions for submitting the requested files. The auditor will review the files and will request any additional information needed. Upon completion of the audit, an Audit Summary will be sent to the agency head procurement agent. The score will be solely based on the Purchase Order audit, but any findings based on additional Peoplesoft review will be noted as well. The agency will be given five 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 three year cycle audit or follow-up audit in approximately three months.
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 he/she is 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 Procurement 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 PeopleSoft 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 the State Ethics Director.

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


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 found in the Indiana Code of Ethics, 42 IND. ADMIN. CODE (IAC) 1. A State employee who violates the Indiana Code of Ethics may be subject to State Ethics Commission sanctions and/or agency disciplinary action. Pursuant to 42 IAC 1-7, State employees may have any ethics question reviewed and decided by the State Ethics Commission. Pursuant to 42 IAC 1-8, a State employee may seek a confidential informal advisory opinion from the Office of the Inspector General. If you have a question about a specific action, please contact the State Ethics Commission or the Office of the Inspector General directly.

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

Financial Disclosure Statements
Inspector General Training
Inspector General

http://www.in.gov/ig/2331.htm
http://www.in.gov/ig/2333.htm
http://www.in.gov/ig/index.htm
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.

- **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 and 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 Categories

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 categories 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 categories 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/2354.htm
http://www.naics.com/
http://www.unspsc.org/
https://fs.gmis.in.gov/psc/guest/EMPLOYEE/ERP/c/SOI_CUSTOM_APPS,SOI_GMIS_ISSUE,GBL
Attachment A

Templates and Documents

Terms and Conditions:  
http://www.in.gov/idoa/files/DPAP_TermsAndConditions.pdf

Solicitation Package:  
http://www.in.gov/idoa/2925.htm

Notice of Addendum to Solicitation:  
http://www.in.gov/idoa/files/fillable_addendum.pdf

DPAP Solicitation Summary Form:  
SolicitationSummaryForm.xls

Quotation Confirmation Form:  
QuotationConfirmationForm.pdf

State Forms

Notification of Surplus State-Owned Property  
SF 13812

Request for Special Procurement  
SF 54650

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”.
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 and GHI.
Attachment C

Listing of State Boilerplate Clauses

The following paragraphs 4-50 are defined by IDOA as State Boilerplate Clauses and are found in the 2018 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 50, “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

A. The Contractor binds its successors and assignees to all the terms and conditions of this Contract. 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.

B. The Contractor shall not assign or subcontract the whole or any part of this Contract without the State’s prior written consent. Additionally, the Contractor shall provide prompt written notice to the State of any change in the Contractor’s legal name or legal status so that the changes may be documented and payments to the successor entity may be made.

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

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.

Instructions: This provision can be customized to meet your agency’s contracting needs.
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. In addition, clearances are required from DOR and DWD before the contract is submitted to the contractor for signature. Any delinquencies will result in the contract being held pending a mutually agreeable resolution.

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.

Instructions: Governmental entities, general partnerships, and sole proprietorships are not entities described in Title 23 and are not required to register. IC 5-22-16-4 (a) requires foreign corporation must be registered with the secretary of state to do business in Indiana in order to be considered responsible.

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

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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 any 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. 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).

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 thirty (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 (10) 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 thirty (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 IC § 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 IC § 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 at http://www.in.gov/idoa/3000.htm.

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 may be imposed upon an employee for drug abuse violations occurring in the workplace;

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.

As required by Financial Management Circular 2007-1 and IC § 5-22-17-5, 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 34-13-3-4. 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 will not provide 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. Indiana Veteran Owned Small Business Enterprise Compliance

Award of this Contract was based, in part, on the Indiana Veteran Owned Small Business Enterprise (“IVOSB”) participation plan, as detailed in the IVOSB Subcontractor Commitment Form, commonly referred to as “Attachment A-1” in the procurement documentation and incorporated by reference herein. Therefore, any changes to this information during the Contract term must be approved by IDOA’s IVOSB Division (“IVOSB Division”) and may require an amendment. It is the State’s expectation that the Contractor will meet the subcontractor commitments during the Contract term. The following certified IVOSB subcontractor(s) will be participating in this Contract: [Add additional IVOSBs using the same format.]

