



Colorado Mesa University
Purchasing Department
Policies & Procedures

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SECTION 1: INTRODUCTION

Pursuant to Section 24-101-105 of the C.R.S., on April 12, 2006, the Board of Trustees adopted a resolution exempting Colorado Mesa University from the State of Colorado Procurement Code and Rules to be effective April 13, 2006.

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SECTION 2: AUTHORITY & DELEGATION

The statutes of the State of Colorado (C.R.S. 23-53-102) vest the governance of the University in the Colorado Mesa University Board of Trustees (Board of Trustees), which includes the authority for procurement. The Board of Trustees has delegated to the President the administration of the University pursuant to its policies, which includes the authority for procurement and the power to delegate procurement authority to other University officials. Upon the effective date of these Procurement Rules (Rules), all procurement authority of the President of the University shall be delegated to the Chief Procurement Officer (Officer). The Officer may further delegate his/her authority to persons in University departments for the efficient operation of the University. The Officer is the only person authorized to purchase goods and services for the University, unless such specific delegation of authority is made to another employee. Exceptional cases will be resolved as circumstances and prudent business practices warrant. No employee of the University is empowered to incur any obligation or make any commitment on behalf of the University for the procurement of goods or services, except as provided under these rules.

Consistent with the provisions of these rules, the Officer may adopt operational procedures governing the internal purchasing functions of the University, including purchases at the department level.

Under these rules, the Officer is the final authority at the University for the selection of vendors and the sole authority for the commitment of University funds with respect to the procurement of goods and services.

The Officer may amend these Rules as needed.

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SECTION 3: PURPOSE

These rules are designed to support and facilitate the educational mission of the University through the acquisitions of goods and services by applying best methods and business practices that provide for public confidence in the University.

Within the context of the University environment, these rules ensure a procurement process of quality and integrity, broad based competition, fair and equal treatment of the business community, increased economy in the procurement process, and uniform procurement procedures.

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SECTION 4: APPLICABILITY

A. GENERAL APPLICABILITY

Unless the Officer determines that the Exclusions below apply, these Rules apply to all purchases of Goods and Services regardless of funding source.

B. EXCLUSIONS

These Rules do not apply to the following situations:

- No University funds are expended or the Contract is Revenue-Producing. When the University enters into Revenue-Producing Contracts the University shall maximize the return to the University. In the case of Revenue-Producing Contracts for which the University is considering more than one vendor, the University's Purchasing Department will use a competitive process.
- The Procurement is for Construction, except that for purposes of this exclusion, protest and appeals related to construction will be settled by the University and not the Office of the State Architect in accordance with Section 18, Disputes and Remedies.
- The Procurement is between the University and a Public Entity.
- The Procurement is for Services provided by architects, engineers, landscape architects, industrial hygienists and land surveyors. (See C.R.S. §§ 24-30-1401 through 24-30-1407.)
- A vendor's item is to be procured for resale.
- The Procurement of Services from a specific vendor is necessary to comply with the specific terms and conditions of a sponsored project grant or contract.
- The Procurement is for an employment contract.
- The Procurement is for land, an interest in land or other real property, water or mineral rights, workers compensation insurance, or employee benefit insurance or the administration of employee benefit insurance under a self-insured plan.
- *As allowed by 2 CFR §200.110 (a), Colorado Mesa University is delaying implementation of the new procurement standards in 2 CFR §200.317-200.326 until July 1, 2017. Colorado Mesa University will continue to comply with federal procurement standards in previous OMB guidance until that time.*

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SECTION 5: ETHICS

A. CODE OF ETHICS

All parties involved in the negotiation, performance, or administration of University Contracts are bound to act in good faith. Any person employed by the University who purchases Goods and Services, or is involved in the Procurement process for the University, shall be held to the highest degree of trust and shall be bound to the Colorado Mesa University Procurement Code of Ethics included with these Rules as Appendix A.

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SECTION 6: PROCUREMENT METHODS

A. GENERAL SOLICITATION RULES

B. SOLICITATION POLICY

It shall be the policy of the University to purchase goods and services in a manner that affords vendors a fair and equal opportunity to compete. Goods and services will be purchased in accordance with the dollar thresholds for competition and processes set forth below.

Solicitations will be issued only when a valid procurement need exists. Solicitations will not be issued to obtain estimates or as a survey of interest. A Request for Information may be issued to obtain information about products or services before the University has committed to a fully defined procurement need.

1. SOLICITATION THRESHOLDS

Amounts	Procurement Type	Action
\$4,999 or less	Goods/Services	campus departments have purchasing authority for discretionary purchases with University's procurement card;
\$5,000 through \$10,000	Goods	processed at the discretion of the Purchasing Agent
\$5,000 through \$25,000	Services	processed at the discretion of the Purchasing Agent
\$10,001 through \$150,000	Goods	competition for Goods is sought using the Documented Quote process
\$25,001 through \$150,000	Services	competition for Services is sought using the Documented Quote process
\$150,001 and greater	Goods/Services	Competition for Goods & Services is sought using either the Invitation for Bids or Request for Proposals process. Vendors must respond with a Competitive Sealed Bid or a Competitive Sealed Proposal.

C. SOLICITATION NOTIFICATION

An electronic Solicitation notification system is the required method for advertising competitive Solicitations for Goods and Services made through Documented Quotes (DQ), Invitation for Bids (IFB), and Request for Proposals (RFP). Other methods of notification may also be used at the discretion of the Purchasing Agent.

D. SPECIFICATIONS

Purchasing Agent shall issue goods or service specifications that are not unduly restrictive. Brand Name or Equal Specifications or Qualified Products Lists may be used in competitive Solicitations. Brand Name Specifications shall be used only with approval of the Officer or in accordance with procedures for Sole Source Procurements. When appropriate, Specifications issued and/or used by the Federal government, other Public Entities, or professional organizations may be referenced by the University. Vendors may be required to certify that these standardized Specifications have been met.

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E. SOLICITATION CONFERENCES

Solicitation conferences or pre-bid meetings may be conducted to explain procurement requirements. They shall be announced in the solicitation. The conference should be held long enough after the solicitation has been issued to allow vendors to become familiar with it but with adequate time before the solicitation due date to allow vendors to consider the conference information in preparing their Quotes/Bids/Proposals. Nothing stated at the conference shall change the solicitation unless a change is made by written amendment, posted on the electronic solicitation notification system.

F. AMENDMENTS TO SOLICITATIONS

Amendments to Solicitations shall be identified as such and may require that the vendors acknowledge receipt of all amendments issued. Amendments shall be posted on the electronic solicitation notification system with sufficient time to allow vendors to consider them in preparing their Quotes/Bids/Proposals. If the due date set will not permit such preparation, the due date shall be extended.

G. SOLICITATION RESPONSE – RECEIPT, OPENING AND RECORDING

1. RECEIPT

Each response shall show the date and time of receipt. Competitive Sealed Bids and Proposals shall be stored in a secure place until the due date and time and shall not be opened upon receipt, except that unidentified responses may be opened for identification purposes. Upon verification of a Solicitation response, the response will immediately be resealed and the reason for opening will be noted.

2. OPENING AND RECORDING

Competitive Sealed Bid and Proposal openings shall be open to the public. Responses shall be opened, in the presence of one or more witnesses, as soon as possible after the time, and at the place, designated in the competitive Solicitation. Late responses shall not be considered for award.

3. CONFIDENTIAL DATA

Confidential information includes, but is not limited to, trade secrets, privileged information, and confidential commercial and financial information furnished by the vendor that must be withheld from inspection by the University pursuant to the Colorado Open Records Act, C.R.S. § 24-72-204(3)(a)(IV). The vendor may submit written requests for confidentiality to the Purchasing Agent pursuant to the Solicitation terms and conditions. Neither a response in its entirety nor price information will be considered confidential information.

