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**What is your type?**

May 16-2016

**Document scope and purpose:** This document is a resource to help better understand the definitions of the different types of State contracts. This document is a general guide and does not supersede State statute or State policies. Do not use this document to make a final determination of contract type. Final determinations must be made with a Contract Specialist, and is determined based on the following factors: scope of services to be performed, dollar amount, who is performing the services, etc. This is not an all-inclusive list. The selected contract type may change periodically throughout the development of the scope of services as specifics are identified and factors change.

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7. **What is a Professional/Technical Service (P/T) Contract?**

A professional/technical contract is a legally binding document between the state and a vendor, and is used when the state must complete a duty or task that is intellectual in character. The work objectives **directly** **benefit the state**, and result in a report or completion of a task. Types of professional/technical services include, but are not limited to: interpreting analytical data; evaluating agency health and safety needs; providing, writing, and submitting recommendations or reports; conducting modeling.

Example: The MPCA needs to complete a technical report on mercury and no state staff have the specific, technical skills or time to complete the task.

**Minn. Stat. 16C.08, Subd. 1**

For the purposes of this section, "professional or technical services" means services that are intellectual in character, including consultation, analysis, evaluation, prediction, planning, programming, or recommendation, and result in the production of a report or the completion of a task. Professional or technical contracts do not include the provision of supplies or materials except by the approval of the commissioner or except as incidental to the provision of professional or technical services.

**Professional technical service (P/T) contract type options**

P/T without Certification or Request for Proposal

P/T with Single Source and Certification

P/T with Certification and Request for Proposal

P/T Quick Call

PT Request for Information (RFI)

PT Master RFP - Contract

* Work Order

Annual Plan Agreement

Interagency Agreement

P/T with University of Minnesota

Joint Powers Agreement

* With Certification and Request for Proposal

Income Agreement

IT Related Contracts

* MPCA contact is Jennifer Anthony - MN.IT

**P/T contracts commonly used by MPCA**

Arbitration/Mediation/Facilitation Master Contract (15AMF)

1. **What is a General Service Contract?**

A service contract is a legally binding document between the state and vendor, and is used when the state uses a contractor to complete a nonprofessional or technical service that **directly benefits the state**. The Department of Administration is authorized to enter into all general service contracts. Examples of general service contracts include, but are not limited to: snow plowing, copy machine repair, maintenance, housekeeping, security, mowing, and sampling and analytical.

Example: the MPCA operates a closed landfill and has the need for roads to be plowed to allow staff access to the flare system.

**Minn. Stat. 16C.02, Subd. 7a**

"General services" means any nonprofessional or technical services. General services does not include construction.

**General Service contract type options**

General Service Master Request for Proposal with the Department of Administration – Master Contract General Service Request for Proposal or Request for Bid – Contract

**State Master General Service contracts commonly-used by MPCA**

Laboratory Analysis Contaminants of Emerging Concern

Sampling and Laboratory Analysis Services

1. **What is a Grant Agreement?**

A grant agreement is a legally binding document between the state and grantee. It is used when the state provides financial and/or technical support to help a grantee complete a project that directly benefits them, but also **indirectly benefits the state. This indirect benefit occurs** because the grantee’s project supports a public purpose authorized by law and aligns with the granting agency’s mission (for MPCA: to protect and improve the environment and enhance human health).

Example: the MPCA will administer a grant program that helps small businesses install solar panels. The small businesses directly benefit from the program because it reduces their annual energy consumption and utility bills. This grant program contributes to MPCA’s mission to protect and improve the environment and enhance human health.

**Minn. Stat. 16B.97, Subd. 1**

1. A grant agreement is a written instrument or electronic document defining a legal relationship between a granting agency and a grantee when the principal purpose of the relationship is to transfer cash or something of value to the recipient to support a public purpose authorized by law instead of acquiring by professional or technical contract, purchase, lease, or barter property or services for the direct benefit or use of the granting agency.
2. This section does not apply to capital project grants to political subdivisions as defined by section [16A.86](https://www.revisor.mn.gov/statutes?id=16A.86#stat.16A.86).

**Grant type options**

Competitive grants

Legislatively-named grants

Single and Sole Source grants

**Grants commonly issued by MPCA**

Clean Water Partnership

1. **What is a Construction Contract?**

Construction is classified into three types: Commercial Construction, Highway and Heavy Construction, Residential Construction or Agricultural Construction. Refer to the Department of Labor and Industry for assistance in determining the type of construction based on the services being performed and if and when prevailing wage applies.

Example: the MPCA needs to install an air monitoring station in a remote location. The station will need power to run, and an electrician will be obtained to install the system to power the monitoring station.

"Commercial construction" means all building construction projects exclusive of residential construction.

"Highway and heavy construction" means all construction projects which are similar in nature to those projects based upon bids as provided under **Minn. Stat.** [**161.32**](https://www.revisor.mn.gov/statutes/?id=161.32) for the construction or maintenance of highways or other public works and includes roads, highways, streets, airport runways, bridges, power plants, dams, and utilities.

"Residential construction or agricultural construction" means all construction, remodeling, or repairing of single or two family homes and structures appurtenant thereto including agricultural or farming buildings appurtenant to private farm residences when utilized to carry on primary farming operations.

**Construction contract type options**

Request for Bid or Request for Proposal (RFB or RFP) over $50,000

Request for Bid or Request for Proposal under $50,000

**State master contracts commonly-used by MPCA**

Drilling Contract

1. **Do you have additional questions?**

Call, email, or stop by to talk with your PT Contract Coordinator.

Call, email, or stop by Jayne Stilwell Lamb’s desk for questions about contracts.

jayne.stilwell-lamb@state.mn.us

651-757-2756

Call, email or stop by Jeannie Given’s desk for questions about grants.

jeannie.given@state.mn.us

651-757-2459

1. **What if there is not agreement within your agency?**

The PT Contract Coordinator and agency staff may contact the Department of Administration to discuss.

As mentioned in the first paragraph of this document, decisions must be reached mutually between program and contract staff. When that is not possible, there is a formal resolution process.

Step 1) The project manager and contract specialist each complete a form (to be created) describing the situation and email it to Jayne and Jeannie. The form will also state whether they want to meet in person to discuss, or if they feel the form sufficiently communicates their position.

Step 2) Jayne and Jeannie meet to discuss and assist in contract or grant determination based on the scope of services. They will provide a response within two business days.

Step 3) If Jayne and Jeannie cannot make determination; they will forward the forms to Department of Administration for review. Department of Administration will provide a response within five business days.

Step 4) Department of Administration will determine whether they would like to meet, discuss via conference call, or respond over email. Their response is the final determination for classification of grant or contract. All communication will include the Contract Specialist, Project Manager, Jayne and Jeannie. If Department of Administration chooses to not respond via email, Jayne or Jeannie will write summary of final determination for record keeping. The summary document will be filed in the official contract file.