

**RED LAKE BAND OF CHIPPEWA INDIANS
PROCUREMENT POLICY**

Policy Name: Procurement of Goods and Services
Department: Procurement
Effective Date: 1/12/1997
Revision Dates: 01/28/2004, 03/25/2022

Policy #:

1. Statement of Purpose and Principles:

To establish policies, procedures and guidelines for the procurement of goods and services. These standards are established to ensure that such goods and services are obtained efficiently and economically, that applicable federal laws are complied with, and that purchase of unnecessary or duplicate items is avoided.

A. Purpose

The Purpose of the tribal procurement management system is to provide procedures for:

- Specifying a need for procurement
- Selecting the appropriate means and sources of acquiring the goods or services
- Evaluating proposal to meet the needs
- Selecting the appropriate supplies of the goods or services;
- Maintaining records on purchases; and
- Monitoring the performance of the suppliers.

B. Principles

Principles of procurement which these procedures are designed to meet are:

- Purchases will be conducted in a manner which provides maximum free and open competition and shall not arbitrarily restrict or eliminate competition.
- The Tribe shall treat all prospective vendors in a fair, uniform, and equitable manner.
- The Tribe will maintain an arms-length relationship with all vendors such that unwarranted gain does not accrue to either the Tribe or the vendor.
- Contractual relationships shall provide opportunity for remedy.
- The Tribe shall contract only with responsible contractors.
- The Tribe shall insure that the price is fair and reasonable.

2. Organizational Controls

Controls must be established which provide for:

Multiple levels of authorization of all purchase actions; multiple documentation of all purchase actions; provide for easy research and review for expenditures; and separation of duties to the extent of availability of manpower.

A. To meet these criteria, the following issues are addressed:

- Procurement Authorization
 - a. Intent to Purchase – program personnel shall inform the Program Director of the need to purchase in writing. Upon receipt of approval, program personnel shall contact accounting to determine availability of funds. Upon finding of sufficient funds, a Laserfiche purchase order shall be filed with all supporting documentation. All procurements using federal funds shall obtain prior approval from the funding agency.
 - b. Purchasing Action – Because of inadequate manpower (inability to have an individual function as purchasing manager), program personnel may initiate purchase actions if in accordance with established procedures. Prior to obligation, all activities must be reviewed and authorized by the Program Director to determine completeness and compliance as well as reasonableness of cost.
- Purchasing Process
 - a. Intent to purchase – Will be documented through Laserfiche and have different levels of authority.
 - b. Purchase action – purchase obligations will be documented by creating a purchase order. Purchase orders are filed electronically and will be kept a minimum of 7 years.
 - c. Purchase procedures – accomplishment of the procedures discussed herein will be documented in accordance with the procedures discussed below. Documentation will be retained by the program.
- Separation of Duties
 - a. The obligation of fulfilling a purchase request shall not be performed by either the program or the Accounting Department to ensure separation of duties.
- Control of Purchases
 - a. Request for purchase. Program Director and/or designee may submit a request for purchase of goods or services utilizing the Laserfiche Purchase Order form.
 - b. The Director may authorize the purchase provided sufficient funds are available and that the purchase is in compliance with the guidelines established by the funding source.
 - c. Program Director or designee will e-mail the Purchase Order to the supplier as a request to purchase and as authority to ship the merchandise listed. Vendor will return signed acceptance as indication of acceptance of agreement.
 - d. An electronic copy of the Purchase Order will be kept in a pending file.

- e. Purchase Order is filed in Laserfiche and/or with the Program.
 - f. Upon receipt of goods, the shipping document will be scanned, uploaded and saved electronically with the corresponding Purchase Order.
 - g. Upon receipt of invoice, the invoice and shipping document will be examined and uploaded and attached to the corresponding Purchase Order. A copy of the Purchase Order will be provided to the receiving staff as reference for when the order arrives.
- Contracts:
 - a. Contracts shall be reviewed and approved by the Legal Department.
 - b. Contracts are signed by the Chairman of the Tribe.
 - c. Contracts for consultant or contracted services shall be monitored periodically during contract period by the Director. Contractor and/or consultant shall submit periodic reports and a final report. Final payment for services shall be based upon satisfactory completion of contracted services and submittal of final report.