<table>
<thead>
<tr>
<th>IVOSB</th>
<th>PHONE</th>
<th>COMPANY NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

Briefly describe the IVOSB service(s)/product(s) to be provided under this Contract and include the estimated date(s) for utilization during the Contract term:

A copy of each subcontractor agreement must be submitted to the IVOSB Division within thirty (30) days of the effective date of this Contract. The subcontractor agreements may be uploaded into Pay Audit (Indiana’s subcontractor payment auditing system), emailed to IndianaVeteransPreference@idoa.IN.gov, or mailed to IDOA, 402 W. Washington Street, Room W-478, Indianapolis, IN 46204. Failure to provide a copy of any subcontractor agreement may be deemed a violation of the rules governing IVOSB procurement and may result in sanctions allowable under 25 IAC 9-5-2. Requests for changes must be submitted to IndianaVeteransPreference@idoa.IN.gov for review and approval before changing the participation plan submitted in connection with this Contract.

The Contractor shall report payments made to certified IVOSB subcontractors under this Contract on a monthly basis using Pay Audit. The Contractor shall notify subcontractors that they must confirm payments received from the Contractor in Pay Audit. The Pay Audit system can be accessed on the IDOA webpage at: www.in.gov/idoa/mwbe/payaudit.htm. The Contractor may also be required to report IVOSB certified subcontractor payments directly to the IVOSB Division, as reasonably requested and in the format required by the IVOSB Division.

The Contractor’s failure to comply with the provisions in this clause may be considered a material breach of the Contract.

27. 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 this Contract involves information technology-related products or services, the Contractor agrees that any such products or services are compatible with the technology
standards, including the assistive technology standard, all found at https://www.in.gov/iot/2394.htm. The State may terminate this Contract for default if the terms of this paragraph are breached.

28. Insurance

Instructions: This clause is not mandatory. However, you may make a business decision that requires insurance provisions. The limits provided here will protect the State up to the tort claims cap found in IC 34-13-3; you may accept lower limits if your business discretion feels the risk is low.

A. The Contractor and its 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 not less than $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 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 with limits no less than $700,000 per cause of action and $5,000,000 in the aggregate.

5. Valuable Papers coverage, if applicable, with an Inland Marine Policy Insurance with limits sufficient to pay for the re-creation and reconstruction of such records.

6. Surety or Fidelity Bond(s) if required by statute or by the agency.

7. Cyber Liability if requested by the State addressing risks associated with electronic transmissions, the internet, networks and informational assets, and having limits of no less than $700,000 per occurrence and $5,000,000 in the aggregate.

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.
29. 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 Key Person is NOT a State employee; rather it is the employee of the Contractor that you to choose.

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 ____________________

30. 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.

B. 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.

31. 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.

32. Minority and Women’s Business Enterprises Compliance

Award of this Contract was based, in part, on the Minority and/or Women’s Business Enterprise (“MBE” and/or “WBE”) participation plan as detailed in the Minority and Women’s Business Enterprises Subcontractor Commitment Form, commonly referred to as “Attachment A” in the procurement documentation and incorporated by reference herein. Therefore, any changes to this information during the Contract term must be approved by MWBE Compliance and may require an amendment. It is the State’s expectation that the Contractor will meet the subcontractor commitments during the Contract term.

The following MBE/WBE Division (“Division”) certified MBE and/or WBE subcontractors will be participating in this Contract: [Add additional MBEs and WBEs using the same format.]

<table>
<thead>
<tr>
<th>MBE or WBE</th>
<th>COMPANY NAME</th>
<th>PHONE</th>
</tr>
</thead>
</table>

EMAIL OF CONTACT PERSON PERCENT

Briefly describe the MBE and/or WBE service(s)/product(s) to be provided under this Contract and include the estimated date(s) for utilization during the Contract term:

A copy of each subcontractor agreement must be submitted to the Division within thirty (30) days of the effective date of this Contract. The subcontractor agreements may be uploaded into Pay Audit (Indiana’s subcontractor payment auditing system), emailed to MWBECompliance@idoa.IN.gov, or mailed to MWBE Compliance, 402 W. Washington Street, Indianapolis IN 46204. Failure to provide a copy of any subcontractor agreement may be deemed a violation of the rules governing MBE/WBE procurement and may result in sanctions allowable under 25 IAC 5-7-8. Requests for changes must
be submitted to MWBECompliance@idoa.IN.gov for review and approval before changing the participation plan submitted in connection with this Contract.