The Purchasing Agent shall determine the validity of any written requests for confidentiality.

If the Purchasing Agent and the vendor do not agree upon the nondisclosure of confidential information, the vendor may withdraw its response. After the Notice of Intent to Award, all responses shall be open to public inspection with the exception of confidential information.

4. WITHDRAWALS OF RESPONSES & MISTAKES IN RESPONSES

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Withdrawal of Responses Prior to Due Date and Time

Any responses may be withdrawn prior to the specified due date and time upon written request from the Offeror.

Withdrawal of Responses after Due Date and Time but Prior to Award

The Officer may allow a response to be withdrawn after the specified due date and time but prior to Award, provided:

- the vendor provides evidentiary proof that clearly and convincingly demonstrates that a mistake was made in the costs or other material matter provided; or
- the mistake is clearly evident on the response; or
- it is found by the Officer unconscionable not to allow the response to be withdrawn.

Mistakes

Confirmation of Response

When it appears from a review of the response that a mistake has been made, the vendor will be asked to confirm the response. Situations in which confirmation should be requested include apparent errors or a price unreasonably lower than other submitted prices. Upon acknowledgment that an error was made, the vendor may have its response considered as-is or may withdraw its response if the conditions set forth in this section are met.

Minor Informalities

Minor informalities are matters of form rather than substance evident from the response or insignificant mistakes that can be waived or corrected without prejudice to other vendors; that is, the effect on price, quantity, quality, delivery, or contractual conditions is negligible and Base Bid responses are unchanged. The Purchasing Agent may waive such informalities or allow the vendor to correct them depending on which is in the best interest of the University.

Determinations Required

Any decision to permit or deny correction or withdrawal of a response under this section shall be supported by a Determination prepared by the Purchasing Agent.

H. EVALUATION AND AWARD

All responses shall be evaluated and the winner determined in the manner defined in the Solicitation. The Purchasing Agent shall ensure that the Award decision treats all vendors equitably.

The Purchasing Agent shall make purchases from, and Award Contracts to, Responsible and Responsive vendors only.

Tie Quotes/Bids.

Tie Quotes/Bids are Responsive Quotes/Bids from Responsible vendors that are identical in price, terms, and conditions and that meet all the requirements and criteria set forth in the Solicitation.

- the Award shall be made to the In-state Business if tie Quotes/Bids are received from In-state

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and out-of-state Businesses.

- if both vendors are In-State or neither is In-State, the Purchasing Agent shall flip a coin in the presence of another person to determine the Awarded vendor.

I. CANCELLATION OF SOLICITATIONS

1. REASONS FOR CANCELLATIONS

Any Solicitation may be cancelled in whole or in part at any point in the process when it is in the best interest of the University as determined by the Officer. Approval to cancel will be obtained from the Officer prior to cancellation. The reason(s) for doing so shall be provided in a written Determination and shall be made part of the file and may include the following:

- the University no longer requires the Goods or Services;
- the University can no longer reasonably expect to fund the Procurement;
- proposed amendments to the Solicitation would be of such magnitude that a new Solicitation is appropriate;
- ambiguous or otherwise inadequate Specifications were part of the Solicitation;
- the Solicitation did not provide for consideration of all factors of significance to the University;
- prices exceed available funds and it would not be appropriate to adjust quantities or qualities to come within available funds;
- all otherwise acceptable bids or Proposals received are at clearly unreasonable prices;
- the University has reason to believe that the Bids or Proposals may not have been independently arrived at in open competition, may have been collusive, or may have been submitted in bad faith. A notice of rejection shall be sent to all vendors that submitted Bids or Proposals;
- the number of responses is not sufficient to ensure Adequate Competition; or
- The University Determines that cancellation is the appropriate remedy through the protest/appeal process.

2. NOTICE

When a Solicitation is cancelled, notice of cancellation shall be posted on the electronic Solicitation notification system.

3. DISPOSITION OF BIDS OR PROPOSALS

When Bids or Proposals are rejected, or a Solicitation is cancelled after Bids or Proposals are received, the Bids or Proposals that have been opened shall be retained in the procurement file. Bids and Proposals that have not been opened shall either be returned to the vendors (at vendor's request and expense) or shall be disposed of.

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SECTION 7: PROCUREMENT PROCEDURES FOR PURCHASES TOTALING \$150,000 OR LESS

Procurements shall not be artificially divided so as to constitute small-dollar purchases as defined under this section. All purchases, including small-dollar purchases, are subject to the requirement that prices paid be fair and reasonable (C.R.S. §24-30-202(2)).

A. SMALL-DOLLAR PURCHASES – PURCHASES TOTALING \$5,000 OR LESS

- The University has developed mechanisms for the purchase of most Goods and Services totaling \$5,000 or less.

B. PROCUREMENT CARD

- The University procurement card is the preferred mechanism for purchases totaling \$4,999 or less.

C. PURCHASE ORDER

- University purchase orders shall be issued for purchases totaling \$5,000 or more

D. PURCHASES OF GOODS TOTALING MORE THAN \$5,000 THROUGH \$10,000

- Purchases of Goods totaling more than \$5,000 through \$10,000 are processed at the discretion of the Purchasing Agent.

E. PURCHASES OF SERVICES TOTALING MORE THAN \$5,000 THROUGH \$25,000

- Purchases of Services totaling more than \$5,000 through \$25,000 are processed at the discretion of the Purchasing Agent.

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SECTION 8: PURCHASES OF GOODS TOTALING MORE THAN \$10,000 THROUGH \$150,000 AND PURCHASES OF SERVICES TOTALING MORE THAN \$25,000 THROUGH \$150,000

A. DOCUMENTED QUOTE

Goods totaling more than \$10,000 through \$150,000 and Services totaling more than \$25,000 through \$150,000 are purchased using the Documented Quote process.

Neither the Solicitation nor the vendor's response constitutes an "offer"; therefore, responsiveness at the time of receipt is not an absolute criterion. The Purchasing Agent will determine whether or not a response is acceptable and may compare the relative value of competing responses, not solely the price. "Acceptable" means that the goods or services will meet the University's needs and that the price is fair and reasonable. Unless a contract is required, the purchase order shall constitute an offer, which the vendor may accept by performance, unless the purchase order expressly requires acceptance by written acknowledgment.

The choice of vendor must be based on which acceptable response is most advantageous to the University, with price/cost being a consideration. The basis for the selection must be documented and will be final.

The Purchasing Agent may negotiate with any vendor to clarify its quote or to effect modifications that will make the quote acceptable or make the quote more advantageous to the University. However, in the negotiation process, the terms of one vendor's quote shall not be revealed to a competing vendor, and all quotes will be kept confidential until a Notice of Intent to Award or a commitment voucher is issued.

Quotes may be submitted electronically when the terms of the solicitation expressly permit electronic submission.

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SECTION 9: PROCUREMENT PROCEDURES FOR PURCHASES TOTALING OVER \$150,000

A. INVITATION FOR BIDS/COMPETITIVE SEALED BIDS

1. USE OF INVITATION FOR BIDS

Invitation for Bids is a method of Procurement that results in a contract being awarded to the lowest responsive bid from a responsible bidder based on the specifications set forth in the solicitation. A bid constitutes an offer to the University, and to be responsive, it must be capable of being accepted, without modification, to form a binding contract.

2. ADVERTISEMENT

IFB's are advertised on the electronic solicitation notification systems.

3. SOLICITATION TIME

The minimum time for the IFB opening date shall be not less than fourteen (14) calendar days after posting solicitations on the electronic solicitation notification system. The Chief Procurement Officer may shorten the IFB advertisement time if it is determined that special requirements or conditions exist. However, in no case shall the time be shortened in order to reduce competition.

