

# Right Step Internal Review Policy 18-01

**Version:** 4.00  
**Effective Date:** 10/25/2018

## I. Policy Statement

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Upon execution of a representative sample of transactions with a new contractor on an acquisitions master contract for goods and general services, the Office of State Procurement (OSP) will take steps to confirm payments and terms of those contracts were made properly. If necessary, the Office of State Procurement will take immediate steps to correct any issue with invoicing, or other compliance issues associated with the contract.

## II. Statement of Purpose

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The primary objective of this initiative is to protect the integrity of the procurement process. This initiative aims 1) to establish a clear, documented process for conducting a review of contracts managed by the Office of State Procurement (OSP), 2) to confirm vendors and contract end users are utilizing the contract in compliance with its terms and conditions, 3) to identify specific roles and responsibilities for state staff related to any report or discovery, and 4) to establish protocol for escalation of reports and discoveries to leadership.

## III. Interested Parties

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1. OSP Compliance Staff – conducts reviews of OSP managed acquisitions contracts for the purchase of goods and general services.
2. OSP Contract owner – the OSP staff member who manages the contract will work with OSP Compliance Staff and interested parties to mitigate any identified issues.
3. OSP Management and Chief Procurement Officer (CPO) – will be kept informed of principal compliance issues and specific cases that are escalated due to the seriousness of issues identified by OSP Compliance Staff.
4. All contract end users for the Office of State Procurement for all departments, agencies, offices, councils, boards, commissions, other entities in the executive branch of the Minnesota State Government, and Cooperative Purchasing Venture (CPV) members.

## IV. Procedure

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1. OSP Compliance Staff will periodically generate a report of contracts with new vendors under acquisitions master contracts that have reached more than ten (10) transactions or more than \$100,000 in spend.
2. OSP Compliance Staff will use this report to track when a representative sample of transactions or spend have occurred on each contract.
3. Once a representative sample of transactions have occurred on each contract, OSP Compliance Staff will initiate a review of transactions under the contract.
4. The review of the contract will consist of:

- i. Review of the contract to identify terms of the contract are clear and do not conflict.
  - ii. Review of the contract release to identify specific parameters and terms of the release.
  - iii. Review of representative sample of transactions to confirm price point matches the contract pricing schedule on the Contract Release and the invoice is consistent with the terms of the contract.
  - iv. Review of all invoices to confirm consistency with purchase order, contract, and contract release.
  - v. Any other actions appropriate to confirm terms and conditions of the contract are being followed.
5. OSP Compliance Staff will then complete Internal Review Reporting Form based on review.
  6. Once complete, the Internal Reporting Form will be submitted, with any findings and recommendations, to the OSP Contract Owner and their supervisor. OSP management and CPO will be apprised as necessary.
  7. Compliance Staff then will work with the OSP Contract Owner and any other interested parties to assure that recommendations are followed.

## V. Applicability

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This policy applies to all contracts held or managed by the Office of State Procurement on behalf of and to be utilized by all departments, agencies, offices, councils, boards, commissions, other entities in the executive branch of Minnesota State Government, and Cooperative Purchasing Venture (CPV) members. State agencies and other Governmental Units must refer any known issues concerning state-held contracts to the Office of State Procurement.

## VI. Data Classification

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Internal review data and findings pursuant to this policy are subject to Minn. Stat. §13.392, which states in part: “[d]ata, notes, and preliminary drafts of reports created, collected, and maintained by the internal audit offices of government entities, or persons performing audits for government entities, and relating to an audit or investigation are confidential data on individuals or protected nonpublic data until the final report has been published or the audit or investigation is no longer being pursued actively...”

## VII. History

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Version	Description	Date
1.0	Internal Review Policy	07/1/2017
2.0	Update to Internal Review Policy	10/19/2017
3.0	Update to Internal Review Policy	07/13/2018
4.0	Update to Internal Review Policy	10/10/2022

## Internal Review Reporting Form.

### I. Initial Review by OSP Staff

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#### SECTION A: SUBJECT OF THE REPORT

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1. Name of Business:
2. Business Address:
3. Contract at Issue:
4. Contract Effective Dates:
5. Vendor Contact:
6. Acquisitions Management Specialist (AMS):

#### SECTION B: BACKGROUND

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*[In this section include background information about the vendor, contract, and contract release. Include items such as how long the vendor has been in business, size of the vendor, type of work vendor performs etc. For the contract and release include a description of what the contract is for, how orders are made on the contract, how pricing is determined, any special terms, and any other relevant information.]*

#### SECTION C: FINDINGS AND RECOMMENDATIONS

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*[In this section include any findings from review of contract transactions if applicable. Otherwise identify that no issues were found.]*

#### SECTION D: INFORMATION OF INDIVIDUAL COMPLETING THIS REPORT

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1. Name:
2. Title:
3. Email:
4. Phone:

### II. Escalated Review to OSP Management/CPO

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*[This section is to be completed by OSP CPO if there are findings within the report that OSP Management believes action should be taken and escalation is required. If no findings that require action then delete this section.]*

**SECTION F: FINDINGS AND RECOMMENDATIONS**

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*[If applicable, include in this section the findings that resulted in this review being escalated to OSP management/CPO.]*

**SECTION I: INFORMATION OF INDIVIDUAL COMPLETING THIS REPORT**

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5. Name:

6. Title:

7. Email:

8. Phone: