



CONTRACT DESK REFERENCE



MISSISSIPPI
DEPARTMENT OF
EDUCATION

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INTRODUCTION

Welcome to the MDE Operation's Handbook for Contract Management. It is intended to be a comprehensive guide that outlines our policies and procedures related to contracting.

This handbook is a valuable resource for employees, providing clear and concise information to ensure that services are procured in compliance with all agency, state, and federal policies.

This handbook provides step-by-step instructions from contract execution to contract closeout. Please refer to this manual as the first stop for any questions you may have related to the management and administration of your contract.



contract workflow



MISSISSIPPI
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EDUCATION

A 5-STEP PROCESS



1

EXECUTE A
CONTRACT



2

CHECK
BUDGET
AUTHORITY



3

SECURE A
PURCHASE
ORDER



4

MANAGE THE
CONTRACT

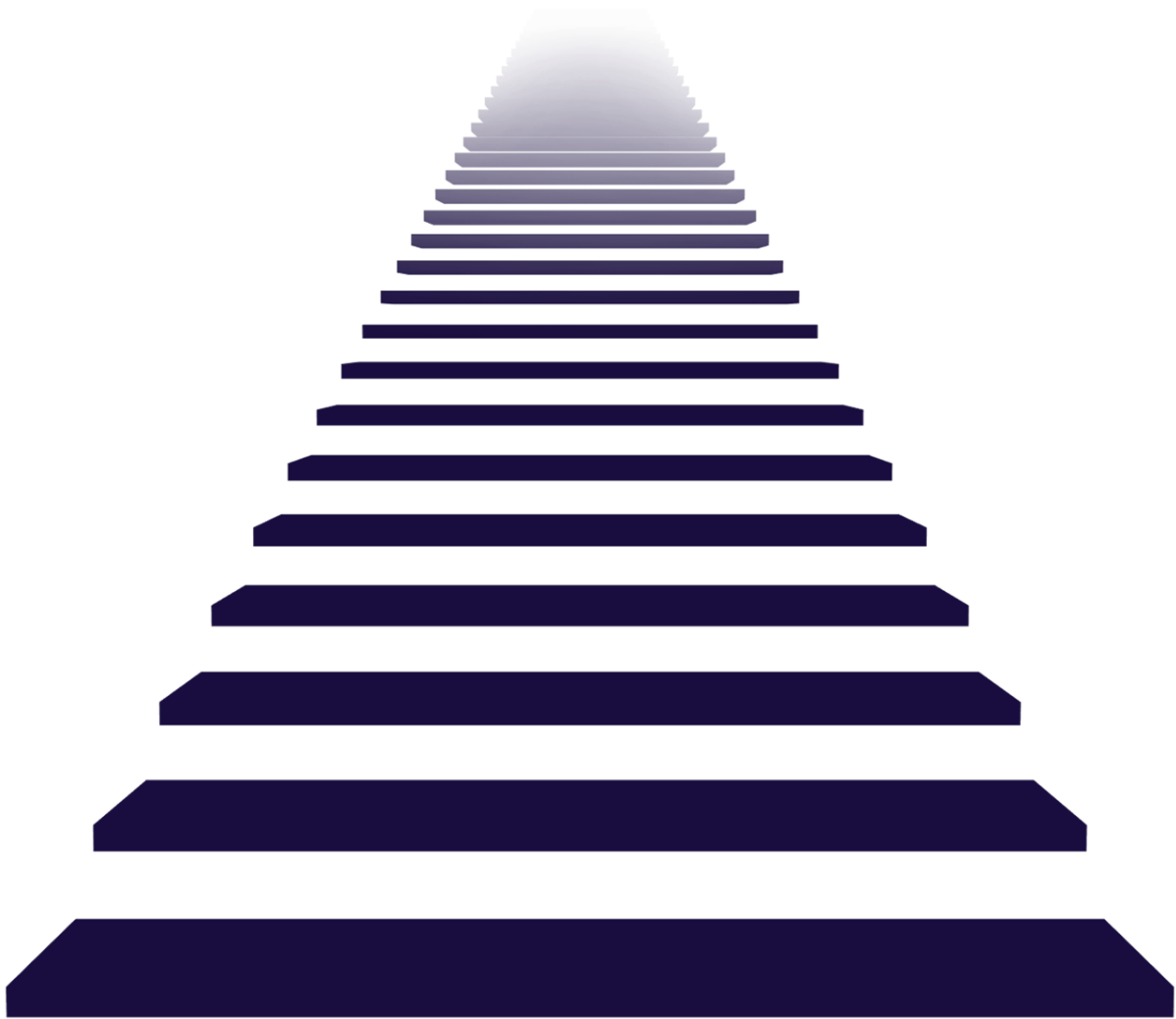


5

CONTRACT
CLOSE-OUT

Step 1

EXECUTE CONTRACT





EXECUTE CONTRACT

You have now executed a contract with a vendor for services, commodities, and/or equipment. Below are the three (3) ways in which a program office can execute a contractual obligation with a vendor. Each option has a specific set of procedures that must be followed to successfully execute a contract.

Links are provided; however, you can also find the policies and procedures on the website at the MDE Procurement site.

New Contract

Please see the applicable **Contract Standard Operating Procedures** located on the Office of Procurement Contract webpage.

Contract Renewal

Please see the **Contract Renewal Standard Operating Procedures** located on the Office of Procurement Contract webpage.

