PROCUREMENT SERVICES
COLORADO STATE UNIVERSITY SYSTEM

PROCUREMENT RULES

Effective July 1, 2007

Amended August 2009
Amended February 2013
Amended December 2014
Amended December 2016
Amended July 2018
Amended February 2019
Amended January 2023
Amended August 2024
Amended July 2025
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SECTION I
INTRODUCTION

Pursuant to Section 24-101-105 of the **C.R.S.**, on December 5, 2007, the Board of Governors of the Colorado State University System enacted a resolution approving and allowing the Colorado State University System to opt out of the State of Colorado Procurement Code and Rules effective July 1, 2007.

SECTION II
AUTHORITY AND DELEGATION

A. Legal and Policy Basis; Delegation of Authority

The Colorado Constitution, Article VIII, Section 5(2), vests the Board with the authority to contract. This is implemented by statute, **C.R.S.** §23-30-102(1), which provides in part:

> The Board of Governors of the Colorado State University System is a body corporate, capable in law of suing and being sued; of taking, holding, acquiring, exchanging, selling, and determining the uses of personal property and real estate, or any interest therein, the ownership of which is vested in the board of governors of the Colorado state university system or the entities governed by it; of contracting and being contracted with and of causing to be done all things necessary to carry out the provisions of this article.

Through a series of resolutions, the Board of Governors has delegated to the President the authority to approve and execute all contracts, agreements, grants, warrants and other binding legal instruments which are either expressly approved by resolution of the Board, or are usual, necessary and appropriate to the normal operation of the institution and within the budgeted expenditures as approved by the Board. The Board also expressly permitted the institution presidents to authorize other administrators to negotiate and execute such instruments. The President has, in turn, delegated to the Director of Procurement Services the responsibility and oversight for all procurement activities of the University as reasonable and necessary for the conduct of the institution's ordinary business affairs. The Director may further delegate his/her authority to Purchasing Agents or individuals in University departments as reasonably required for the efficient operation of the University.

The Board of Governors of the Colorado State University System (CSU System) enacted a resolution in December, 2007 which allowed its constituent institutions to opt out of the State Procurement Code as provided by statute (**C.R.S.** § 24-101-105(1)(b) (HB04-1009)), and another in August 2010 allowing the University to be excluded from the statutory definition of a "Governmental Body" for purposes of opting out of the State Procurement and Travel Card programs (**C.R.S.** § 24-101-301(18)). Pursuant to these statutes and resolutions, CSU's procurement activities are not governed by the Procurement Code (**C.R.S.** Title 24, Articles 101-112), but rather by these CSU Procurement Rules.

Pursuant to **C.R.S.** § 24-30-202(13)(b) (SB10-003), on August 12, 2010 the Board of Governors of the CSU System enacted a resolution approving and allowing Colorado State University System Office, Colorado State University, Colorado State University-Pueblo, and Colorado State University-Global Campus to opt out of the State Fiscal Rules and authorizing the development of the CSU System's own fiscal rules. The CSU System Fiscal Rules may be found on the system's website, and CSU's own Financial Rules and Financial Procedure Instructions further establish CSU's financial policies and procedures.

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, Services** or **Construction** except as provided under these Rules. In case of ambiguity the Chief Procurement Officer/Director is the final authority when interpreting and applying these rules.

B. Procurement Procedures; Modification of Rules

Consistent with the provisions of these Rules, the Chief Procurement Officer/Director may adopt procedures governing the internal purchasing functions of the University, including purchases at the department level using the Automatic Purchase Order (APO) and the University's procurement card (PCard). The Chief Procurement Officer/Director will review these rules yearly and may amend these Procurement Rules, subject to the approval of the Vice President for University Operations or designee and the Office of Policy and Compliance.