4. LATE RESPONSES

Responses not received at the place indicated and by the date and time indicated shall not be opened and shall be rejected as late.

5. COMPETITIVE SEALED BID OPENING

The name of each bidder, the bid price(s) (unless otherwise provided in the Invitation for Bids), and other information deemed appropriate by the Purchasing Agent shall be read aloud at the time of the bid opening. Reading of all bid item prices may not be reasonable or desired (e.g., in the case of lengthy or complex IFB's). The decision not to read all Bid prices shall be made by the Purchasing Agent. The name of each bidder, amount of bid, delivery, name(s) of witness(es) and other relevant information shall be entered into the record and the record shall be available for public inspection. Prior to award, copies of pricing information not read aloud at the bid opening shall be made reasonably available for inspection, if requested. Other information related to a bid, or a bidder's responsiveness, may be withheld from inspection until questions concerning such information are resolved. After the Notice of Intent to Award, all IFB/Bid documents, and a complete bid analysis, shall be open to public inspection except to the extent the University has approved a bidder's request that information be held confidential.

6. AWARD

All goods and services shall be evaluated for responsiveness against the specifications and/or brand names used as a reference and other evaluation criteria as set forth in the IFB. Following determination of

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responsiveness, bids shall be evaluated to determine which bidder offers the lowest costs to the University in accordance with the specifications, taking into account any life-cycle cost formulas stated in the IFB.

B. MULTI-STEP SEALED IFB'S

A multi-step Sealed IFB is a two-phase process. The technical first phase is composed of one or more steps in which bidders submit unpriced technical offers to be evaluated by the University. The second phase considers only those bidders whose technical offers were determined to be responsive during the first phase. At this time, their price bids will be opened and considered. The process is designed to obtain the benefits of competitive sealed bidding by award of a contract to the lowest responsive, responsible bidder, and at the same time obtain the benefits of the Request for Proposals procedure through the solicitation of technical offers and the benefit of discussions to evaluate and determine the responsiveness of technical offers.

C. BEST VALUE INVITATION FOR BIDS

Use of Best Value IFB

A Best Value IFB is used where the IFB specifically allows for Enhancements, Options, and/or Alternatives. A Best Value IFB must include a Base Bid statement.

1. EVALUATION

The criteria or formula for evaluation must include objective consideration of the costs and savings and/or benefits associated with the Enhancements, Options, or Alternatives. Based on the evaluation of the cost of the Base Bid, the dollar value of Enhancements, Options, or Alternatives, and the Determination of which best meet the needs of the University, an Award shall be made to the bidder providing the Best Value to the University.

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SECTION 10: PROCUREMENT PROCEDURES FOR PURCHASES TOTALING OVER \$150,000

A. REQUEST FOR PROPOSALS/COMPETITIVE SEALED PROPOSALS

1. USE OF REQUEST FOR PROPOSALS

Request for Proposals (RFP) will be used for the solicitation of competitive sealed proposals over \$150,000 when factors in addition to price are important in deciding which proposal is most advantageous to the University.

2. PRELIMINARY EVALUATION

The Purchasing Agent may make an initial determination that the proposal meets minimum requirements for responsiveness prior to the full evaluation by the Evaluation Committee.

3. EVALUATION COMMITTEE

A committee of no less than three (3) individuals shall evaluate all responsive proposals. Evaluations shall be based on the factors and process set forth in the RFP. A numeric or non-numeric evaluation process may be used in order to determine which Proposal(s) is most advantageous to the University.

Upon receipt of the Evaluation Committee's recommendation, the Purchasing Agent shall make a Determination stating which proposal is most advantageous to the University, and a Notice of Intent to Award will be issued to that Offeror.

4. SOLICITATION TIME

RFPs will be open for a period of time determined to be sufficient to allow for adequate competition and quality responses.

5. ADVERTISEMENT

RFPs will be advertised in accordance with Section 6.C.

6. LATE RESPONSES

Late responses shall not be accepted. However, a response received by next business day delivery may be accepted if it is reasonable to believe the response was in the delivery process, by the post office or delivery servicer or by internal distribution system which was not completed prior to the proposal due date and time. A response in the possession of the Offeror is late if not received in the Purchasing Department by the proposal due date and time.

7. RFP OPENING

There shall be a public opening at the date and time specified in the RFP. The Purchasing Agent shall read the name of all Offerors submitting responses. A witness shall be present. All information other than the Offerors' names remains confidential until posting of the Notice of Intent to Award.

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SECTION 11: COMPETITIVE NEGOTIATION

A. CONTRACTS MAY BE AWARDED BY COMPETITIVE NEGOTIATION

A Contract may be awarded by Competitive Negotiation after an unsuccessful Invitation for Bids or Request for Proposals process if the Officer determines that time does not permit resolicitation.

An Invitation for Bids or Request for Proposals process is unsuccessful if all offers received are unreasonable or uncompetitive; the low bid exceeds available funds, the solicitation has been properly cancelled in accordance with the provisions of Section 6.I or the number of responsive offers is not sufficient to ensure adequate competition.

The competitive negotiation process shall include all vendors who responded to the solicitation or any rebid and may include other vendors capable of fulfilling the University's needs.

The Purchasing Department may set reasonable times and locations for participation in the competitive negotiation, reflecting the fact that time constraints are the basis for the competitive negotiation process.

Each vendor with whom the Purchasing Department negotiates shall be given a fair and equal chance to compete. Negotiations shall be conducted separately and independently with each vendor, and in no case shall the terms of any vendor's offer be communicated to any other vendor until a Notice of Intent to Award has been issued. Any change in requirements shall be communicated to all vendors.

A vendor may be eliminated from the process upon a determination that its offer is not reasonably susceptible of being selected for award.

The award shall be made to the vendor whose offer is most advantageous to the University. The Officer shall make a written Determination that identifies the nature of the discussions with each vendor and that states why the selected offer is the most Advantageous to the University.

B. COMPETITIVE REVERSE AUCTIONS

A Contract for goods and services may be awarded by Competitive Reverse Auction if the Officer determines that adequate competition can be achieved and that the process is likely to result in better pricing.

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Section 12	Replaces 06-10-2016
Title OTHER PROCUREMENT METHODS	Page Page 22 of 45

SECTION 12: OTHER PROCUREMENT METHODS

A. SOLE SOURCE PROCUREMENTS

Procurement without competition is authorized under limited conditions and subject to written justification documenting the conditions that preclude the use of a competitive process. A Sole Source Procurement is justified when there is only one good or service that can reasonably meet the need and there is only one vendor who can provide the good or service. A requirement for a particular proprietary item (i.e., a Brand Name Specification) does not justify a Sole Source Procurement if there is more than one potential vendor for that good or service. Price is not a consideration to justify a Sole Source Procurement. In cases of reasonable doubt, competition will be solicited.

B. CONTINUING NEED FOR SOLE SOURCE

The Purchasing Department shall take reasonable steps to avoid using Sole Source Procurement except in circumstances where it is both necessary and in the best interests of the University. The Purchasing Department shall take action, whenever possible, to avoid the need to continue to procure the same Goods and/or Services without competition.

C. SOLE SOURCE PROCUREMENT PROCEDURES

The requesting department, if required by the Officer, shall submit to the Purchasing Department a Sole Source Justification Form for Sole Source Justification along with any other pertinent information regarding the Sole Source Procurement; e.g. vendor's quote, literature, etc. The Officer is the final authority for approval of Sole Source Procurements. The Purchasing Agent has a duty to negotiate the most favorable price, terms and conditions notwithstanding the Sole Source nature of the Procurement. The Purchasing Agent is required to make a determination that the price is fair and reasonable.