Contract Modifications

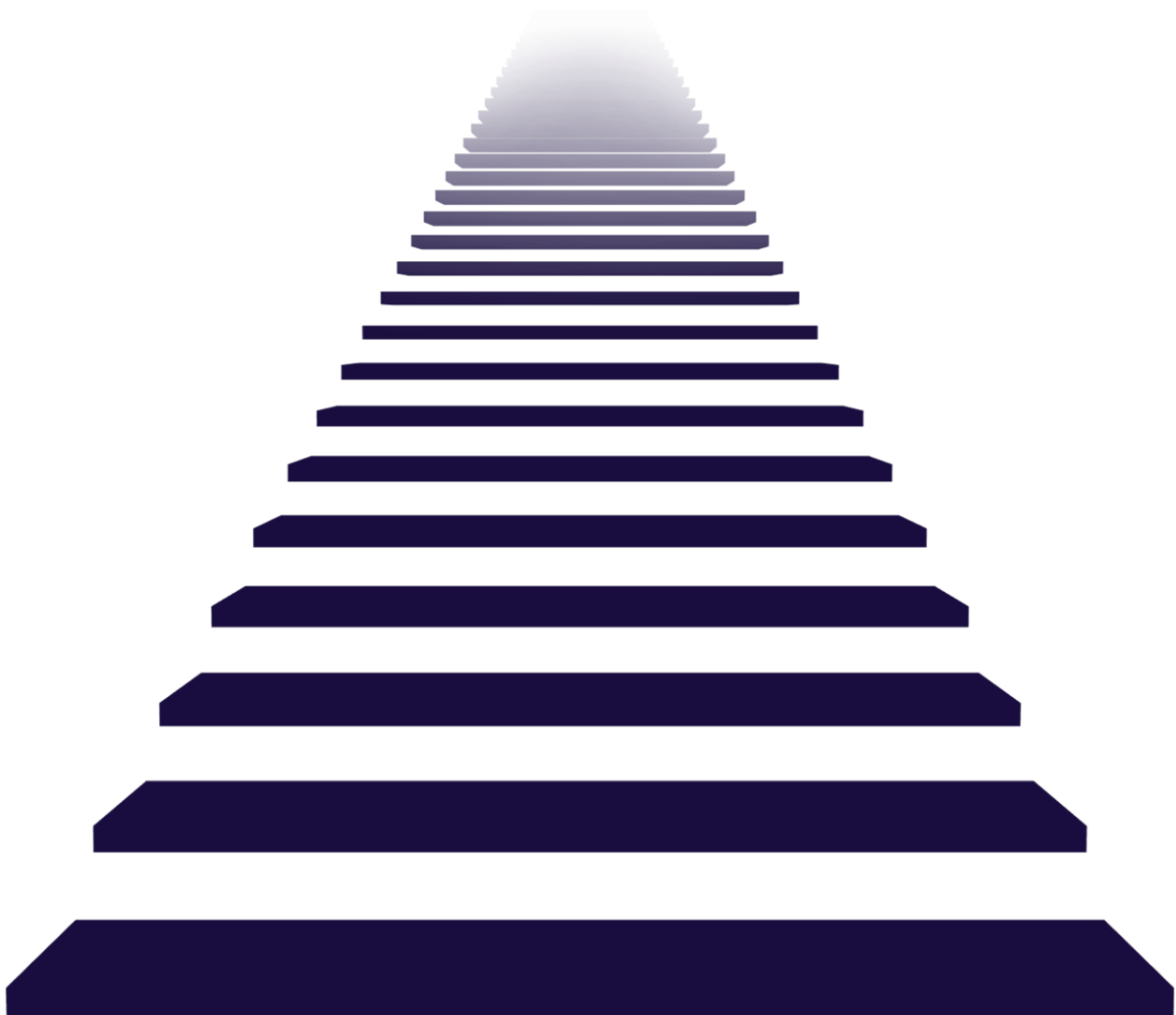
Please see the **Contract Renewal Standard Operating Procedures** located on the Office of Procurement Contract webpage.

An independent contract modification is required when there is an increase in the scope (e.g., the number of participants increased, solicited services increased, etc.)

For contract workers, programs must monitor the contract to ensure personal services and travel do not exceed the amount of the executed contract.

Step 2

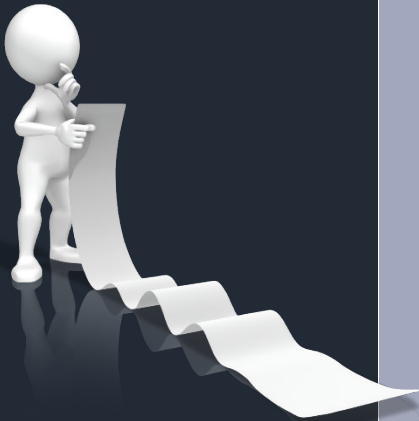
CHECK BUDGET AUTHORITY



NOTES



MASTER CODE LIST



MAGIC INSTRUCTIONS



BUDGET REVISION FORMS

BUDGET AUTHORITY

You should secure a Purchase Order (PO) after you execute your contract. First, you must check your budget authority for the applicable cost center before submitting a Purchase Order request.

Each MDE program is assigned budget codes, cost centers, and internal orders (grants) to track expenditures within the agency.

WHAT ARE MY BUDGET CODES?

1. Budget codes can be found on the Office of Budget & Planning's webpage under Master Code Listing.
2. Based on the programmatic purpose and the decision of the bureau manager and/or Chief, identify the budget codes and budget availability **PRIOR** to submission of documents for processing.

HOW DO I CHECK MY BUDGET AUTHORITY?

Check available funds in the budget in MAGIC – See Attachment A

WHAT DO I DO IF BUDGET FUNDS ARE INSUFFICIENT?

