

Contract Approval Policy

Description:

Every Minnesota Department of Human Services (DHS) solicitation and contract must use a DHS contract template, be submitted for setup in the Statewide Integrated Financial Tools (SWIFT) system by an assigned Contract Coordinator and undergo a comprehensive review and approval by an assigned attorney in the Contracts and Legal Compliance Division (CLC) prior to any public posting or execution. This review process ensures compliance with changing state and federal legal and policy requirements, which minimizes legal risk to the state. For the purposes of this policy, both solicitations and contracts will be collectively referred to as “contract(s).”

Reason for Policy:

The purpose of this policy is to ensure that all DHS contracts are legally compliant, legally binding, and enforceable, while minimizing DHS's legal risk.

Applicability:

This policy and its procedures apply to all DHS employees.

Failure to Comply:

Failure to comply with this policy and its procedures may result in disciplinary actions up to and including termination.

Policy:

CLC is responsible for ensuring that DHS contracts (see definitions) follow state and federal law, reflect the agency's policies, and contain legally enforceable terms for DHS to control the quality of the services provided.

Therefore, every DHS contract entered into by any Administration or Division must use a DHS contract template and be submitted to CLC at the beginning of the contract process for setup, legal review, and final approval. DHS contracts that are not reviewed by a contracts attorney in the CLC may expose the entire agency to

unnecessary and foreseeable risks and may increase the likelihood that a contract is not in compliance with state and federal laws and DHS policies.

Exceptions

- Legal review of Federal Notices of Award
- Legal review of Direct Care and Treatment Solicitations and Contracts (eff. 1.16.2024) (See DCT Contract Sourcing, Processing, and Management Policy [125-1032](#))
- Health Care Administration provider agreements (exempt from /DHs template requirement)
- Child Support Division cooperative agreements (exempt from DHS template requirement)
- Management, Analysis, and Development (MAD) Division agreements (Exempt from DHS template requirement)

In addition, the requirement that DHS templates be used may not apply in certain situations when the contract is initiated by another state agency or entity. Please check with your CLC contact.

Program contracting staff should work with CLC regarding Possible exceptions to this policy when appropriate. Under special circumstances, limited exceptions to the contracting process may be approved in advance by the division director of CLC. However, it may be useful to have CLC review the documents currently being used in such areas to help make sure DHS's risk are considered and raised, if needed, and addressed. In circumstances like these, CLC is available to review templates.

Procedures:

See the CLC Contracts Manual for specific contracting procedures.

Forms that Apply:

[Contracts Manual Forms List](#)

Related Policies and References:

- [Contract Contract Persons](#)
- [DHS Contract Manual](#)
- [DHS Templates and forms](#)
- [DHS Procurement Violations Policy](#)
- [Office of Grant Management \(OGM\) policies](#)
- [DHS Equity Policy](#)
- [DHS Information and Communication Technology \(ICT\) Accessibility Policy](#)
- [DHS Finance, Contracts and Procurement SharePoint](#)
- [DHS Conflicts of Interest Policy](#)
- [DHS Ethics Policies](#)
- [DHS Ethical Duties of Employees Involved in Contracting Policy](#)

Legal Authority:

- [Minnesota Statutes, section 16C.05 \(Contract Management; Validity and Review\)](#)
- [Minnesota Statutes, section 16C.08 \(Professional/Technical Contracts\)](#)
- [Minnesota Statutes, sections 16B.97 & 16B.98 \(Grant Contracts\)](#)
- [Minnesota Government Data Practices Act](#)
- [Code of Ethics for Employees in the Executive Branch, Minnesota Statutes, section 43.38](#)
- [2 Code of Federal Regulations, section 200.332](#) (Requirements for pass-through entities)

Definitions:

Contract(s): the term "contract" encompasses a wide variety of legal documents. Essentially, a contract is a written document that creates a legally binding relationship between two or more parties (people or entities). The term includes, but is not limited to:

Professional/Technical Contracts: Annual plan agreements; Professional/technical contracts (P/T contracts); Contracts resulting from a Quick Call RFP; Equity Select; Single or sole-source contract.

Grants Contracts: Grant agreements or grant contract; Microgrant; Official Grant Award Notice.

Other types of Contracts: Interagency agreement; Joint powers agreement; Memorandum of understanding or agreement; Master contract and/or work order; Income contracts; Data sharing agreements; Nondisclosure agreements; Confidentiality agreements; End User License Agreement; Zero dollar contract.

Solicitation: Professional/Technical Request for Proposal (RFP); Quick Call; Grant RFP; Official Grant Award Notice; Mini grant solicitation; Request for Information.

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This policy and its procedures remain in effect until rescinded or updated.