The Contractor shall report payments made to Division certified subcontractors under this Contract on a monthly basis using Pay Audit. The Contractor shall notify subcontractors that they must confirm payments received from the Contractor in Pay Audit. The Pay Audit system can be accessed on the IDOA webpage at: www.in.gov/idoa/mwbe/payaudit.htm. The Contractor may also be required to report Division certified subcontractor payments directly to the Division, as reasonably requested and in the format required by the Division.

The Contractor’s failure to comply with the provisions in this clause may be considered a material breach of the Contract.

33. 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 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”). The 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.

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. Notice to Parties

Whenever any notice, statement or other communication is required under this Contract, it will be sent by E-mail or first class U.S. mail service to the following addresses, unless otherwise specifically advised.

Notices to the State shall be sent to:

Email:

B. Notices to the Contractor shall be sent to:

Email:

35. Order of Precedence; Incorporation by Reference

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.

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.
36. 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.

37. 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 thirty five (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. If the Contractor is being paid in advance for the maintenance of equipment, software or a service as a subscription, then pursuant to IC § 4-13-2-20(b)(14), the Contractor agrees that if it fails to fully provide or perform 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.

38. 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.

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.

39. Progress Reports

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.

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.

40. Public Record

The Contractor acknowledges that the State will not treat this Contract as containing confidential information, and will post this Contract on the transparency portal as required by IC § 5-14-3.5-2. Use by the public of the information contained in this Contract shall not be considered an act of the State.

41. 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
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.

42. 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.

43. 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.

44. 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.

45. Termination for Convenience

Instructions: While not mandatory, inclusion of this clause is highly recommended by the Budget Agency.

This Contract may be terminated, in whole or in part, by the State, which shall include and is not limited to IDOA 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 IDOA shall be deemed to be a party to this Contract 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.

46. 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.

47. Travel

No expenses for travel will be reimbursed unless specifically authorized by this Contract. Permitted expenses will be reimbursed at the rate paid by the State and in accordance with
the Budget Agency’s Financial Management Circular – Travel Policies and Procedures in effect at the time the expenditure is made. Out-of-state travel requests must be reviewed by the State for availability of funds and for conformance with Circular guidelines.

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.

50. 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 standard contract clauses (as contained in the 2018 OAG/ IDOA Professional Services Contract Manual or the 2018 SCM Template) in any way except as follows:

_____________________________

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, grants, 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.**
Attachment D

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. Some apply only to contracts being routed through the paper based method.

☐ 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 you are deleting a standard clause, leave the paragraph numbering the same, delete the text, and state “not applicable” or “deleted by agreement of the parties” (ex. 18. Employment Option – DELETED BY MUTUAL AGREEMENT OF THE PARTIES or ‘DELETED; NOT APPLICABLE”). Do not delete and renumber the paragraphs or delete the heading and say “deleted”. Reviewers need to easily know what it is you are deleting.

☐ The Non-Collusion Affirmation, required by IC 5-22-16-6, is the final clause before the signature blocks. It must be used on all contracts, grants, addendums, amendments and renewals. Language agreeing to conduct business electronically is inserted automatically as part of the SCM process.

☐ 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 when using the paper based method.

☐ 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.

☐ Consideration must be clearly stated. If no money is changing hands, state “The consideration for this Contract is the mutual covenants and promises set forth herein. There is no monetary consideration.”

☐ When filling in the information on a Notice paragraph (company name and address), try to use the title of the person receiving notice, not the name of the individual: personnel change.