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Section 13	Replaces 06-10-2016
Title EMERGENCY PROCUREMENTS	Page Page 23 of 45

SECTION 13: EMERGENCY PROCUREMENTS

A. EMERGENCY CONDITION

An emergency condition exists when a situation creates a threat to public health, welfare, or safety. When an emergency condition creates an immediate and serious need for supplies or services, the lack of which would seriously threaten the functioning of the University, or its programs; the preservation or protection of property; or the health or safety of any person(s) or animal(s), the University may conduct an emergency Procurement.

B. AUTHORITY TO MAKE EMERGENCY PROCUREMENTS

The University may make emergency Procurements when an emergency condition arises and the need cannot be met through normal procurement methods, provided that whenever practicable, the Officer's approval shall be obtained prior to the procurement. Emergency Procurements may be negotiated on a Sole Source or limited competition basis as dictated by the circumstances of the emergency. In the event an emergency arises after normal working hours, the University department shall notify the Officer on the next working day. If the Officer determines that an emergency procurement was made without the existence of an emergency condition, the procurement will be processed as an After-the-Fact Procurement as set forth in Section 17.

C. LIMITS OF AN EMERGENCY PROCUREMENT

The emergency procurement shall be limited to the procurement of items and quantities or time period sufficient to meet the immediate threat and shall not be used to meet long-term requirements.

D. SOURCE SELECTION PROCEDURES

Vendors shall be selected to assure that the required goods or services are procured in time to meet the emergency. Given this constraint, such competition as is Practicable shall be obtained. Any acceptable form of solicitation (e.g., written, faxed, electronically transmitted, phoned, etc.) may be used to obtain proposals for an emergency procurement.

E. DOCUMENTATION

As soon as practicable, the University department shall prepare a written justification, to be approved by the Officer that sets forth the justification for the emergency procurement. The justification shall include the following: the basis for the emergency procurement including the date the emergency first became known; a listing of the goods and/or services procured; a description of the efforts made to ensure that proposals or offers were received from as many potential vendors as possible under the circumstances; and the basis for the selection of the vendor.

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Section 14	Replaces 06-10-2016
Title UNIVERSITY PRICE AGREEMENTS	Page Page 24 of 45

SECTION 14: UNIVERSITY PRICE AGREEMENT(S) (CPA)

The Officer may issue University price agreements for goods or services for use by all University departments. Such CPAs may include, but are not limited to, University-initiated agreements or cooperative agreements. The purpose of such agreements is to promote efficiency and savings that can result from leveraging the University's buying power. CPA pricing is based on the University's overall anticipated volume of purchases during the agreement period. In order to assure the University of the least total cost of goods or services, all University departments may be required to order needed goods or services from CPAs. The Purchasing Department is responsible for publicizing all University price agreements and for monitoring compliance. The Officer may designate a State Price Agreement as a CPA and may permit or require the use of the agreement.

A. COOPERATIVE PURCHASING AGREEMENT(S)

The Officer may approve the purchase of goods or services from a cooperative purchasing agreement if he/she finds that such purchase is in the best interests of the University after considering: the competitiveness of pricing under the contract; and the efficiencies and cost savings of using the contract. The University may participate in, conduct, sponsor or administer a cooperative purchasing agreement. This includes, but is not limited to, agreements with any of the following: the Federal government or an agency or other instrumentality of the Federal government; the State of Colorado, another state, or an agency or other instrumentality of the State of Colorado or another state; a bi-state or multi-state agency; a county, municipal corporation, or other political subdivision of the State of Colorado or of another state, or an agency or other instrumentality of the political subdivision; other institutions of higher education; or a cooperative or organization established for the purpose of establishing contracts to aggregate the common requirements of similar institutions for maximizing economies of scale when soliciting bids or proposals, e.g. Educational and Institutional Cooperative Service, Inc. (E&I). The Officer may approve a single purchase from a cooperative purchasing agreement or may approve ongoing participation in a cooperative purchasing agreement as a CPA. The Officer has the final authority to approve the University's participation in or use of cooperative purchasing agreements.

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Section 15	Replaces 06-10-2016
Title PRICE COST ANALYSIS	Page Page 25 of 45

SECTION 15: PRICE COST ANALYSIS

When there is no competition (such as a Sole Source Procurement or when only one response is received to a Solicitation) the Purchasing Agent must ensure that the price the University is paying is fair and reasonable by completing a price cost analysis. If, after analysis, the Purchasing Agent does not feel the price to be paid is fair and reasonable, he/she will do one of three things: seek competition; negotiate with the vendor to lower the price; or cancel the procurement.

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Section 16	Replaces 06-10-2016
Title CONTRACTS	Page Page 26 of 45

SECTION 16: CONTRACTS

A. TYPES OF CONTRACTS

Subject to the limitations of this section, any type of contract that will promote the best interests of the University may be used. A Cost-Reimbursement Contract may be used only when a determination is made that such contract is likely to be less costly to the University than any other type of contract or that it is impracticable to obtain the goods or services required unless the Cost Reimbursement Contract is used. The minimum requirements for Contract formation and content are contained in the State of Colorado Fiscal Rules.

B. MULTI-YEAR CONTRACTS

The University may enter into multi-year Contracts for Goods or Services subject to funding availability. Contracts for periods in excess of five years require the approval of the Officer.

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Section 17	Replaces 06-10-2016
Title AFTER THE FACT PURCHASES	Page Page 27 of 45

SECTION 17: AFTER-THE-FACT (ATF) PURCHASES

After-the-Fact purchases shall be processed in accordance with the Purchasing Department's policy and the State Controller Policy entitled Processing Commitment Vouchers that Violate State Statute.

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Section 18	Replaces 06-10-2016
Title DISPUTES & REMEDIES	Page Page 28 of 45

SECTION 18: DISPUTES & REMEDIES

A. TYPES OF DISPUTES

The Officer is authorized to settle and resolve any questions regarding: any protest concerning the solicitation or award of a contract; and any controversy arising between the University and a Contractor by virtue of a contract between them, including, without limitation, controversies based upon breach of contract, mistake, misrepresentation, or any other cause for contract modification or rescission.

B. COSTS OF FILING

All costs associated with filing and prosecuting a protest/appeal or Contract dispute shall be borne by the Protestor/Contractor.

C. PROTESTS REGARDING SOLICITATION OR AWARD OF A CONTRACT

1. FILING OF PROTEST

2. SUBJECT OF PROTEST

Protestors may file a protest on any phase of a Solicitation or Award including, but not limited to, specifications, award, or the determination of confidentiality per Section 6.G. 3. Protests shall be submitted in writing within seven (7) working days after such aggrieved person knows or should have known of the facts giving rise thereto. Protests regarding specifications must be submitted and received by the University prior to the bid/proposal opening date.

3. FORM

The written protest shall include, at a minimum: the name and address of the Protestor; appropriate identification of the Procurement by Solicitation number; a statement of the reasons for the protest; and any available exhibits, evidence, or documents substantiating the protest.

4. TO WHOM ADDRESSED

The protest shall be addressed to the Officer and sent to the Purchasing Department.

5. REQUESTED INFORMATION

Any additional information regarding the protest should be submitted within the time period requested in order to expedite resolution of the protest. If any party fails to comply expeditiously with any request for information by the Officer, the protest may be resolved without such information.

6. DECISION

The Officer shall render a written decision regarding the protest within seven (7) working days after the protest is received. The decision shall set forth each factor taken into account in reaching the decision. The Officer shall furnish a copy of the decision in writing to the Protestor.