3. Code of Conduct

Program Director shall insure that the Code of Conduct is followed. No employee of the procurement office or any individual who participates in the selection, award, or administration of a procurement action shall engage in a conflict of interest, whether actual or apparent.

Conflicts of interest can arise whenever an employee of the Program, an authorizing agent of the tribe, a member of one of these individual's immediate family, partners to such individuals, or an organization which employs any of the above has a financial or other interest in the firm being selected for a procurement award. Thus, the Program Director shall insure that none of the above individuals shall have a financial or other interest in a firm selected to bid on a project.

The following Code of Conduct shall pertain to all tribal members, employees or agents of the tribe.

A. Conflict of Interest

No employee, Council member or agency of the Tribe shall participate in the solicitation, evaluation, selection, award or administration of a purchase action if a conflict of interest may exist. The employee, Council member or agent shall abstain from participation in any part of the purchasing process.

Conflict of Interest shall be defined to exist when there is a financial or other interest in the firm, to include the following participants:

- a. the Council member, employee or agent; or
- b. member of their immediate family; or
- c. partner or member of their company; or
- d. an organization which employs any of the above.

B. Gratuities

No Council member, employee or agent shall either solicit or accept gratuities, favors or anything of monetary value from contractors, potential contractors or subcontractors. If the contractor provides a gift of nominal value to the Tribe which has not been solicited by the Tribe, then such gift may be retained provided that such gift does not accrue to the benefit of one individual. The gratuity or gift must be available to all members of the Tribe.

RLBCI staff shall neither solicit nor accept gratuities, favors or anything of monetary value from vendors, potential vendors or parties to existing agreements. Any individual who is found through the Disciplinary Process to have violated the above standards shall be subject to immediate dismissal. Gratuities or favors or items of monetary value provided by any vendor which are more than \$25 in value will be recorded with the Program Director; if the Program Director is the recipient of gratuity, the Executive Administrator will record the gratuity.

C. Penalties

If the Tribe identifies an individual who has violated the above terms of the Code of Conduct, concerning conflict of interest, the Tribe shall direct that the person shall remove themselves or abstain from participation in any action concerning the procurement.

4. Sources of Supply

The Tribe will consider Government sources/prices for purchase of supplies and equipment prior to obtaining cost estimates from commercial vendors. For example, electronic equipment, copiers, and other major equipment items may be purchased direct from the company at federal government contract prices (GSA – General Services Administration contract prices), which are substantially less costly than purchasing the item from a local retail store. If office supplies or a piece of equipment is proposed for purchase, the nearest distributor of the item can be contacted to inquire as to the process to obtain GSA prices.

Priority in Sources of Supply

To ensure reasonableness of cost and effective and efficient utilization of federal funds, the tribal organization will use, where possible, established sources of supply for goods and services. The Program Director will determine if the established sources from the federal and state governments can supply the needed item. In selecting the sources to acquire the good from, the Program Director will use the following priority listing. The following agencies should be considered when purchasing equipment:

- **General Services Administration (GSA):** <https://www.gsa.gov/buying-selling/government-property-for-sale-or-disposal>

- **State of Minnesota Surplus Services:** <https://mn.gov/admin/government/surplus-property/state/> or https://linkprotect.cudasvc.com/url?a=https%3a%2f%2fwww.minnbid.org&c=E,1,CuK1ybKKtPHDX22PaQ2QPZT690YKfxLerfq_epoHbnLzn3WYvw-F0uUUu_tdgTJOd15sRHeCf2ollRY-ASW5GKZR4ukyFUOEEdV2iSuatuIbDkY_HWpMnIywsCg.,&typo=1
- **Minnesota Department of Transportation:** <http://www.dot.state.mn.us/maintenance/equipment/contracts/contracts.html>
- **Minnesota State Procurement Office:** <https://www.mmd.admin.state.mn.us/>.
Contact: Department of Administration/Office of State Procurement: 651.201.2427

5. Use of Indian and Minority Firms

A. Policy

The Tribe shall take affirmative steps to assure that Indian-owned, small and minority businesses are utilized as sources of supply for goods or services. After exhausting the above listing of supply sources, the tribal organization may then use commercial open market procurement actions. However, the tribal organization will use Indian-owned businesses for acquisition of goods and services where they are qualified and are consistent with effective and efficient services.