STATE FUNDS

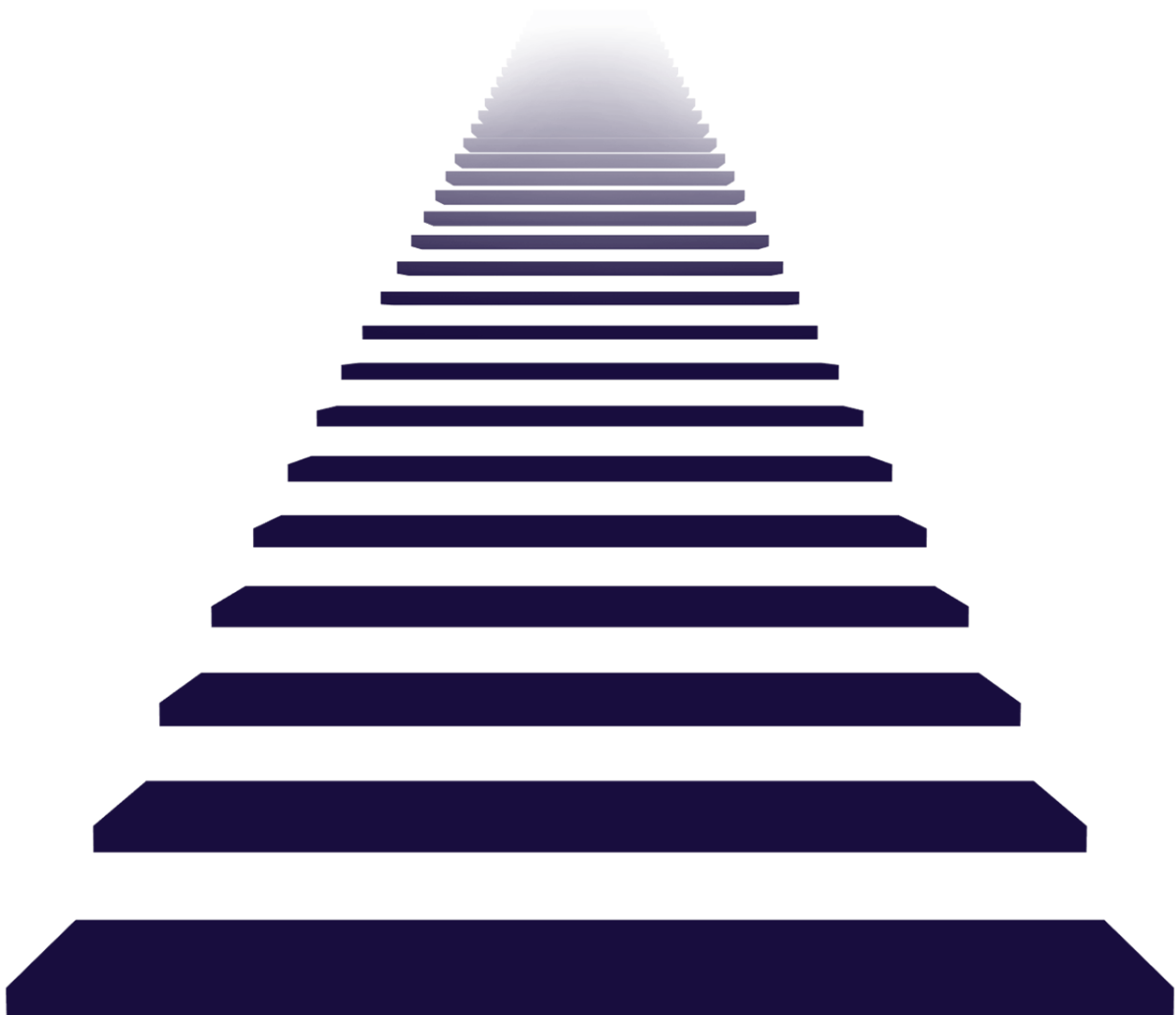
Complete a MDE Budget Revision Form (for non-grant funds) and submit to the Office of Budget & Planning for processing. *(This form can be found on the MDE Budget & Planning website.)*

GRANT FUNDS

Complete a MDE Grant Modification Form (for grant budgets with an assigned grant number) submit to the Office of Budget & Planning for processing. *(This form can be found on the MDE Budget & Planning website.)*

Step 3

SECURE A PURCHASE ORDER





SECURE PURCHASE ORDER

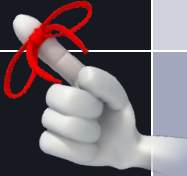
A Purchase Order (PO) should be created for half the amount of the contract after your contract is executed. A Purchase Order is an external procurement document sent to a supplier to request goods or services, initiating a sales transaction. It identifies a vendor, material, quantity, dollar value, and date required for delivery of the goods or services. There are two ways you can request a Purchase Order. Please review the chart below for guidance.

1. MAGIC Shopping Cart
2. Requisition Packet to the Office of Procurement through its portal at purchasingrequests@mdek12.org

MAGIC SUBMISSION VS. REQUISITION PACKET

| | MAGIC | REQUISITION |
|--|-------|-------------|
| Service Contracts | ✓ | |
| Products/Commodities (Office supplies, furniture) <i>note: You should consult state contract lists for these purchases first</i> | ✓ | |
| Equipment | | ✓ |
| Technology Software Only (Must not include hardware) | ✓ | |
| Vehicles | | ✓ |
| Special Exceptions | | ✓ |
| <ul style="list-style-type: none"> - If the PO includes fund sources that are managed by offices and/or programs that are not your own, a requisition must be submitted to Procurement through the portal. - If your funding source is grant funds that are managed through the Office of Grants Management (OGM), then OGM will submit a requisition on behalf of the program. <p>Check with OGM to determine if your grant funds fall within this criterion.</p> | | |

NOTES



It is important to monitor budget authority and project expenditures to ensure that there is still sufficient authority available at the time you submit your shopping cart or requisition.

SHOPPING CART - MAGIC

SECURE PURCHASE ORDER

HOW MUCH AUTHORITY SHOULD YOU REQUEST?

The PO encumbers budget authority. Below are recommendations for determining the amount of authority that should be requested.

If paying with State Funds...

You may only request 50% of the total contract amount within a fiscal year.

If paying with Federal Funds...

You may request 50% of the total contract amount within a fiscal year.

