

DOM DoIT Contract Negotiation Reference Guide

I. Statutory Requirements (Non-Negotiable)

These are legally mandated terms. Do not deviate. Cite legal authority when necessary.

Topic	Requirement	Legal Source
Indemnification	<p>An indemnity is a contractual provision where one party agrees to compensate the other for certain losses or damages that arise during the performance of the contract.</p> <p>We are constitutionally barred against indemnifying private parties or vendors; this also means no mutual indemnification.</p>	Iowa Const. Art. VII, §1
Payment Terms	60-day payment terms unless a financial incentive justifies shorter terms.	Iowa Code § 8A.514
Limitation of Liability	Must comply with Iowa Admin Code § 11-120.5: Vendor liability cannot be limited below the total contract value (1x floor). Carveouts must remain (e.g., breach of confidentiality, IP infringement).	Iowa Admin Code § 11-120.5
Advance Payment	No advance payment for services.	Iowa Admin Code § 11-48
Attorney General Participation in Defense	AG must retain the right to participate in any defense.	Iowa Code § 13.2(1)(b)
Sales Tax Exemption	State is exempt from sales tax.	Iowa Code § 423.3(31)

II. State of Iowa Contracting Standards

These are not mandated by law; acceptable only with exception notation and director approval.

Topic	Preference
Governing Law	Iowa law
Venue	Iowa courts
Confidentiality	No proprietary/confidential clauses that conflict with Iowa Open Records law. If included, vendor must comply with Iowa Code Chapter 22.
Dispute Resolution	No mandatory mediation, arbitration, or waiver of jury trial provisions.

III. Non-negotiable Terms

These are non-starters unless explicitly approved. Avoid including them in any agreement or SOW.

Topic	Prohibited Terms
OCONUS	Data processed/stored or use of personnel located outside the continental U.S.
State Data Usage	Vendors may not use State data for any purpose other than to fulfill the contract.