The Program Director shall solicit quotes from qualified Indian-owned businesses. Indian-owned business is defined as any organization providing goods and services which is 51% or more owned and managed by an Indian who is a member of a federally recognized tribe. In employing the preference for Indian-owned businesses over other open market commercial vendors, the Program Director will use the tribal employment rights (TERO) as guidance for making such acquisitions and will discuss the impact of the acquisition with the tribal personnel officer.

After having exhausted potential federal supply sources and Indian-owned businesses, other commercial sources can be used. Preference shall be given to small businesses, minority and women business enterprises when possible.

B. Regulations

The Tribe shall adhere to the provisions of PL 93-638 concerning Indian Preference in contracting.

- a. All purchase actions shall initially be offered to Indian businesses provided that more than one qualified Indian business is solicited.
- b. If only one Indian business is available, or no qualified Indian businesses are available, or if the Indian businesses identified are not considered responsive or responsible, the Tribe shall then offer the purchase option to small and minority business firms.
- c. If no small or minority business is qualified, responsive or responsible, then the Tribe shall offer the purchase option to non-Indian, non-minority businesses.

C. Eligibility

The Tribe shall establish criteria to be used to determine Indian eligibility. The Tribe shall also establish criteria to determine qualification, responsiveness or responsibility. The vendor shall be required to demonstrate to the satisfaction of the Tribe the eligibility for Indian preference. The priority for Indian preference is as follows: Red Lake members, descendent of Red Lake member, a member/descendent enrolled in another tribe, non-member.

6. Pre-procurement Planning, Scheduling

- A. The Program Director is responsible for planning and estimating items for their program to be purchased by the tribe for each Calendar/Fiscal Year.²
- B. Each Tribal Department shall communicate its capital expenditure/construction forecasted needs to the Accounting Department no later than 90 days before the expiration of the Calendar/Fiscal Year.
- C. The Accounting Department is responsible for establishing and maintaining a "Qualified Bidders List" to assure an availability base of qualified competitors.
- D. The Program Director is responsible for verifying that funding is available and has been approved by the accounting department.
- E. The Program Director is responsible for assuring compliance with OMB Circular A-102, standards for state and local governments for purchases made with federal grant funds.

7. Government Procedures

A. Method of Procurement

Procurement shall be made using one of four methods as described below:

- a. Small purchase procedures,
- b. Sealed bids (formal advertising)
- c. Competitive negotiation
- d. Sole-source (non-competitive negotiation)

B. Requisition Process

- a. Purchase requisition will be generated by Program Directors or authorized Tribal Officials.
- b. Program Director examines purchase request for completeness (Requestor is authorized, all required fields completed, funds appropriated and available, legal expenditures, prior approval required). Should the request be unacceptable, it will be rejected, reasons for rejection provided and returned to requestor.
- c. If purchase request is incomplete, requestor is notified by Program Director on what is necessary to complete the request.

C. Purchase Procedures

Small purchase procedures will be used for all purchases under \$10,000. Small purchase procedures shall include:

- a. Planning – The Program personnel will prepare a “Requisition” describing the goods or services desired and justifying the need.
- b. Solicitation
 - If the purchase action is less than \$10,000, the program personnel shall make every effort to obtain, minimally one quotation from a vendor either written or via telephone, documenting quote received.
 - If the purchase action is less than \$50,000 but greater than \$10,000 the program personnel shall obtain three quotes from vendors via telephone and/or written request.
 - If the purchase action is more than \$50,000, a sealed bid process will be used.

- c. Evaluation

On receipt of vendor responses, the program shall select the lowest quote offered by any vendor. If the lowest quote is not selected, the Program Director must provide written justification for choice made.

- d. Award

After selection of the quote, the program personnel shall issue a “Purchase Order” to the vendor to document the obligation.

- e. Techniques

The following techniques will be used:

1. Blanket Purchase Order (BPO) (used for repetitive purchases for items of common or ordinary use).
2. Purchase order (used for any purchases other than a BPO).
 - a. **Purchases up to \$10,000**, Program Director or Designated Staff:
 - Confirm preparation of purchase order, and vendor quote.
 - Program Director or Designated Staff:
 - a. completes Purchase Order and uploads all required documents; and
 - b. transmits appropriate purchase order copies to the vendor
 - b. **Purchase between \$10,000 and \$50,000**, Program Director or Designated Staff:
 - Selects vendor using appropriate evaluation criteria and authorizes preparation of purchase order.
 - Designated Program staff prepares purchase order, attaches price quotes and purchase requests to purchase order.