OPTION 1 – MAGIC SHOPPING CART

Please follow submission procedures located on the Office of Procurement webpage. Appropriate supporting documentation for products and services must include the following:

PRODUCTS

- a. Request for Quote Form
- b. Vendor Quote(s) (i.e., Vendor Letterhead)
- c. Other documentation (i.e., Letter from Mailroom/Print Shop for printing, if applicable)
- d. Requisition
- e. Include on the requisition, if applicable DFA contract number

SERVICES

- a. Associate MAGIC contract number, if applicable
- b. Request for Quote Form, if applicable
- c. Vendor Quote(s) (i.e., Vendor Letterhead, if applicable)
- d. Other documentation (i.e., required forms)

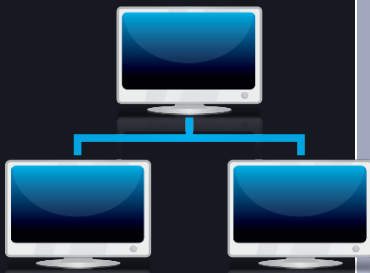


VEHICLE PURCHASES

1. *State agencies must use the state contract for vehicles!*
2. *DFA must approve request before PO can be issued!*

TECHNOLOGY

1. ITS reviews and approves the purchase of technology software, hardware, and services.



SECURE PURCHASE ORDER

OPTION 2: REQUISITION PROCEDURES

Submit PO request to the Purchasing Portal purchasingrequests@mdek12.org. Appropriate supporting documentation for technology and equipment must include the following:

EQUIPMENT

- a. MDE Request for Quote
- b. Attached vendor bids/quotes
- c. Requisition Form (Include, if applicable, contract number)

TECHNOLOGY

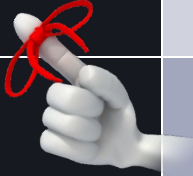
- a. Approved Technology Procurement Request (TPR)
- b. MDE Request for Quote
- c. Attached vendor bids/quotes
- d. Requisition Form (Include, if applicable contract number)
- e. Approved IT Plan

Vehicle Purchases

- a. Vehicle Request Form (VR1) (Note: Must use the state contract for vehicles) (Note: The Mississippi Department of Finance & Administration must approve the MDE Vehicle request before a PO can be issued.)
- b. Requisition Form (Only when submitting in the Purchasing Portal)
- c. Include on the requisition form, if applicable contract number

***For Student Organizations only**, email all purchasing requests for processing to purchasingrequests@mdek12.org

NOTES

**VEHICLE PURCHASES**

***State agencies
must use the
state contract
for vehicles!***

***The Mississippi
Department of
Finance &
Administration
must approve all
MDE Vehicle
Requests before
a P.O. can be
issued!***

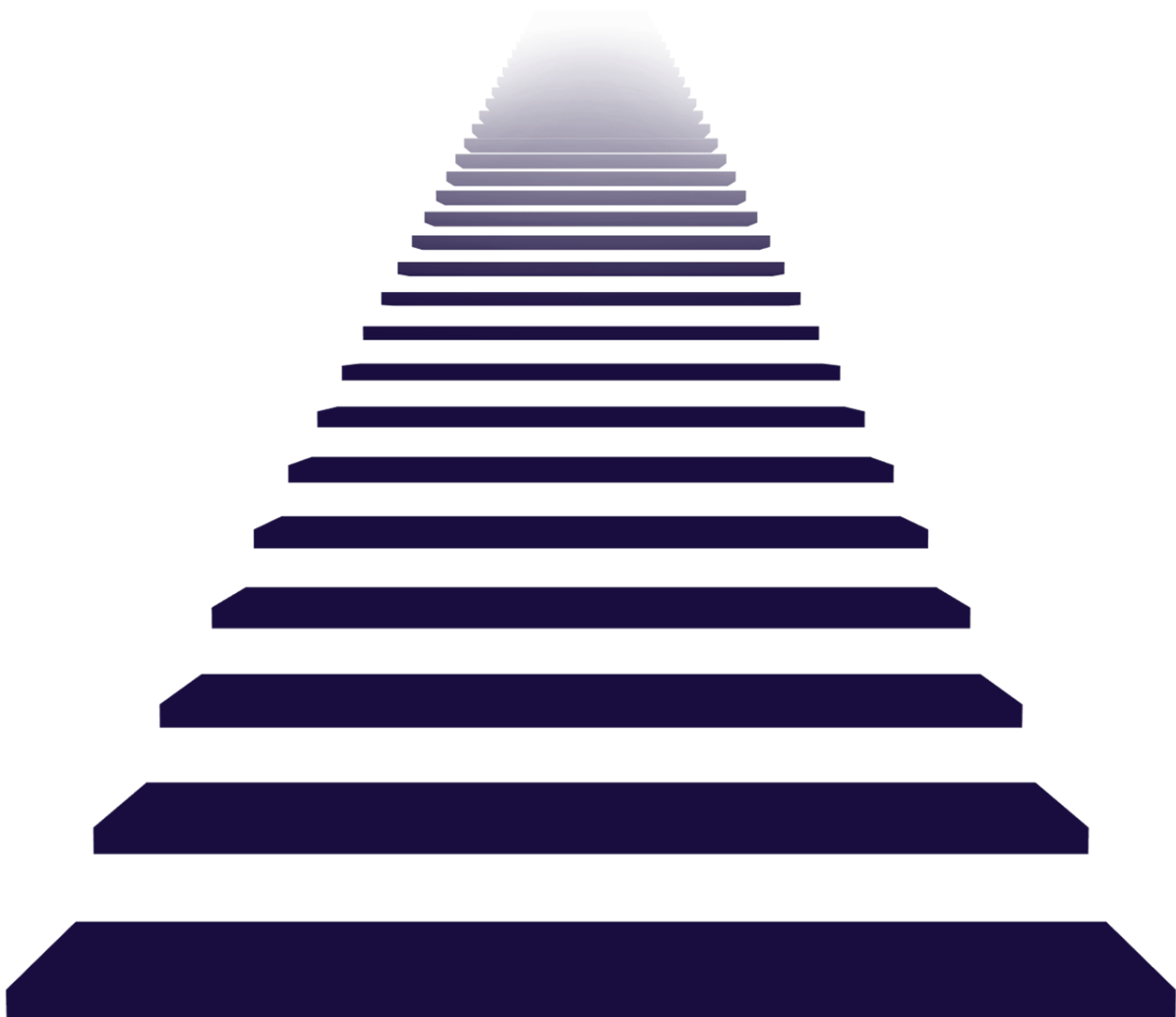
INVOICE MANAGEMENT**SECURE PURCHASE ORDER****ADDING NEW FUND SOURCES TO A P.O.**

Submit PO request to the Purchasing Portal purchasingrequests@mdek12.org. Appropriate supporting documentation for technology and equipment must include the following:

- Check Budget Fund Authority
- Check Grant Fund, if applicable
- Complete a PO Change Form
- Contract Management

Step 4

MANAGE YOUR CONTRACT





EXPENDITURE TRACKING
TOOL

*MAGIC updates
the
Transparency
Website nightly
with all invoices
processed during
the previous
day.*



CONTRACT MANAGEMENT

It is important to manage a contract to ensure compliance with agreed upon terms, quality deliverables, and to manage the budget and expenditures.