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7. APPEAL

The Protestor may appeal the Officer's decision to the Vice President for Finance and Administration within seven (7) working days after receiving the Officer's protest decision. The Vice President for Finance and Administration shall respond to a Protestor's appeal within ten (10) working days after receipt of the appeal. The appeal decision shall be based on the issues raised in the protest. No new issues may be raised in the appeal or in the appeal decision.

8. REMEDIES AND ENTITLEMENT TO COSTS

If prior to executing a contract, the protest or appeal decision determines that the solicitation was not conducted properly, the solicitation or proposed award may be revised or the solicitation may be cancelled. If the University has already entered into a contract and the protest or appeal decision subsequently finds that the Protestor should have been awarded the contract but, due to a defect in the solicitation process, was not, the Protestor shall be entitled to the reasonable costs incurred in connection with responding to the solicitation. No other costs shall be permitted, and reasonable costs shall not include attorney fees.

9. ACTIONS IN COURT

Prior to any action in court, the Protestor must exhaust the protest and appeal process set forth in this section and must participate in a formal non-binding mediation process with a neutral third party mediator. The cost of mediation will be borne equally by the University and the Protestor. If a Protestor files a complaint in court, the subject of which is also the subject of a protest or appeal, no further action will be taken on the protest or appeal and the matter will be referred to University counsel.

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Section 19	Replaces 06-10-2016
Title CONTRACT DISPUTES	Page Page 30 of 45

SECTION 19: CONTRACT DISPUTES

A. STATEMENT OF POLICY

The terms and conditions of University contracts establish procedures and remedies to resolve contract and breach of contract controversies between the University and a contractor. It is the University's policy to try to resolve all controversies by mutual agreement through informal discussions without litigation. As used in these rules, the word "controversy" is meant to be broad and all-encompassing, including the full spectrum of disagreements from pricing of routine contract changes to claims of breach of contract.

B. REQUEST FOR REVIEW AND DECISION

When a controversy cannot be resolved by mutual agreement, the contractor may submit to the Officer a written request for a review and final decision. The Officer shall review the matter and issue a written decision within twenty (20) working days after receiving the written request.

C. FINAL DECISION

The Officer shall furnish a written copy of the decision to the contractor. The decision shall include: a description of the controversy; a reference to the pertinent contract provision(s); a statement of the factual areas of agreement and disagreement; and the supporting rationale for the decision.

D. ACTIONS IN COURT

If a contractor has filed a complaint in court which complaint is also the subject of a pending contract dispute, the Officer will not issue a decision and will refer the matter to University counsel.

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Section 20	Replaces 06-10-2016
Title COST PRINCIPLES	Page Page 31 of 45

SECTION 20: COST PRINCIPLES

A. APPLICABILITY OF COST PRINCIPLES

1. APPLICATION

This section of the rules contains cost principles and procedures to be used as guidance in: establishment of contract cost estimates and prices under contracts made by IFBs and RFPs where the award may not be based on adequate competition, Sole Source Procurement, or contracts for certain services; establishment of price adjustments for contract changes; pricing of termination for convenience settlements; and any other situation in which cost analysis is required.

2. LIMITATION

Cost principles in this section of the rules are not applicable to: the establishment of prices under contracts made pursuant to adequate competition rather than the analysis of individual, specific cost elements, except that this section of the rules does apply to the establishment of adjustments of price for changes made to such contracts; prices that are fixed by law, regulation, or otherwise provided by contract; prices that are based on established catalog prices or established market price; and stipulated unit prices.

B. ALLOWABLE COSTS

1. GENERAL

Any contract costs proposed for estimating purposes or invoiced for cost-reimbursement purposes are permitted as provided in the contract. The contract shall provide that the total permitted cost of a contract is the sum of the permitted direct costs actually incurred (or, in the case of forward pricing, the amount estimated to be incurred) in the performance of the contract in accordance with its terms, plus the properly allocable portion of the allowable indirect costs, less any applicable credits (such as discounts, rebates, refunds, and property disposal income).

C. ACCOUNTING CONSISTENCY

All costs shall be accounted for in accordance with generally accepted accounting principles and in a manner that is consistent with the contractor's usual accounting practices in charging costs to other activities. In pricing a proposal, a contractor shall estimate costs consistently with cost accounting practices used in accumulating and reporting costs.

D. WHEN PERMITTED

The Contract shall provide that costs are permitted to the extent they are: reasonable, as defined in Section 20. E (Reasonable Costs); allocable, as defined in Section 20. F (Allocable Costs); not made unlawful under any applicable law; not permitted under Section 20. G (Treatment of Specific Costs) or Section 20.I (Costs Requiring Prior Approval to be Allowable); and actually incurred or accrued and accounted for in accordance with generally accepted accounting principles in the case of costs invoiced for reimbursement.

E. REASONABLE COSTS

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Any cost is reasonable if, in its nature or amount, it does not exceed that which would be incurred by an ordinarily prudent person in the conduct of competitive business. In determining the reasonableness of a given cost, consideration shall be given to: whether the cost is of a type generally recognized as ordinary and necessary for the conduct of the contractor's business or the performance of the contract; the restraints inherent in and the requirements imposed by such factors as generally accepted sound business practices, arm's length bargaining, Federal and state laws and regulations, and contract terms and specifications; the action that a prudent businessperson would take under the circumstances, considering responsibilities to the owners of the business, employees, customers, the University, and the general public; significant deviations from the contractor's established practices which may unjustifiably increase the contract costs; and any other relevant circumstances.

F. ALLOCABLE COSTS

1. GENERAL

A cost is allocable if it is assignable or chargeable to one or more cost objectives in accordance with relative benefits received and if it: is incurred specifically for the contract; benefits both the contract and other work, and can be distributed to both in reasonable proportion to the benefits received; or is necessary to the overall operation of the business, although a direct relationship to any particular cost objective cannot be shown.

2. ALLOCATION CONSISTENCY

Costs are allocable as direct or indirect costs. Similar costs (those incurred for the same purpose, in like circumstances) shall be treated consistently either as direct costs or indirect costs except as set forth herein. When a cost is treated as a direct cost in respect to one cost objective, it and all similar costs shall be treated as a direct cost for all cost objectives. Further, all costs similar to those included in any indirect cost pool shall be treated as indirect costs. All distributions to cost objectives from a cost pool shall be on the same basis.

3. DIRECT COST

A direct cost is any cost which can be identified specifically with a particular cost objective. A direct cost shall be allocated only to its specific cost objective. To be allowable, a direct cost must be incurred in accordance with the terms of the Contract.

4. INDIRECT COSTS

An indirect cost is one identified with more than one cost objective. Indirect costs are those remaining to be allocated to the several cost objectives after direct costs have been determined and charged directly to the Contract or other work as appropriate. Any direct costs of minor dollar amounts may be treated as indirect costs, provided that such treatment produces substantially the same results as treating the cost as a direct cost.

Indirect costs shall be accumulated into logical cost groups with consideration of the reasons for incurring the costs. Each group should be distributed to cost objectives benefiting from the costs in the group. Each indirect cost group shall be distributed to the cost objectives substantially in proportion to the benefits received by the cost objectives. The number and composition of the groups and the method of distribution should not unduly complicate indirect cost allocation where substantially the same result could be achieved through less precise methods.

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The contractor's method of distribution may require examination when: any substantial difference exists between the cost patterns of the work performed under the contract and the contractor's other work; any significant change occurs in the nature of the business, the extent of subcontracting, fixed asset improvement programs, inventories, the volume of sales and production, manufacturing processes, the contractor's products, or other relevant circumstances; or indirect cost groups developed for a contractor's primary location are applied to off-site locations may be necessary to distribute the contractor's costs on the basis of the benefits accruing to the appropriate cost objectives.