- Completed purchase order is routed to Program Director for review to ensure proper documentation is provided, then to Accountant for funding and correct account code review, to an Administrative Officer for final approval, followed by Accounts Payable for processing payment. A final Purchase Order is forwarded to the Program Director.

D. Sealed Bid Purchase Procedures

Sealed Bids shall be used for purchases over \$50,000 where a complete specification of the product is available, where two or more suppliers are able to compete, where the procurement lends itself to a firm fixed price contract, and where the bidder may be selected on the basis of price.

If Sealed Bids are utilized, the Program Director will establish a solicitation period, a bid opening date, and the invitation shall be publicly advertised and must specify the specification criteria for selection. Bids must be publicly opened at a time and place stated in the invitation for bid.

All purchase orders which are over \$50,000 and which meet all of the criteria below shall use competitive sealed bids.

a. Criteria to use Sealed Bid

- A complete, specification or purchase description is available,
- Two or more suppliers are willing and able to compete,
- Adequate time exists for vendors to respond for Tribe to process, and
- Selection of the bidder can be made principally on the basis of price

If all of these criteria are met, then the Tribe shall use the procedures established below:

- Pre-procurement Planning – the program personnel shall prepare a “Requisition” documenting the item required. The program personnel will then prepare the “Invitation for Bid Package” (IFB). The IFB package will contain:
 - Bid Summary
 - Instructions to Bidders (including forms)
 - General Terms and Conditions
 - Special Conditions
 - Specifications Purchase Description
- Solicitation – the program personnel or Procurement Specialist will prepare a “Synopsis” of the procurement action which will be advertised approximately three to four weeks before bid opening in a newspaper with statewide circulation. The Program Director will provide a copy of the Invitation for Bid (IFB) to all vendors who request a copy as a result of the bid and to other vendors who are on the “Bidders List”. Bids will be opened at a specified time and date and will be opened publicly.

- d. Evaluation/Pre Award Survey – The Program Director will determine the “Responsiveness” of each bid. (Responsiveness means conformance to all requirements of the IFB). If a vendor is nonresponsive, its bid will be rejected.

The Program Director will then rank order all remaining bids by Price with the low bid ranked highest. The Procurement Specialist will then determine the impact of any other factors on price (such as discounts, freight, Indian Preference, minority firm, etc.).

The lowest bid will then be evaluated to determine responsibility (Responsibility is defined to be the capacity to perform). Three factors will be evaluated to determine responsibility:

- Capacity (the physical resources to do the job)
- Credit (the financial resources to do the job)
- Past performance (documented recent historical performance)

Upon completion of the evaluation, the Program Director shall select the lowest bid from a vendor who is both responsive and responsible.

A. Award

The Program Director or designee will prepare a “Contract Award/Notice of Award” to be given to the lowest, responsive, responsible bidder. The contract award document will contain:

- Award form / with price
- Purchase Description / Specifications
- Term and Conditions
- Contract award shall be a firm fixed price.

B. Sealed Bid Steps if estimated value is over \$50,000, Program Director:

- a. Requests product specifications and description from responsible Program employee if not submitted with original request.
- b. Examines product specifications to insure compliance with competitive bidding process.
- c. Prepares advertisement for bids.
- d. Transmits advertisement for bids to Director of Finance for authorization and release to local media and prospective vendors and releases to media and vendors after such authorization.
- e. File advertisement for bids, purchase request and specifications in Pending Bid File by bid offering and closing date.
- f. Program Director will file bids from vendors in Pending Bid File.
- g. Program Director organizes bids at closing date, including all information in file pertaining to the bid.
- h. Program Director schedules dates for opening, reviews and discusses bids with the Director of Finance. A Bid Evaluation Sheet will be used as a guide for discussion along with appropriate evaluation criteria.