TIPS FOR GOOD CONTRACT MANAGEMENT

- Monitor Budget and Expenditures Monthly
- Assign a Person to Manage the Contract
- Document Discrepancies or Potential Issues
- Establish a Monthly Reporting System to Decision-Makers

RECONCILE THE CONTRACT

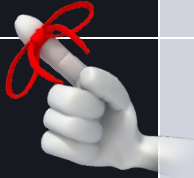
Reconciling a contract involves comparing the actual expenses and revenues incurred during the contract period with the budgeted fiscal year amounts.

This process helps identify any discrepancies, analyze the reasons behind them, and make necessary adjustments. Here are some tools and best practices to help reconcile a contract budget.

TRACK CONTRACT BUDGET & EXPENDITURES

- Use the Budget Tracking Template – See Attached
- Refer to [MS Transparency](#) to tracking expenditures made against your contract

NOTES



PAY INVOICES TIMELY

*Invoices should
be paid within
45 days of
receipt*



INVOICE MANAGEMENT

CONTRACT MANAGEMENT

INVOICE MANAGEMENT

Invoice management refers to the process of handling and organizing invoices. The process includes tasks such as receiving, reviewing, processing, and paying invoices in accordance with program, agency, and state policies and procedures.

By state law, MDE has 30 days to process a vendor invoice, and another 15 days to disburse payment. After 45-days, the vendor has a right to charge MDE interest for each day the payment is late. Programs may receive a compliance violation if it is determined that invoices have been held and not presented to the Office of Accounting in sufficient time to process before the 45 days expires.

As a best practice, vendors should be instructed to submit invoices directly to the MDE Office of Accounting to ensure timely and efficient processing. In the event, the invoices are sent directly to the program office, there are steps that should be taken to make sure the invoice is processed timely. Below are the steps to follow when invoices are sent either to the MDE Office of Accounting or the program office.

REVIEWING INVOICES

The invoice should include the following information and signed by a program/office designee when it is submitted to the Office of Accounting for payment.

- Date invoice received,
- Receipt date, inspection, and approval of goods,
- The condition of goods,
- Utilize accounting stamp,
- Signing the invoice to approve payment, and
- Attach a copy of the purchase order.

Verify the invoice amount does not exceed the purchase order amount prior to submitting the invoice for processing.

NOTES



**PAY INVOICES
TIMELY**

***Invoice
Information
Request Slips
should be sent
back to
Accounting
within 7-
business days***

INVOICE REVIEW & APPROVAL

CONTRACT MANAGEMENT

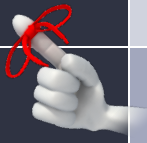
INVOICES SENT DIRECTLY TO PROGRAM OFFICE

- Upon receipt of an invoice, program offices must stamp the invoice with the PO stamp (if applicable), attach a copy of the purchase order (if applicable) or submit a requisition for non-PO payments with an approved signature for payment.
- Requesting office submits approved invoice to Accounting for payment upon receipt of an invoice.
- The Office of Accounting will process the invoice packet in MAGIC to route to DFA if threshold is met or for automatic approval if threshold is not met.

INVOICES SENT DIRECTLY TO THE OFFICE OF ACCOUNTING

Vendors should submit invoices to the Office of Accounting as directed via mail on the approved purchase order sent to vendors or directly to accountspayable@mdek12.org.

- Once invoices are received, the Office of Accounting places the date and time stamp and the PO stamp (if applicable) on the invoices and submits an Information Request Slip along with the stamped invoice to the appropriate program office for processing.
- Upon receipt of the Information Request Slip from Accounting, the program office must complete the accounting stamp if a PO is applicable in its entirety or submit a requisition and email the invoice packet (Information Request Slip, requisition—if applicable, invoice, and a copy of the purchase order—if applicable to accountspayable@mdek12.org within seven (7) business days. (See attached copy of stamp)
- The Office of Accounting will process the invoice packet in MAGIC to route to DFA if threshold is met or for automatic approval if threshold is not met.



CONTRACT MANAGEMENT

TIME & EFFORT DOCUMENTATION

Contract workers paid with federal funds must track and formally document their time and effort. Time and effort reports should be prepared by all staff with salary and benefits that are charged:

- To a single federal award;
- To multiple federal awards; or
- To any combination of a federal award and other federal, state, or local fund sources.

Develop a schedule for the submission and review of time and effort logs by contract workers to ensure that work is properly documented and can be provided when asked. A sample is attached for your review.

DELIVERABLES ACCEPTANCE DOCUMENTATION

The Deliverable Acceptance criteria is used to track the status of project deliverables as they are produced, verified, validated, and finally accepted. Ideally, this document can be developed during the planning stage and then printed and signed as deliverables are produced. Add a block for each deliverable.

“Verification” involves the checks that your project team will perform to establish receipt of the deliverable. “Validation” involves the steps that your office will go through before they accept the deliverable (i.e. user acceptance testing, walkthrough). A sample document is provided as an attachment to this guide.

