



## Minnesota State Colleges and Universities Board Policies Chapter 5 – Administration

### 5.14 Procurement and Contracts

**Part 1. Authority.** Pursuant to *Minnesota Statute § 136F.581*, the Board of Trustees has authority for purchases and contracts consistent with *Minnesota Statute § 471.345*, the Uniform Municipal Contracting Law, and other pertinent statutes (see related documents below), as well as the authority to utilize any contracting options available to the commissioner of administration under Minnesota Statutes Chapters 16A, 16B and 16C. It is the policy of the Board of Trustees that contracts, including real property leases, shall not exceed five years, including renewals, unless otherwise provided for by law or approved by the chancellor or the chancellor's designee.

**Part 2. Responsibilities.** The state colleges, universities, and office of the chancellor are responsible for procurement of necessary goods and services and the implementation of contracts that maximize the use of financial resources at the office of the chancellor and each institution.

The system-wide procedures for procurement and contracts shall be consistent with Minnesota Statutes § 471.345, the Uniform Municipal Contracting Law, as applicable, and in compliance with other pertinent state and federal laws. The procedures shall provide detailed instructions for campus and system implementation.

Policies and procedures relating to facilities design and construction contracts are addressed in Board Policy 6.5, Capital Program Planning.

**Part 3. Accountability/Reporting.** College and university presidents will be held accountable by the chancellor for complying with state and federal laws, Board policy, and system-wide procedures for all purchases and contracts.

Annual reports on contracts with values greater than \$50,000 will be available on the system's Web site and in other formats upon request. Unless otherwise authorized in Board policy, all contracts, including amendments, with values greater than \$2,000,000 shall require pre-approval by the Board of Trustees.

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*Date of Implementation:* 06/21/00

*Date of Adoption:* 06/21/00

*Date and Subject of Revision:*

*06/21/06 – Amended Part 1 removing requirement to report exceptions the Board annually. Other technical changes.*

*12/7/05 – Amended Part 1 with additions to the list of authority sources granted to the Board of Trustees for contracting, and clarifies that the Chancellor will approve exceptions to the five-year limit on contract terms and exceptions will be reported annually. Amended Part 3 to expand/clarify accountability for presidents from professional/technical services contracts to all contracts, increased the contract authorization level from \$1M to \$2M before Board approval is required, and clarified that the Board will pre-approve contracts with a value greater than an identified dollar limit.*

*06/18/03 – changes “system office” to “office of the chancellor”, provides for annual report on contracts to be available on the system’s webpage and in other formats upon request, updates website addresses*

*06/21/00- Contains language formerly in Board policy 5.5; adds language in Part 2 to include the system office.*