C. Authority for Construction Procurement and Contracting

Procurement authority for **Construction** is held by **Facilities Management. Facilities Management** accommodates design and **Construction** procurement and contracting with the Office of the State Architect / State Building Program Delegate (**OSA Delegate**). **C.R.S.** § 24-101-105, did not extend the authority to opt out of all state statutes governing capital **Construction** procurement and contracting. The Colorado Department of Personnel and Administration, State Buildings Programs, retains authority over many aspects of capital **Construction** by institutions of higher education. State Buildings, through the Office of the State Architect, has substantially delegated its authority to the University Architect in the Department of Facilities Management. To the extent that the State Purchasing Code and Rules govern **Construction** procurement and contracting, CSU follows those authorities consistent with its delegated authority. Facilities Management is responsible for conducting and managing all Construction and professional services vendor selection processes (as that term is defined in **C.R.S.** 24-30-1402(6), under the delegated authority from the Office of the State Architect to assure compliance with the applicable federal, state and university procurement laws and rules. Procurement Services and the OSA delegate work jointly to determine whether a purchase is subject to the Office of the State Architect **Construction** rules or the University's Procurement Rules.

SECTION III
PURPOSE

These Rules are provided by the Office of Procurement Services to support and facilitate the educational, research, and public service missions of the University through the acquisitions of **Goods, Services** and **Construction** by applying best methods and business practices that provide 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.

SECTION IV
ETHICS

A. Statement of Ethical Responsibility

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, Services** or **Construction** or is involved in the procurement process for the University, will be held to the highest degree of trust and is bound by the Colorado State University Procurement Code of Ethics. Implied duties of good faith and fair dealing shall be deemed to be contained in every **Contract** and agreement of the University and apply to both parties.

B. Conflict of Interest

The Colorado State University "Conflict of Interest (COI) Policy" defines the processes to be followed in articulating and resolving conflicts of interest at the University. When the **Purchasing Agent** has reason to believe that a conflict of interest may exist in the procurement of **Goods, Services** or **Construction**, they will request the department head to comply with the procedures described in this policy. The COI Policy is administered under the direction of the Vice President for Research and the Senior Vice President/Provost and is subject to change from time to time.

C. Vendor Shows and Product Demonstrations

To protect the integrity of the University's procurement process, promote the viability of UPAs, and ensure fairness to all suppliers, supplier shows and product demonstrations, which include open houses, product exhibits, shows, fairs or loaner equipment and product demonstrations, must be approved in advance by the Chief Procurement Officer/Director or designee. The sponsoring department must notify Procurement Services as far in advance as possible but at least ten (10) business days prior to scheduling the desired vendor engagement date. The Chief Procurement Officer/Director or designee has the final authority to determine what constitutes a supplier show.

D. Code of Ethics

Any person employed by Colorado State University who purchases **Goods, Services** and/or **Construction**, or is involved in the purchasing process for the University, shall be bound by these Rules and shall:

1. Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications;
2. Demonstrate loyalty to Colorado State University, diligently following all lawful instructions, University rules, policy and procedures while using professional judgment, reasonable care, and exercising only the authority granted;
3. Conduct all purchasing activities in accordance with applicable laws and these Rules, while remaining alert to and advising Colorado State University regarding the risk of purchasing decisions;

4. Refrain from any private or professional activity that would create a conflict between personal interests and the interests of Colorado State University, unless such conflict is first fully disclosed and a plan is approved for the conflict to be managed in accordance with all applicable laws, regulations and University policies pertaining to conflicts of interest;
5. Identify and strive to eliminate participation of any individual in operational situations where an actual or perceived conflict of interest may exist;
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, appear to influence, or appear to be the result of influence upon any purchasing decision;
7. Promote positive supplier relationships through impartiality in all phases of the purchasing cycle;
8. Display the highest ideals of honor and integrity 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 State University business; and,
10. Enhance the proficiency and stature of the purchasing profession by adhering to the highest standards of ethical behavior.

SECTION V
APPLICABILITY

A. General Applicability

These Rules apply to all purchases of **Goods, Services** and **Construction** regardless of funding source. These rules will be liberally construed and applied to promote the purpose, intent and policies thereof.

B. Exclusions

The procurement methods set forth in Section V of these Rules do not apply to the following situations:

1. No University funds are to be expended or the contract is **Revenue-Producing** to the University. Procurement Services will seek to maximize the return to the University when **Revenue-Producing** contracts are involved. In the case of revenue-producing contracts for which the University is considering more than one vendor, Procurement Services will conduct a competitive **Solicitation** appropriate to the circumstances.