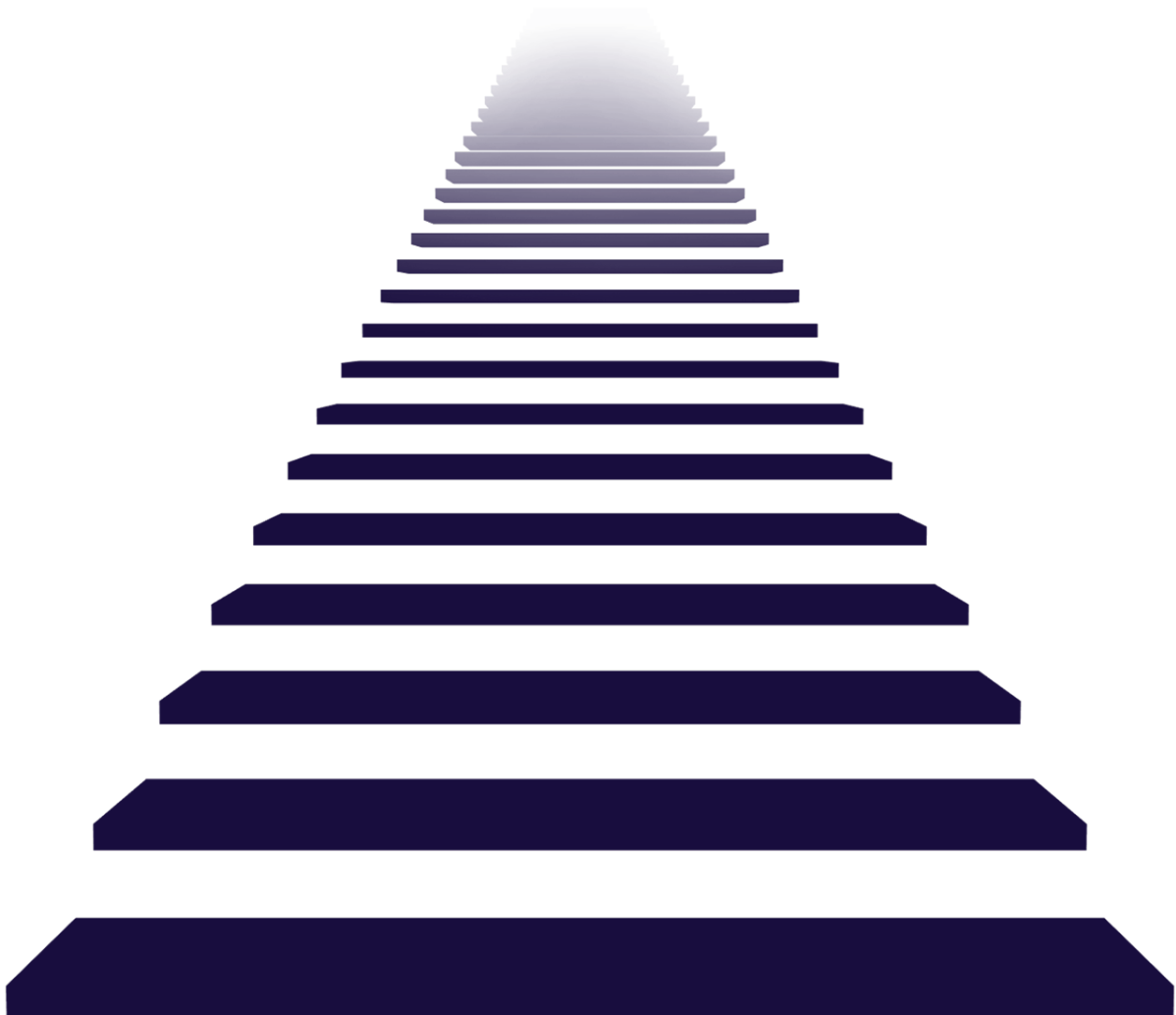
PERFORMANCE REVIEW PROCESS

MDE is required to document contractor performance to determine if contracts with approaching expiration dates should be renewed or new bids solicited.

Attached is a form is designed to collect information prior to bidding or renewing and may be used to document and report deficient performance. It is recommended that contracts undergo performance review biennially.

Step 5

CONTRACT CLOSE-OUT





CONTRACT CLOSE-OUT

FINAL INVOICES

Mark invoice as final so that Accounting/MAGIC can unencumber unexpended funds. Click the [link](#) below for instructions for marking invoices final using Adobe.

P.O. DE-OBLIGATION, IF APPLICABLE

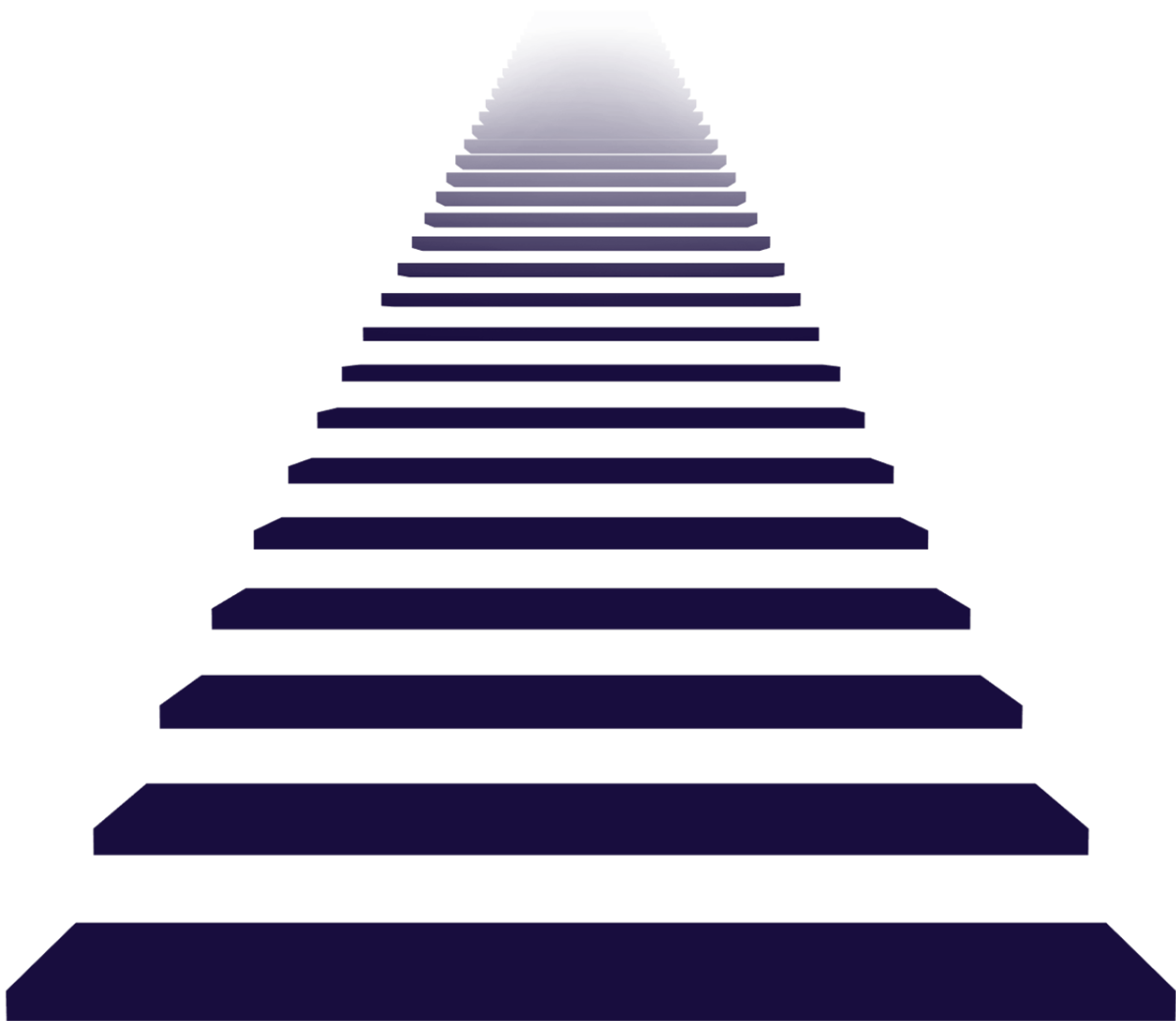
- **General Funds Release Authority** - Complete PO Change Form to unencumber unexpended funds.
- **Grant Fund Authority** - Complete PO Change Form to unencumber unexpended funds.