- i. Based upon the review and discussion, Program Director prepares bid award recommendation (written or oral) for Tribal Council action.
- j. The Program Director and/or the Director of Finance presents recommendation to Tribal Council for review and discussion.
- k. Tribal Council makes selection of bids, or rejects all bids.
- l. Program Director prepares bid award and notices of non-selection.
- m. Program Director insures preparation of purchase order, mailing of letters of non-selection, and placing of appropriate documentation in the Bid File.
- n. Designated Program Staff person prepares purchase order, attaches Bid Award and quotes/estimates and records in program purchase order log.
- o. Completed purchase order is routed through financial software to Program Director for review of completeness and accuracy and then to Director of Finance and Officer for authorized signature.
- p. Program Director or Designated Staff transmits appropriate purchase order copies (utilizing electronic means if possible) to Vendor (along with Bid Award).

C. Competitive Negotiation

If the above criteria for formal advertising cannot be met, the Program Director will use competitive negotiation. Generally, competitive negotiation will be utilized whenever a complete specification cannot be obtained, where selection is to be based on factors other than price and where the specification, description or prices must be negotiated with the potential vendors.

The following procedure will be followed for Competitive Negotiations:

- a. Pre-procurement planning - the program personnel will prepare a "Requisition" documenting the need for and the description of the item to be procured. The Program Director will then prepare a "Request for Proposal Package" (RFP). This package will contain:
 - Proposal Summary
 - Technical Specifications / Statement of Work
 - Administrative Instructions to Vendor (with forms)
 - Technical Instructions (with technical evaluation criteria)
 - Business instructions (with cost breakdown forms to be completed)
 - General terms and conditions
 - Special terms and conditions
- b. Solicitation – the Program Director will prepare a "synopsis" of the procurement action which will be advertised in a newspaper with statewide circulation approximately three to four weeks before due date of proposal. The Program Director will provide a copy of the RFP to all vendors requesting as a result of the ad and to other vendors on the "Bidders List".

No proposals received after due date and time will be accepted.

- c. Evaluation – The Program Director and Director of Finance will conduct a technical evaluation of the proposals received. Vendors will be ranked technically. Those vendors found to be technically unacceptable may be rejected at this time. Based on the relationship between technical and cost factors, vendors whose proposals are within the “Competitive Range” will be identified (competitive range is defined to mean those firms that have an opportunity to be competitive through negotiation). All vendors outside the competitive range will be sent a notice of rejection.

The Tribe may choose, for Architectural Services and other Professional services, to negotiate with all firms in the competitive range or only with the highest technically qualified.

An in-depth analysis should be performed on cost proposals.

- d. Negotiation – After identification of the firms in the Competitive Range, the Procurement Specialist shall issue a formal notice calling for negotiations with those firms in the competitive range.

The Program Director, or designee, will conduct negotiations with firms to eliminate misunderstanding and discuss deficiencies. The tribe will not share technical information between vendors, attempt to obtain a lower price, or attempt to make all firms technically level.

On completion of negotiations, Program Director will issue a formal notice to close negotiations requesting a “Best and Final Offer”.

On receipt of “Best and Final Offer”, the Program Director will again conduct an evaluation using the original evaluation criteria. The Program Director and Director of Finance will select the “responsible” firm whose offer is most advantageous to the Tribe, considering both technical and cost factors.

- e. Award – The program personnel will prepare a “Contract Award” document to be given to the selected vendor. Award will be either fixed price or cost-reimbursement as appropriate. Contract award documentation will contain:
- Award form
 - Specifications / Statement of Work (as negotiated)
 - Terms and Conditions

E. Noncompetitive Negotiation

If the Program Director identifies that only one source is available during the competitive negotiation process, the Program Director may use noncompetitive negotiation. Criteria for sole source purchases are: the item must be available from only one source; the requirement for the item will not permit a delay incident to competitive solicitation and the funding source must authorize noncompetitive negotiation.

For purchase actions over \$50,000 for which there is only one supplier, the Program Director shall use the procedures for Competitive Negotiation with the following addition:

- a. Pre-procurement Planning – the Program Director shall prepare a “Requisition” identifying the item or services required. The requisition will specify the justification for using Sole Source. Justification is limited to only the following:
 - Item is available from only one source (this must be documented with proof) – public emergency will not permit delay associated with competitive solicitation.
 - After solicitation competition is determined to be inadequate, the funding source must authorize the sole source purchase.

