



Jim Pillen, Governor

To: All State Agencies
From: Department of Administrative Services, Materiel Administrator
Application: Goods & Services
Subject: Contract Responsibility & Negotiations
Effective Date: 07-01-2025

1. CONTRACT RESPONSIBILITY

A. Services:

1. Unless otherwise authorized by the Materiel Administrator or designee, Procuring Agencies are responsible for managing their agency-specific contracts for services.
2. Contract management and administration responsibilities begin after an Intent to Award has been issued.
3. The Procuring Agency is responsible for negotiating the terms and conditions to the contract, executing the contract, and managing the contract post-execution, including all amendments, addendums, etc.
4. The Procuring Agency will need to generate the Contract in E1 after the State Purchasing Bureau ("SPB") has generated the Quote.
5. SPB will continue to maintain responsibility for statewide and multi-agency contracts, unless SPB and the procuring agency agree in writing to an alternative arrangement.

B. Personal Property:

1. Unless otherwise authorized by the Materiel Administrator or designee, SPB is responsible for managing all contracts for personal property.
2. If the Materiel Administrator or designee assigns contract management and administration responsibilities to the procuring agency, those responsibilities begin after an Intent to Award has been issued.
 - a. The Procuring Agency is responsible for negotiating the terms and conditions to the contract, executing the contract, and managing the contract post-execution, including all amendments, addendums, etc.
 - b. The Procuring Agency will need to generate the Contract in E1 after SPB has generated the Quote.

2. NEGOTIATIONS

- A. Procuring Agencies should craft their solicitations' terms and conditions to minimize necessary negotiations with the vendor after the Intent to Award has been published.
- B. A Procuring Agency may label any term or condition as “nonnegotiable.” Any term that is labeled as “nonnegotiable” in the solicitation may not be negotiated with the awarded vendor.
- C. Except of nonnegotiable terms, the procuring agency may negotiate any term or condition in the solicitation to which the vendor took exception.
- D. In determining whether the procuring agency should accept revisions to the terms and conditions, the agency should consider:
 - 1. The overall impact to the procurement process and fairness to other bidders;
 - 2. The impact on cost;
 - 3. The feasibility of the proposed terms on the operations of the agency;
 - 4. The feasibility of the proposed terms on the contract's deliverables and the vendor's ability to perform; and
 - 5. The reasonableness of the proposed revisions.

This list is not exclusive. The procuring agency should consider all factors that it deems relevant in negotiating the final agreement.

- E. This policy shall not be construed to prohibit a procuring agency from revising a solicitation for technical errors (e.g., clarity, grammar, misspellings, etc.), regardless of whether the technical errors occur in a nonnegotiable term.