TERMINATION FOR CONVENIENCE OR BREACH OF CONTRACT

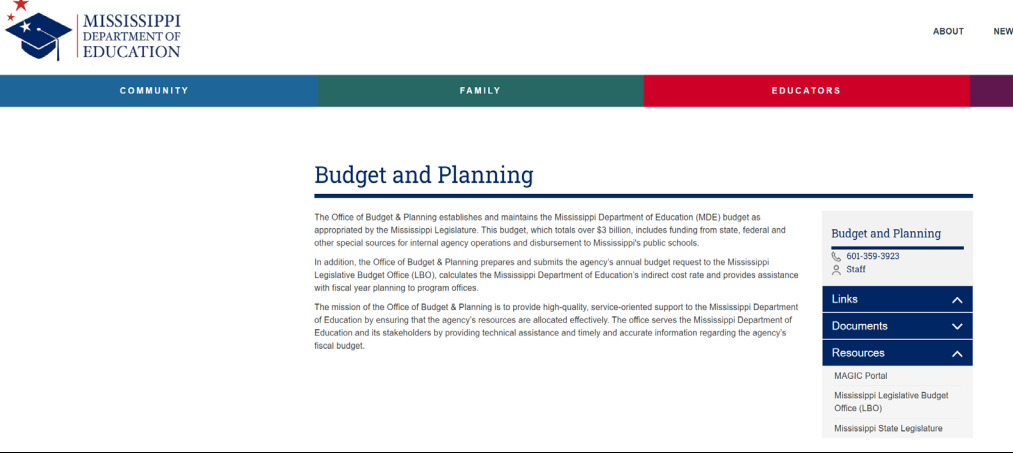
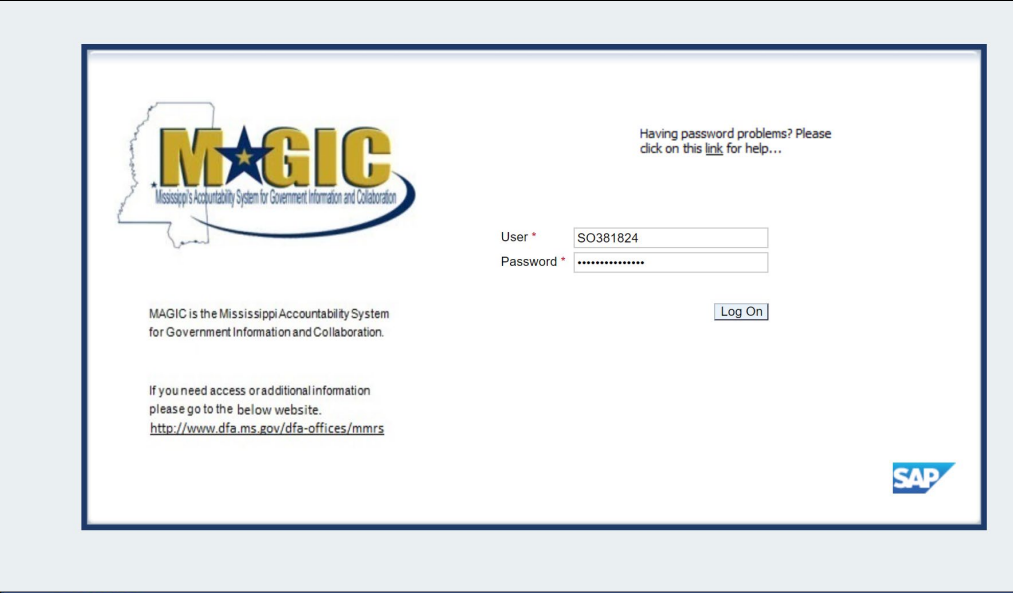
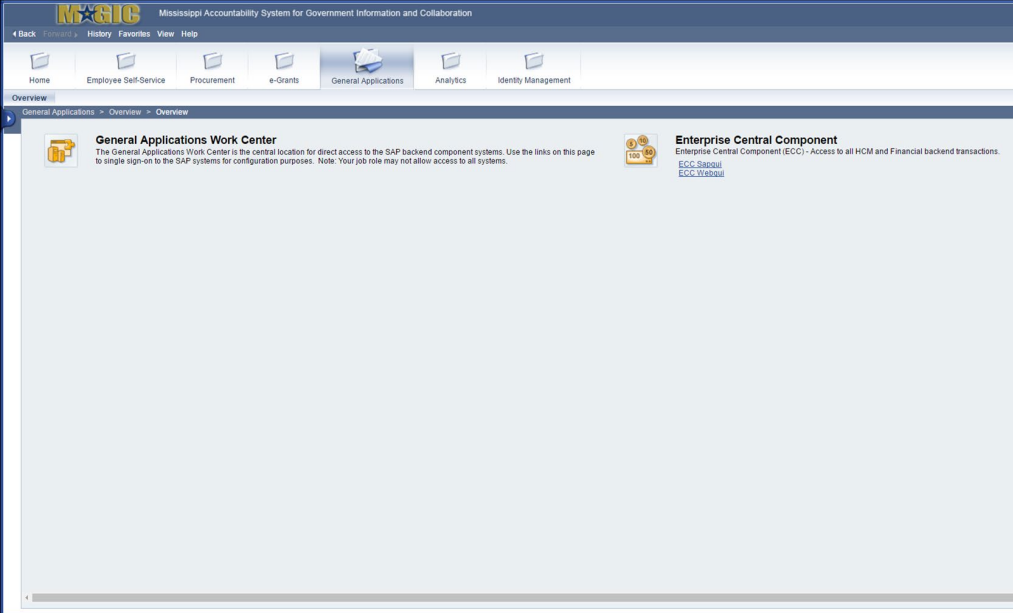
Programs must contact their assigned Assistant Attorney General to provide support below and the reason for termination.