8. Contract Terms and Conditions

NOTE: all contracts and awards must be reviewed by Legal Counsel and signed by the Tribal Chair before work may begin pursuant to the agreement.

The Program Director shall use the terms and conditions in the purchase orders or contract awards in accordance with the following criteria

- a. Required clauses – use those clauses required by OMB Circular -102 Section 36.
- b. Clauses for Purchase of Equipment, Materials, and Supplies under Sealed Bid, Fixed Price Contract – use clauses found I 48 CFR Part 52.
- c. Clauses for Construction Contracts – use clauses found in 48 CFR Part 52.
- d. Clauses for Purchase of Services under Negotiated contracts - use clauses found in 48 CFR Part 52.

9. Purchasing Documentation

The approved purchases and solicitations must be documented. Sole source purchase must have justification for sole source on file.

Program designee shall maintain records to detail all significant activities during the history of the procurement. Records will include those aspects of procurement planning, solicitation, evaluation, negotiation, award and contract administration.

Records will be maintained and stored for a period of three years after submission of the final report for the program of which funds were used to acquire the goods or services.

The tribe may wish to use forms found in 48 CFR Part 53. Suggested forms could include 18, 19, 19-A, 19-B, 20, 21, 22, 23-A, 25, 25-A, 26, 30, 32, 33, 33-A, 44, 129, 147, 252, 253, 254, 255, Optional Forms 17, 59, and 60.

10. Contract Administration

The Program Director will establish and maintain a contract administration system to ensure that contractors perform in accordance with terms, conditions, and specifications of the contract. Components of the administration shall include:

- a. Performance accomplishment (includes Inspection & Acceptance)
- b. Compliance with terms and conditions
- c. Financial and payment administration
- d. Post award orientation where the situation is complicated and time critical

11. Special Guidance for Contracts for Professional Consulting Services

Contracts for professional consulting services shall be approved by the Program Director, and the appropriate Tribal Officer; contract documents shall be prepared by the Legal Department.

This policy prescribes procedures for contracting for professional consulting services. The policy clarifies responsibilities and authorities for reviewing and approving such contracts.

“Professional Consulting Service” Defined. Professional consulting services are services for whose performance, specialized professional training, and experience is required.

Contracting for professional consulting services is justified when there is a need for a degree of specialization that is not available among the Tribe’s staff resources; or independence is a requirement as to financial audits; and when the consultant is considered an independent contractor. Examples of professional consulting services that might be contracted are:

- a. Architectural design of a building
- b. Annual audit of financial records and preparation of audited financial statements
- c. Management skills training for Tribal Council staff
- d. Development of computerized programs for recording financial transactions and preparing financial reports
- e. Legal research of a specific and specialized nature
- f. Development of a plan for expanding a vehicle maintenance facility
- g. Preparation of an orientation manual for new employees
- h. Training employees to perform specific functions

Examples of services that do NOT qualify for contracted professional consulting services are:

- a. Tasks which routinely and repetitively are required to be performed in the daily, weekly, or monthly operation of a program.
- b. Projects for which a degree of specialized expertise is required, and is possessed by a member or members of Tribal staff.

Under IRS guidelines, an independent contractor is someone that:

- a. Controls or has the right to control what kind of work and how the work is to be done, and sets their own work schedule;
- b. Controls all business aspects of the worker’s job, including things like how the worker is paid, what is to be reimbursed, when payments are made, provides their own tools, supplies, equipment, etc; and

- c. Has written contracts describing the relationship between entity and worker, maintains their own pension plan, tax payments, insurance.

If the Tribe is already treating the individual as an employee, in no circumstances can the individual also be a contracted individual. Any signed agreement can be used to lay out the additional work to be performed by the independent contractor and the applicable rate of pay. No payroll or other taxes should be withheld.

Budget Authorization Required

Before professional consulting services may be contracted, budgeted funds must be available to pay for the service.

Indian Preference

In selecting an individual or firm to perform professional consulting services, preference shall be given to the selection of qualified enrolled Red Lake tribal members first (only where more than one qualified member is available for the specialty required), other enrolled Native Americans second (only where more than one qualified Indian is available for the specialty required), on a competitive basis thereafter.

Payment for Contracted Services

The method, amounts, and times of payment for contracted services shall be specified by contract. Normally, payment shall be made upon the completion of all or portion of the specified work, and upon the presentation of a substantiated invoice by the consultant.