The base period for indirect cost allocation is the one in which such costs are incurred and accumulated for distribution to work performed in that period. Normally, the base period is the Contractor's fiscal year. A different base period may be appropriate under unusual circumstances. In such cases, an appropriate period should be agreed to in advance.

G. TREATMENT OF SPECIFIC COSTS

1. ADVERTISING

The only permitted advertising costs are those for: the recruitment of personnel; the Procurement of scarce items; the disposal of scrap or surplus materials; the listing of a Business's name and location in a classified directory; and other forms of advertising as approved by the University when in the best interest of the University.

2. BAD DEBTS

Bad debts include losses arising from uncollectible accounts and other claims, such as dishonored checks, employee advances, and related collection and legal costs. All bad debt costs are prohibited.

3. CONTINGENCIES

Contingency costs are contributions to a reserve account for unforeseen costs. Such contingency costs are unallowable except as provided in Section 20. G.3. For the purpose of establishing a contract cost estimate or price in advance of performance of the contract, recognition of uncertainties within a reasonably anticipated range of costs may be required and is not prohibited by this subsection. However, where contract clauses are present which serve to remove risks from the Contractor, there shall not be included in the contract price a contingency factor for such risks. Further, contributions to a reserve for self-insurance in lieu of, and not in excess of, commercially available liability insurance premiums, are allowable as an indirect charge.

4. DEPRECIATION AND USE ALLOWANCES

Depreciation and use allowances are permitted to compensate contractors for the use of buildings, capital improvements and equipment. Depreciation is a method of allocating the acquisition cost of an asset to periods of its useful life. Useful life refers to the asset's period of economic usefulness in the particular contractor's operation as distinguished from its physical life. Use allowances provide compensation in lieu of depreciation or other equivalent costs. Consequently, these two methods may not be combined to compensate contractors for the use of any one type of property.

The computation of depreciation or use allowances shall be based on acquisition costs. When the acquisition costs are unknown, reasonable estimates may be used.

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Depreciation shall be computed using any generally accepted method, provided that the method is consistently applied and results in equitable charges considering the use of the property. The straight-line method of depreciation is preferred unless the circumstances warrant some other method. However, the University will accept any method which is accepted by the Internal Revenue Service.

In order to compensate the contractor for use of depreciated, contractor-owned property which has been fully depreciated on the contractor's books and records and is being used in the performance of a contract, use allowances are permitted, provided that they are computed in accordance with an established industry or government schedule or other method mutually agreed upon by the parties. If a schedule is not used, factors to consider in establishing through-allowance are the original cost, remaining estimated useful life, the reasonable fair market value, the effect of any increased maintenance or decreased efficiency.

5. ENTERTAINMENT

Entertainment costs include costs of amusements, social activities and incidental costs relating thereto, such as meals, beverages, lodging, transportation and gratuities. Entertainment costs are unallowable.

This section shall not prohibit costs incurred for meetings or conferences, including, but not limited to, costs of food, rental facilities, and transportation where the primary purpose of incurring such cost is the dissemination of technical information or the stimulation of production.

6. FINES AND PENALTIES

Fines and penalties include all costs incurred as the result of violations of or failure to comply with Federal, state and local laws and regulations. Fines and penalties are prohibited costs unless incurred as a direct result of compliance with specific provisions of the Contract or written instructions of the University's authorized representative. To the extent that workers' compensation is considered by state law to constitute a fine or penalty, it shall not be an allowable cost under this subsection.

7. GIFTS, CONTRIBUTIONS AND DONATIONS

A gift is property transferred to another person without the other person providing return consideration of equivalent value. Contributions and donations are property transferred to a nonprofit institution which is transferred in exchange for supplies or services of equivalent fair market value rendered by a nonprofit institution. Gifts, contributions and donations are prohibited.

8. INTEREST COSTS

Interest is a cost of borrowing. Interest is not permitted except as provided in Section 20.G.8. Interest costs on contractor claims for payments due under University contracts are permitted.

9. LOSSES INCURRED UNDER OTHER CONTRACTS

A loss is the excess of costs over income earned under a particular contract. Losses may include both direct and indirect costs. A loss incurred under one contract may not be charged to any other contract.

10. MATERIAL COSTS

Material costs are the costs of all supplies, including raw material, parts and components (whether acquired by purchase from an outside source or acquired by transfer from any division, subsidiary, or affiliate under the common control of the contractor), which are acquired in order to perform the Contract. Material costs

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are permitted, subject to Section 20.10. In determining material costs, consideration shall be given to reasonable spoilage, reasonable inventory losses and reasonable overages.

Material costs shall include adjustments for all available discounts, refunds, rebates and allowances which the contractor reasonably should take under the circumstances, and for credits for proceeds the contractor received or reasonably should receive from salvage and material returned to suppliers.

Allowance for all materials transferred from any division (including the division performing the contract), subsidiary, or affiliate under the common control of the Contractor shall be made on the basis of costs incurred by the transferor (determined in accordance with these cost principle regulations, except that double charging of indirect costs is unallowable), except the transfer may be made at the established price provided that the price of materials is not determined to be unreasonable by the University's Purchasing Agent and the price is not higher than the transferors' current sales price to its most favored customer for a like quantity under similar payment and delivery conditions and: the price is established either by the established catalogue price; or by the lowest price offer obtained as a result of the sealed bidding or competitive sealed proposals conducted with other businesses that normally produce the item in similar quantities.

H. TAXES

Except as limited in Section 20.H, all taxes which the contractor is required to pay and which are paid and accrued in accordance with generally accepted accounting principles are permitted. The following costs are not permitted:

- Federal income taxes and Federal excess profit taxes;
- all taxes from which the contractor could have obtained an exemption, but failed to so, except where the administrative cost of obtaining the exemption would have exceeded the tax savings realized from the exemption; any interest, fines, or penalties paid on delinquent taxes unless incurred at the written direction of the University's authorized representative; and
- income tax accruals designed to account for the tax effects of differences between taxable income and pre-tax income as reflected by the contractor's books of account and financial statements.

Any refund of taxes which were permitted as a direct cost under the contract shall be credited to the contract. Any refund of taxes which were permitted as an indirect cost under the contract shall be credited to the indirect cost group applicable to contracts being priced or costs being reimbursed during the period in which the refund is made. Direct government charges for services such as water, or capital improvements such as sidewalks, are not considered taxes and are permitted costs.

I. COSTS REQUIRING PRIOR APPROVAL TO BE ALLOWABLE

1. GENERAL

The costs described in Sections 20.I.2, 3, 4, and 5 are permitted as direct costs to cost-reimbursement type contracts to the extent that they have been approved in advance by the University's Purchasing Agent. In other situations those costs are negotiable in accordance with general standards set out herein.

2. PRE-CONTRACT COSTS

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Pre-Contract costs are those incurred prior to the effective date of the contract directly pursuant to, and in anticipation of, the award of the contract. Such costs are permitted to the extent that they would have been permitted if incurred after the beginning date of the contract; provided that, in the case of a cost-reimbursement type contract, a special provision must be inserted in the contract setting forth the period of time and maximum amount of cost which will be covered as permitted pre-contract costs.

3. BID AND PROPOSAL COSTS

Bid and proposal costs are the costs incurred in preparing, submitting and supporting bids and proposals. Reasonable ordinary bid and proposal costs are permitted as direct costs only to the extent that they are specifically permitted by a provision of the contract or solicitation document. Where bid and proposal costs are permitted as direct costs, to avoid double accounting, the same bid and proposal costs shall not be charged as indirect costs.

4. INSURANCE

Insurance costs are the costs of obtaining insurance in connection with performance of the contract or contributions to a reserve account for the purpose of self-insurance. Ordinary and necessary insurance costs are permitted in accordance with these cost principles. Self-insurance contributions are permitted only to the extent of the cost to the contractor to obtain similar insurance. Insurance costs may be approved as a direct cost only if the insurance is specifically required for the performance of the contract. Actual losses which should reasonably have been covered by permissible insurance or were expressly covered by self-insurance are prohibited unless the parties expressly agree otherwise in the terms of the Contract.