- Solicitation
- Contract
- Deliverables
- Invoices
- Performance Evaluation(s)

ATTACHMENTS



How to Check Your Budget – FMAVCR02

| | |
|----------------------|--|
| <p>Step 1</p> |  <p>The screenshot shows the Mississippi Department of Education website. At the top left is the logo with the text 'MISSISSIPPI DEPARTMENT OF EDUCATION'. To the right are links for 'ABOUT' and 'NEWS'. Below this is a navigation bar with three tabs: 'COMMUNITY' (blue), 'FAMILY' (green), and 'EDUCATORS' (red). The main content area is titled 'Budget and Planning'. It contains three paragraphs of text describing the Office of Budget & Planning's role. On the right side, there is a sidebar with a 'Budget and Planning' section containing a phone number (601-359-3923) and a 'Staff' link. Below this are three expandable sections: 'Links', 'Documents', and 'Resources'. The 'Resources' section is expanded, showing links to 'MAGIC Portal', 'Mississippi Legislative Budget Office (LBO)', and 'Mississippi State Legislature'.</p> |
| <p>Step 2</p> |  <p>The screenshot shows the login page for the MAGIC system. On the left is the MAGIC logo, which includes a map of Mississippi and the text 'MAGIC Mississippi's Accountability System for Government Information and Collaboration'. On the right, there is a login form with fields for 'User *' (containing 'SO381824') and 'Password *' (masked with dots). A 'Log On' button is located below the password field. Above the password field, there is a link for users with password problems. At the bottom left, there is a note about needing access or additional information, with a link to 'http://www.dfa.ms.gov/dfa-offices/mmrs'. The SAP logo is in the bottom right corner.</p> |
| <p>Step 3</p> |  <p>The screenshot shows the SAP General Applications Work Center interface. At the top, there is a navigation bar with 'Home', 'Employee Self-Service', 'Procurement', 'e-Grants', 'General Applications', 'Analytics', and 'Identity Management'. Below this is a breadcrumb trail: 'General Applications > Overview > Overview'. The main content area is titled 'General Applications Work Center' and contains two main sections: 'General Applications Work Center' (with a brief description) and 'Enterprise Central Component' (with links to 'ECC Support' and 'ECC Webgui').</p> |

How to Check Your Budget – FMAVCR02

Step 4

Display Overall Values of Control Objects

Menu | Save As Variant... | Back | Exit | Cancel | System | **Execute** | Get Variant... | Program Documentation

FM Area: SOMS
Control Ledger: Z3 Always Z3

Type of Account Assignments
Account assignments specified below are:
 Control Objects
 Budget Addresses **Select "Budget Addresses"**
 Posting Addresses

Selection of Account Assignments

Grant: _____ to _____
 Fund: _____ to _____
 Budget Period: 2023-a1 to 2023-a2 **Pick up both allotment periods***
 Funds Center: 1201054904 to _____ **Fund center and cost center are synonymous.**
 Commitment Item: _____ to _____
 Functional Area: _____ to _____
 Funded Program: _____ to _____

*If during second half, you must use 2023 to 2023-a2. Also, for prior budget years.
Restriction According to Attributes
 Multiple Selection FM Account Assignment | Variant Name: _____

Step 5

Display Overall Values of Control Objects

Menu | Back | Exit | Cancel | System | Details | Add Hierarchy of Budget and Posting Addresses | Documents | Refresh

Control Objects Data: Overall Values

FM Area: SOMS (USD)
Control Ledger: Z3

Grant: NRGRANT
Fund: 222010000
Funds Center: 1201054904
Functional Area: 120101
Funded Program: NRFP

Overall Values of Control Objects

| | Consumable Amt | Consumed Amt | Available Amt |
|------------------------------------|----------------|--------------|---------------|
| <--Several Budget Period Values--> | 2,077,380.00 | 193,063.47 | 1,884,316.53 |
| 2023-A1 | 1,038,690.00 | 193,063.47 | 845,626.53 |
| 60000 | 952,373.00 | 181,949.92 | 770,424.08 |
| 60300 | 30,648.00 | 9,714.14 | 20,933.86 |
| 61000 | 39,593.00 | 1,400.41 | 38,192.59 |
| 62000 | 16,076.00 | 0.00 | 16,076.00 |
| 2023-A2 | 1,038,690.00 | 0.00 | 1,038,690.00 |
| 60000 | 952,373.00 | 0.00 | 952,373.00 |
| 60300 | 30,648.00 | 0.00 | 30,648.00 |
| 61000 | 39,593.00 | 0.00 | 39,593.00 |
| 62000 | 16,076.00 | 0.00 | 16,076.00 |

Budget Categories

60000 Salaries
60300 Travel
61000 Contractual
62000 Commodities
63200 Equipment
64000 Subsidies, Loans & Grants (SLG)

*Submit a budget revision form to move funds (See Budget webpage).

Insert Copy with Requisition Packet