However, under circumstances where an initial payment is requested by a consultant under contract an advance payment not to exceed 25% of the contracted amount may be permitted, but only to the extent and in the amount necessary to pay for essential project startup costs. In the event an advance payment is made, subsequent payments will be made only on presentation of a complete accounting of all consultant costs for labor and expenses to date, and a complete reporting of progress to date.

Purchase of goods or services, or contracted or consultant services in excess of \$10,000 shall require approval of the Program Director, or a Tribal Officer. Contract purchases or consultant's services will be paid within the approved budget of the funding source. If the contract purchase or consulting services do not fall within the scope of the funding source, prior approval from the funding source is required.

Contracts for consultant or contracted services shall be monitored periodically during contract by the Program Director. Contractor and/or consultants shall submit periodic reports and a final report. Final payment for services shall be based upon satisfactory completion of contracted services and submittal of final report.

Proper time keeping (time card or job sheet) should be maintained by pay period to support the time spent and the program charged. The Contractor shall submit a detailed invoice for payment that includes:

- Dates
- Travel time
- Preparation time
- Time of event
- List of attendees
- Hours spent on project
- Supplies that are to be reimbursed

Contracting for Professional Consulting Services

The decision to contract for professional consulting services is made by the Program Director who has immediate responsibility for the operations and budget of a particular program. However, before a consultant is retained and a contract written and signed by the Tribal Chair, the Program Director must receive the approval of the Executive Administrator. All other department staff must receive approval from their respective Tribal Officer.

Request and Authorization to Contract for Professional Consulting Services

The request to contract is initiated by the Program Director when a consultant is selected. The request serves as the authorization to the Legal Department to draft contract documents and present them to the Executive Administrator/Tribal Officer for contract approval.

Following is an explanation of the information to be furnished on the Request and Authorization to Contract for Professional Consulting Services:

- Program: Title of Program
- Division: Title of Division
- Description of services to be furnished: A detailed description, from an RFP (request for proposal), consultant's proposal, or in the words of the Program Director, of the services to be provided and the products to be delivered by the Consultant.
- Name and Address of Consultant: the name and address of the Consultant that is selected.
- Amount of Contract: the dollar amount of the contract that is requested by the Program Director.
- Duration of contract: Beginning and ending dates of the performance under the requested contract.
- Other Consultants and Sources Considered: Names of persons or firms considered but not recommended and justification for selecting the requested consultant.
- Special conditions or considerations: Payment schedule, policy on the use of Red Lake Nation Facilities, personnel, or conveyances by consultant, or other special arrangements are specified here. Supplemental page(s) should be attached if there is insufficient room on the form.
- Certifications: Signatures of Program Director and Executive Director/Tribal Officer.
- Assignment: whether the contract agreement may be assigned to another vendor.
- Approval: Signature of Tribal Chair is required on all contracts and/or agreements.

Depending on the scope and nature of the services to be provided, the Legal Department will prepare a contract document for execution by the Executive Director/Tribal Officer. No contract will be signed unless a "Request and Authorization to Contract for Professional Consulting Services" has been approved in advance.

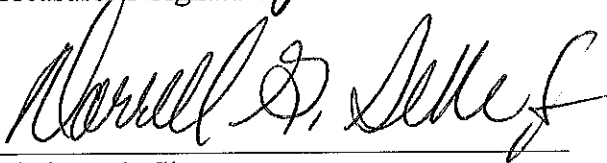
- Products: all material and deliverables procured by the tribe under the agreement, developed by Contractor, are considered exclusive tribal property.
- Non-performance: Adequate language to safeguard tribal interest in the event contractor fails to perform responsibilities of agreement.
- Political Activity: Contractor shall not become involved in political activity detrimental to the Tribe during the performance period of the contract.
- Materials: The Contractor shall utilize entirely his own materials and supplies. If special equipment is necessary, the cost to obtain and maintain the equipment is the sole responsibility of the Contractor.
- Facilities: the physical space or facilities to perform the contract terms are to be arranged and paid for by the contractor.
- Contract Performance Days: must be specified in the contract.



Treasurer's Signature

3-28-2022

Date



Chairman's Signature

4-14-22

Date