2. **Construction** bidding and contracting governed under Articles 91-92 of Title 24, **C.R.S**., or professional services, as defined in **C.R.S**. § 24-30-1402(6); see Section II of these Rules.

3. **Contracts** between the University and an educational institution, governmental body, research institute, non-profit or not for profit entity.

4. Items to be procured for **Resale**.

5. The lease, sale, purchase, transfer, disposal or any other transaction involving an interest in real property.

6. Bona fide University employment contracts (not independent contractor services).

7. Insurance policies or benefits for the University and its employees, investment advisory services, investment management services and other investment-related services entered into pursuant to the University's employee benefits program.

8. **Goods** or **Services** to be procured and/or delivered outside of the United States.

9. Display, fabrication, performance, purchase, or use of works of art, works of entertainment, literary works, museum collections, music, film, or other copyrighted materials specific to the purpose of the procuring department. This exclusion does not apply to construction projects that require Art in Public Places per **C.R.S.** § 24-48.5-312(3)(a)(I)(A).

10. Official functions including conference services, catering, venues, guest room accommodations, etc.

11. Dues and memberships.

12. Used equipment, provided that Procurement Services determined that competition is not practical or would not be **Advantageous** to the University. At the discretion of Procurement Services, such purchases may require cost or price analysis and written verification of working order from the supplier and/or warranty.
13. Advertising or ad placement.
14. University Libraries collections in all formats, including books, periodicals, serials, electronic resources, multimedia/streaming video, etc.
15. Publicly regulated utilities.
16. Services related to the issuance, sale and delivery of public securities pursuant to the applicable authorizing statute; including bond counsel and financial consultants.
17. Specialized professional services such as medical or other healthcare services for human or veterinary, accounting and auditing services, teaching or research services, search firm and recruitment services, governmental affairs services (i.e., lobbying services, public opinion research firms, etc.) or services for legal counsel, including litigation expenses, experts, mediators, court reporters, process servers and witness fees, and attorney services.
18. **Goods** and/or **Services** from a specific manufacturer/supplier that are directed by the **Sponsor** to comply with the terms and conditions of a sponsored project grant or contract.
19. Sponsored research or sponsored projects activities not subject to any federal or other sponsor's requirement that the University obtain services or materials through competitive procurement methods (for example, a subaward or cooperative agreement).
20. Software license renewals, software maintenance or upgrades to existing software.
21. Equipment maintenance, repair and upgrades from the original equipment manufacturer or certified third party.
22. Livestock feed and bedding in the form of roughage feeds (hay, ensilage, etc.) and grain feeds.
23. Laboratory animals.
24. Production and research livestock.
25. Chemicals, reagents, biochemicals, test kits, enzymes, antibodies, oligonucleotides, etc.
26. Testing equipment from suppliers whose products are specifically approved or certified by a governmental department, agency, or division tasked with regulating testing processes.
27. Athletic visiting team guarantee, consigned tickets, NCAA sanctioned activities, etc.
28. Educational study abroad programs.

Notwithstanding the foregoing exceptions from formal competition, the **Purchasing Agent**, Chief Procurement Officer/Director or designee may require a reasonable method of competition, price or value comparison, or negotiation in order to assure that (i) the **Goods**, **Services** and **Construction** to be obtained will reasonably meet the University's bona fide requirements; (ii) the **Award** of University business to a supplier or contractor is fair to all concerned; and (iii) known or perceived conflicts of interest are avoided or mitigated in accordance with applicable laws.

SECTION VI
PROCUREMENT METHODS AND PROCEDURES

A. Solicitation Policy

It is the policy of the University to procure **Goods**, **Services** or **Construction** in a manner that affords fair and equitable treatment of all persons involved in the **Procurement**; maximizes the value of CSU funds; and provides safeguards for maintaining a procurement system of consistency, quality and integrity. Note, the solicitation process should not be used to obtain estimates or to "test the water."