5. LITIGATION COSTS

Litigation costs include all filing fees, legal fees, expert witness fees, and all other costs involved in litigating claims in court or before an administrative agency. Costs incurred in litigation against the University are not permitted.

J. APPLICABLE CREDITS

1. DEFINITIONS AND EXAMPLES

Applicable credits are receipts or price reductions which offset or reduce expenditures allocable to contracts as direct or indirect costs. Examples include purchase discounts, rebates, allowances, recoveries or indemnification for losses, sale of scraps and surplus equipment and materials, adjustments for overpayments or erroneous charges, and income from employee recreational, incidental, or services and food sales.

2. REDUCING COSTS

Credits shall be applied to reduce related direct or indirect costs.

3. REFUND

The University shall be entitled to a cash refund if the related expenditures have been paid to the contractor under a cost-reimbursement type contract.

4. UNUSUAL COSTS

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Both the University and the contractor should seek to avoid disputes and litigation arising from potential problems by providing in the terms of the contract the treatment to be accorded special or unusual costs.

K. USE OF FEDERAL COST PRINCIPLES

1. COST NEGOTIATIONS

In dealing with contractors operating according to Federal cost principles, such as Defense Acquisition Regulation, Section 15, or Federal Acquisition Regulations (FAR), Part 1-15, the University's Purchasing Agent, after notifying the Contractor, may use the Federal cost principles as guidance in contract negotiations, subject to Section 20.K.1. Incorporation of Federal Cost Principles: Conflicts between Federal Principles and these rules in contracts not awarded under a program which is funded by Federal assistance funds, the University may explicitly incorporate Federal cost principles into a solicitation and thus into any contract awarded pursuant to that solicitation. The University Purchasing Agent and the contractor may by mutual agreement incorporate Federal cost principles into a contract during negotiation or after Award. In either instance, the language incorporating the Federal cost principles shall clearly state that to the extent Federal cost principles conflict with these rules, these rules shall control. In contracts awarded under a program which is financed in whole or in part by Federal assistance funds, all requirements set forth in the assistance document including specified Federal cost principles, must be satisfied. Therefore, to the extent that the cost principles specified in the grant document conflict with the cost principles in these rules, the cost principles specified in the grant shall control.

L. AUTHORITY TO DEVIATE FROM COST PRINCIPLES

If the University's Purchasing Agent desires to deviate from the cost principles set forth in these rules, a determination shall be made by such Purchasing Agent specifying the reasons for the deviation.

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SECTION 21: SUSPENSION & DEBARMENT

A. SUSPENSION

After meeting with the affected University department(s) and, where practicable, the vendor who is to be suspended, the Officer may issue a written determination to suspend a vendor from doing business with the University pending an investigation to determine whether cause exists for debarment. The suspension shall not exceed three (3) months unless a criminal indictment has been issued for an offense that would be cause for debarment. In such cases, the suspension may remain in effect until after the trial of the suspended vendor.

A written notice of the suspension, including a copy of the determination, shall be sent to the suspended vendor. The notice shall state that the suspension will be for the period necessary to complete an investigation into possible debarment; inform the suspended vendor that no business may be conducted with the University by any person(s) representing the suspended vendor during the suspension period and that any solicitation responses received from the suspended vendor during the suspension period shall not be considered; and offer the vendor a reasonable opportunity to be heard and to submit evidence to be considered in making the debarment decision. The suspension period will be effective upon issuance of the notice of suspension.

B. DEBARMENT

A suspended vendor may be debarred for any of the following reasons: conviction of a criminal offense in relation to obtaining or attempting to obtain a University contract or in the performance of such contract; conviction under State of Colorado or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, or receiving stolen property; conviction under State of Colorado or Federal antitrust statutes arising out of the submission of bids or proposals; willful material failure to perform in accordance with the terms of one or more contracts following notice of such failure, or a history of material failure to perform, or of materially unsatisfactory performance of one or more contracts; the vendor is currently under debarment by any other governmental entity which is based upon a settlement agreement or a final administrative or judicial determination issued by a Federal, state or local governmental entity; and/or violation of the provisions of Section 7-108-401 C.R.S., "General Standards of Conduct for Directors and Officers". Following completion of the investigation to determine whether a vendor has engaged in activities that are cause for debarment, the Officer may issue a determination debaring the vendor. A vendor may be debarred for a period of time commensurate with the seriousness of the offense, but not to exceed three (3) years. A written notice of debarment shall be sent to the suspended vendor. The notice shall: state the debarment period; and inform the debarred vendor that no business may be conducted with the University by any person(s) representing the debarred vendor during the debarment period and that any solicitation responses received from the debarred vendor during the debarment period shall not be considered. The debarment period will be effective fourteen (14) days after the notice of debarment is sent to the debarred vendor. After the debarment period begins, the vendor shall remain debarred until the debarment period specified expires unless a court or the Officer orders otherwise.

C. MASTER LIST

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The Purchasing Department shall maintain a master list of all suspensions and debarments. The master list will contain information concerning suspensions and debarments as public records.

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Title PROCUREMENT RECORDS – INFORMATION & RETENTION	Page Page 40 of 45

SECTION 22: PROCUREMENT RECORDS -- INFORMATION & RETENTION

Procurement records are subject to disclosure pursuant to the provisions of the Colorado Open Records Act, C.R.S. §§ 24-72-201 *et seq.*

Procurement records shall be retained and disposed of in accordance with applicable records retention policies.

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SECTION 23: DEFINITIONS

The terms defined in this section shall have the following meanings whenever they appear in the body of these Rules, unless the context in which they are used clearly requires a different meaning or a different definition is prescribed for a particular section or portion thereof.

Adequate Competition exists if a Documented Quote, competitive Sealed Bid or competitive Sealed Proposal has been conducted and at least two Responsible and Responsive Offerors have independently competed to provide the University's needed Goods or Services. If the foregoing conditions are met, price competition shall be presumed to be "adequate" unless the Purchasing Agent Determines, in writing, that such competition is not adequate.

Advantageous means an assessment of what is in the University's best interests.

After-the-Fact (ATF) purchase occurs when a department makes a purchase without an authorized purchase order or contract when such commitment document is required. A requisition or encumbrance document ***is not*** an authorized commitment document.

Alternative means a choice of a different Good or Service that meets or exceeds the functional requirements of the Base Bid.

Award means the acceptance of a Bid or Proposal by issuance of a commitment voucher.

Base Bid means the minimum functional requirements for Responsiveness of the Good or Service.

Best Value means the lowest overall cost to the University after taking into consideration costs, benefits, and savings.

Bid means a Competitive Sealed response from a vendor to an IFB.

Brand Name Specification means a Specification limited to one or more Goods or Services by manufacturer's names or catalog numbers.

Brand Name or Equal Specification means a Specification which uses one or more manufacturer's names or catalogue numbers to describe the standard of quality, performance, and other characteristics needed to meet University requirements, and which provides for the submission of equivalent Goods or Services.

Business means any corporation, limited liability company, partnership, individual, sole proprietorship, joint-stock company, joint venture, or other private legal entity.

Competitive Negotiation means the process of discussion and issue resolution between a Purchasing Agent and a prospective vendor to procure a Good or Service needed by the University. Competitive Negotiation is used only after a failed IFB or RFP process. If more than one vendor is available for such negotiation, the needs of the University must be clearly defined in advance of any negotiations, using a Specification that details fully the University's intended Procurement.