☐ 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.
Attachment E

Procurement Contracts Frequently Asked Questions

**Do I need an EDS (Executive Document Summary) with every contract I submit through the paper based method?**

Yes. A contract cannot be routed through the signature process without a fully completed EDS. The EDS form is available at https://www.in.gov/idoa/2525.htm.

**If the vendor is an individual, should I list their personal identification number on the EDS sheet when using the paper based method?**

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 4-1-10-4. 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. The Contractor must sign our Addendum before the contract can be circulated for State signatures and approvals.

**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 to confirm compatibility with the State’s policies, standards and alignment with current IT investment(s). Products that are currently purchased and meet the majority of business requirements shall be the first choice prior to purchasing redundant products.

Examples of contracts needing IOT approval are those for:

- Hardware (desktop/laptop, appliances, phones, printers, copiers etc.)
Delegation of Purchasing Authority Program

- Software
- Software as a Service (online database subscriptions)
- Software Licenses and Maintenance Agreements
- Software Application Development
- Website Development
- Database access through the internet
- Data sharing and cabling
- Cloud contracts, such as
  - Infrastructure as a Service (IaaS)
  - Platform as a Service (PaaS)
  - Software as a Service (SaaS)

Cloud contracts have both specific boilerplate terms that are required, as well as cybersecurity requirements in the “Cloud Product and Services” State Standard. IOT’s IT Policies, Standards and Guidelines can be found in the following locations:

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

https://secure.iot.in.gov/2811.htm

If you are unsure about whether your contract will require IOT approval, or if you have any other questions, please contact IOT at iotprocurement@iot.in.gov or 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 when using the paper based method?

No. Only contracts with original signatures will be approved.

Can I submit a contract without a vendor signature when using the paper based method?

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 when using the paper based method?

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 when using the paper based method?

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 when using the paper based method?

The State of Indiana has hired an outside vendor to scan all contracts, MOUs and agreements. Once fully executed, the mail courier picks up the contracts from the State’s last signatory (SBA or OAG) and delivers them to the scanning vendor. However if the contract is labeled as a “RUSH”, the agency is responsible for picking up the contract from the last State signatory (SBA or OAG) and forwarding a scanned copy of the contract to IDOA Contracts at contracts@idoa.in.gov so IDOA can post the documents to the public website. IDOA Contracts does not scan contracts.

*NOTE: This step is not necessary with SCM as the entire contracting process is handled electronically.

How do I assign an EDS number to an agreement when using the paper based method?

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. When dealing with solely State funded contracts and grants, agencies may use an out of state vendor if it is
necessary; 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.

When dealing with federally funded contracts and grants, no preference can be given to state or local providers even if state or local law states otherwise. See 2 C.F.R. §200.319

**What documents, in addition to the contract, are needed for approval when using the paper based method?**

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. SCM contains the most recently revised templates. Additionally, you can find templates in MS Word format for contracts, grants, amendments, addendums and contracts with state educational institutions online at [http://www.in.gov/idoa/3000.htm](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 during the renewal term but does not add any additional terms or conditions. Adding additional consideration is not considered a change that requires an amendment so long as there is no price escalation to the payment rate. The only exception to this is if the price escalation was previously negotiated and documented in the consideration or renewal clause of the original contract. OAG and IOT-applicable approvals are not required on renewals because all of the previously reviewed and approved terms and conditions continue throughout the renewal term.

If you desire to extend the length of your contract, as well as add new terms or conditions, including any payment rate changes, new statutorily required clauses, (e.g. Employment Eligibility), or revisions to the M-WBE or IVOSB clauses to the contract, you need to use the amendment template. OAG and IOT-applicable approvals are required on all amendments.

**What is SCM?**

PeopleSoft’s Supplier Contract Management (SCM) module is the only process approved by IDOA for the electronic development, review, signing and approval of state contracts and grants. The process is secure and reliable; contracts signed electronically using SCM have the same legal effect or enforceability as if they had been signed in ink on paper.

The electronic contracting page can be found at [https://www.in.gov/idoa/3016.htm](https://www.in.gov/idoa/3016.htm).