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Competitive Reverse Auction means a computer aided bidding process through which a pre-established group of vendors may post Bids for a defined period of time and may change their Bids as desired during the bidding period.

Contract means any type of University agreement, regardless of what it may be called, for the Procurement or disposal of Goods or Services, and includes purchase orders.

Contractor means any entity that has a contractual relationship with the University for the provision of Goods or Services.

Construction means the process of building, altering, repairing, improving, or demolishing any public structure or building or any other public improvements of any kind to any public real property. For the purposes of these Rules, "construction" includes capital construction and controlled maintenance, as defined in C.R.S. § 24-30-1301.

Cost-Reimbursement Contract means a Contract under which a Contractor is reimbursed for costs that are allowable and allocable in accordance with the Contract terms.

C.R.S. means Colorado Revised Statutes.

Determination/Determines means a written Procurement decision made by the Director or delegate which is based on sufficient facts, circumstances and reasoning to substantiate the decision. Each Determination shall be filed in the appropriate Purchasing Department file.

Documented Quote (DQ) means a process of soliciting informally for fulfilling the University's need for specific Goods or Services and receiving and evaluating vendor responses. The dollar limits for use of Documented Quotations shall be as stated in Section 6 PROCUREMENT METHODS, Solicitation Thresholds. The process shall be conducted only by a Purchasing Agent.

Enhancements means components, Services, or products that exceed the minimum functional requirements and would improve the quality of the Goods or Services being procured by the University.

Goods means all property, except real property, tangible and intangible, all materials, equipment, products, supplies, commodities, and insurance not excluded from these Rules, but not Services, provided by a Contractor.

In-state Business means: a Business that is authorized to transact business in Colorado and that maintains its principle place of business in Colorado; or a Business that is authorized to transact business in Colorado, that maintains a place of business in Colorado, and that has filed Colorado unemployment compensation reports in at least seventy-five percent of the eight quarters immediately before bidding on a Solicitation.

Invitation for Bids (IFB) means a process to solicit, receive, and evaluate competitive bids from vendors for specific Goods or Services that results in a Contract being Awarded to the lowest Responsive Bid from a Responsible bidder based on the Specifications set forth in the Solicitation. The dollar limits for use of IFBs shall be as stated in Section 6 PROCUREMENT METHODS, Solicitation Thresholds. The process shall be conducted only by a Purchasing Agent.

Options means choices of additional components, Services, or Goods that would serve to provide increased value to the University beyond the Base Bid.

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Notice of Intent to Award means the announcement of the apparent winner to the apparent winning vendor, the losing vendors, and the public in a competitive solicitation process and when a DQ process results in a formal contract. A Notice of Intent to Award occurs prior to the issuance of a commitment voucher; no property interest of any sort accrues to the vendor prior to issuance of a commitment voucher.

Offeror means the person or entity who submits a proposal in response to a Request for Proposals.

Practicable means what may be accomplished or put into practical application; reasonably possible.

Procurement means buying, purchasing, renting, leasing, or otherwise acquiring any Goods or Services. Procurement includes all functions that pertain to the obtaining of any Goods or Services, including description of requirements, Solicitation and selection of sources, preparation and Award of Contract, and all phases of Contract administration.

Proposal means a Competitive Sealed response from a vendor to an RFP.

Protestor means any actual or prospective bidder or Offeror who is aggrieved in connection with the Solicitation or the Award of a Contract and who files a protest.

Public Entity means a state agency or institution of higher education or political subdivision of the State of Colorado, or of another state, the Federal government or any combination thereof.

Purchasing Agent means the Officer or a University employee supervised by the Officer with delegated purchasing authority from the Officer.

Qualified Products List means an approved list of Goods or Services described by model or catalogue numbers, which prior to competitive Solicitation, the University has determined will meet the applicable Specification requirements.

Quote means a response from a vendor to a DQ.

Request for Information (RFI) means a request from the University to the vendor community to provide information about the general availability, specifications, or costs of Goods or Services. An RFI is not a vendor selection method and cannot be the basis for the award of a Contract.

Request for Proposals (RFP) means a process to solicit, receive, and evaluate competitive Sealed Proposals from Offerors for specific Goods or Services when factors in addition to price are important in deciding which proposal is most advantageous to the University. The dollar limits for use of RFPs shall be as stated in Section 6 PROCUREMENT METHODS, Solicitation Thresholds. The process shall be conducted only by a Purchasing Agent.

Resale means Goods that will be purchased by a department and resold as-is. In the case of food, items that are bought and re-sold without being altered are Resale items; items that are cut up, cooked, or otherwise processed before being re-sold are not Resale items.

Responsible means a Business that has the capability in all respects to perform fully the Contract requirements, and the integrity and reliability that will assure good faith performance.

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Responsive/Responsiveness means an offer, with regard to a Bid or Proposal, that conforms in all material respects to the requirements and Specifications contained in the Solicitation.

Revenue-Producing means a for-profit business activity conducted by a Business on University premises with the permission or agreement of the University and whereby the Business pays money to the University as a result of sharing income from the business activity.

Sealed means that the Bid or Proposal must be submitted in a manner that: ensures that the contents of the Bid or Proposal cannot be opened or viewed before the formal opening without leaving evidence that the document has been opened or viewed; ensures that the document cannot be changed, once received by the University, without leaving evidence that the document has been changed; bears a physical or electronic signature evincing intent by the bidder or Offeror to be bound. An electronic signature must comply with the definitions and requirements set forth in the government electronic transactions act, C.R.S. § 24-71.1-101 et seq. and its implementing rules; and records, manually or electronically, the date and time the Bid or Proposal is received by the University and that cannot be altered without leaving evidence of the alteration.

Services means the furnishing of labor, time, or effort by a Contractor not involving the delivery of a specific end product other than reports which are merely incidental to the required performance.

Sole Source Procurement means a Procurement made without competition, when competition would otherwise be required. A Sole Source Procurement is justified when there is only one Good or Service that can reasonably meet the need and there is only one vendor who can provide the Good or Service.

Solicitation means a request to the Business community to respond to a Documented Quote, Invitation for Bids or Request for Proposals.

Specification means any description of the nature of a Good or Service, or of the physical or functional characteristics of a Good or Service. It may include a description of any requirement for inspecting, testing, or preparing a Good or Service for delivery.

	Effective 01-01-2019
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Title CODE OF ETHICS	Page Page 45 of 45

APPENDIX A: COLORADO MESA UNIVERSITY PROCUREMENT CODE OF ETHICS

Any person employed by Colorado Mesa University who purchases goods and services, or is involved in the purchasing process for the University, shall be bound by this code and shall:

1. Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications;
2. Demonstrate loyalty to the University by diligently following all lawful instructions while using professional judgment, reasonable care, and exercising only the authority granted;
3. Conduct all purchasing activities in accordance with the laws, while remaining alert to and advising Colorado Mesa University regarding the legal ramifications of the purchasing decisions;
4. Refrain from any private or professional activity that would create a conflict between personal interests and the interests of Colorado Mesa University;
5. Identify and strive to eliminate participation of any individual in operational situations where a conflict of interest may be involved;
6. Never solicit or accept money, loans, credits, or prejudicial discounts, and avoid the acceptance of gifts, entertainment, favors, or services from present or potential suppliers which might influence or appear to influence purchasing decisions;
7. Promote positive supplier relationships through impartiality in all phases of the purchasing cycle;
8. Display the highest ideals of honor and integrity in all public and personal relationships in order to merit the respect and inspire the confidence of the public being served;
9. Provide an environment where all business concerns, large or small, majority- or minority-owned, are afforded an equal opportunity to compete for Colorado Mesa University business; and,
10. Enhance the proficiency and stature of the purchasing profession by adhering to the highest standards of ethical behavior.