**How is an SCM contract different than a paper one?**

There is no legal difference. The contract language will be the same, regardless of what format is used. SCM uses electronic signatures rather than hand written ones. From a procedural perspective, SCM does not use an EDS sheet and there is no EDS number. However, SCM assigns each contract a unique identifying number, and captures the information previously found on the EDS sheet within the SCM program itself.

**What do I do when I need to rush a contract through the approval process?**

Send an e-mail to contracts@idoa.in.gov, to your budget analyst, and to contracts@atg.in.gov. If your contract needs IOT approval, also send an email to iotprocurement@iot.in.gov. You must provide the e-contract number (or EDS number), the name of the Contractor, and the reason for requesting the rush. Please do not send the email until the e-contract has been signed by your agency. IDOA, IOT and OAG are unable to conduct contract reviews “while you wait,” so please do not show up with a “rush” paper contract and expect to wait while someone reviews it. Also, please do not have a vendor call approving agencies directly. If you give us advance notice and a reasonable justification, each approving agency will make every effort to accommodate your exigency.

**What if I need to terminate my contract before its expiration?**

IDOA has established a process to assist you when an agency has determined that contract termination is in its best interest. Please use the termination request form at [https://www.in.gov/idoa/files/ContractTerminationRequest.pdf](https://www.in.gov/idoa/files/ContractTerminationRequest.pdf) and submit to contract_termination@idoa.in.gov with sufficient time for IDOA’s review and approval before notice of termination is sent to the contractor pursuant to the contract terms.
Attachment F

Verification of a Company’s Bidder Registration

In PeopleSoft Financials navigate to **Sourcing > Bidder** Information.

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.

Search Page

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.

SCM Signature Process

The SCM electronic signature process requires that every company has completed Bidder Registration Parts 1 and 2. The resulting User ID and password is necessary if the person completing the registration is the External Signer who will access the SCM Contract Document through the Supplier Portal.

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.
**Attachment G**

**Record of Document Updates**

**Version 19.05-03**
- Updated grammar as needed
- Updated references to PEN Products to Indiana Correctional Industries as needed
- Updated Procurement Compliance Audits section
- Removed Audit Criteria Attachment

**Version 18.09-06**
- Updated Market Basket Screenshot
- Updated contracting information
- Updated QPA information
- Updated Minority and Women’s Business reference
- Updated DPAP Solicitation Summary Screenshot
- Removed ENCOMPASS language
- Updated references to KMS
- Updated grammar
- Updated hyperlinks

**Version 18.05-31**
- Updated references to Vendor Handbook to be Vendor and Supplier Resource Center

**Version 18.03-02**
- Updated Purchasing Methods and Types Overview
- Updated Purchasing From PEN Products and Ability Indiana
- Updated Purchasing from PEN Products and Ability Indiana Catalogs Flowchart
- Updated PEN Products or Ability Indiana Catalog Cost Justification Examples
- Updated Table of Contents page number references
- Updated method of referencing pages

**Version 18.01-03**
- Updated Attachments List
- Updated Indiana Business Preference Information
- Removed Attachment C (Indiana Business Preference Verification Instructions)
- Updated references to Attachments

**Version 17.06-20**
- Updated Purchasing Authority
- Updated Methods and Types
- Updated the Methods and Types layout
- Updated Mandatory Purchasing from QPAs
- Updated Potential for Significant Savings
- Added flowchart
- Updated How it Works
- Updated PEN Products and Ability Indiana flowchart
| Update PEN or Ability Indiana Catalog Cost Justification Example | pg. 9 |
| Updated Printing Purchases Mail and Copy Services | pg. 10 |
| Revised the Veteran’s Business Enterprise Program Information | pg. 38-39 |
| Updated URLs | as needed |
| Added “paper based method” | as needed |
| Updated Attachment D boiler plate clauses | as needed |
| Updated Record of Document dates | as needed |

**Version 16.5-4**

| Removed Vehicle Purchase Telephone number from | pg. 20 |
| Updated RFQ references to Sourcing Events | as needed |
| Redirected Ability Indiana list of vendors reference to website | as needed |
| Updated URLs | as needed |
| Updated references to IN-ARF/State Use to Ability Indiana | as needed |