B. Specifications

Purchasing Agents shall issue **Goods, Services** and **Construction Specifications** are not unduly restrictive. **Brand Name Specifications**, **Brand Name or Equal Specifications**, or **Qualified Products** lists may be used in competitive **Solicitations**. **Brand Name Specifications** shall only be used in accordance with the rules on **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. Suppliers may be required to certify that these standardized **Specifications** have been met. For certain **Construction** procurements, products may be described as a Basis of Design. Basis of Design shall define the performance requirements only and not the Brand Name. Upon award, **Specifications** are developed to CSU standards. Prospective suppliers may be prequalified for specific **Goods, Services** and **Construction**. The prequalification may be for up to five years or for one year with multiple one- year options for renewal as defined in the **Solicitation**. For **Goods** and **Services**, pre-qualification for periods in excess of five (5) years require the written approval of the Director/Chief Procurement Officer or their designee.

C. Solicitation Thresholds

The following **Solicitation** methods apply to acquisition of **Goods** and **Services** according to the amount of the transaction:

1. **Goods** and **Services**

Amount	Method
$15,000 or less	Campus departments are delegated authority from the Chief Procurement Officer/Director to place **Automatic Purchase Orders (APO)** directly with suppliers.
$15,001 through$350,000	Purchases of **Goods** and **Services** are issued at the discretion of the **Purchasing Agent** and may require the campus department obtain informal quotes and document it through the requisition process. Competition is required for all purchases totaling more than the Federal Uniform Guidance micro-purchase threshold. **Purchasing Agent** assistance not required for purchases made from contracted supplier within CSU e-procurement system.
$350,001 and greater	Competition for **Goods** and **Services** is sought via **Documented Quote (DQ), Invitation for Bids (IFB), Request for Proposals (RFP), Invitation to Negotiate (ITN)** or other competitive procurement process.

2. **Construction**

Amount	Method
$1 through $150,000	Purchases of **Construction** contractors are issued at the discretion of the **Purchasing Agent** and may require the campus department obtain informal quotes and document it through the requisition process. Purchases of construction consultants as defined in **C.R.S.** 24-30-1402 shall be procured as follows: between $25,000 and $99,999: procurement agent administers informal interviews pursuant to **C.R.S.** 24-30-1403. $100,000 and greater: procurement agent administers formal Request for Qualifications pursuant to **C.R.S.** 24-30-1405.
$150,001 through $500,000	Competition for **Construction** is sought via the **Documented Quote (DQ)** or other approved procurement process. Competition may also be obtained through a **Standing Order Contractor (SOC), Job Order Contracting (JOC)** process, or another internal sealed quote process
$500,001 and greater	Competition for **Construction** is sought via an **Advertisement for Bids (AFB)**, **Request for Proposals (RFP)** or **Invitation to Negotiate (ITN)**.

D. <u>Small-Dollar Purchases – Purchases totaling $15,000 or less</u>

Procurements shall not be artificially divided so as to constitute small-dollar purchase as defined in this section. All purchases, including small-dollar purchases, are subject to the requirement that prices paid be fair and reasonable. The available methods for small dollar purchases are:

1. **Automatic Purchase Order (APO)**: The Chief Procurement Officer/Director has delegated to University departments authority to use **APO** via the CSU financial system for small dollar purchases totaling $15,000 or less and from Uniform Guidance Compliant suppliers in the **e-Procurement System** at any dollar amount.

2. **PCard**: The University **Procurement Card (PCard)** may be used for purchases totaling $5,000 or less when the use of a **Disbursement Voucher, APO** or **e-Procurement System** is not viable. Exceptions to a single transaction limit may be granted with approval from the **PCard** Administrator. All uses of the **PCard** are subject to the rules in the **PCard** Program Handbook.

E. <u>Purchases totaling $15,001 through $350,000</u>

Purchases of **Goods** and **Services** totaling $15,001 through $350,000 are subject to vendor selection at the discretion of the **Purchasing Agent** upon receipt of an approved purchase requisition and may require the campus department obtain informal quotes and document it through the requisition process.. 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)).

For federally funded procurements, competition is required for all purchases totaling more than the Federal Uniform Guidance micro-threshold.

F. <u>Purchases totaling $350,001 and greater</u>

1. **<u>Documented Quote</u>**

   A **DQ** can only be issued by the **Purchasing Agent** after an approved purchase requisition is received in Procurement Services.

   For **Construction** totaling 150,001 through $500,000, competition may also be obtained through a **Standing Order Contractor (SOC), Job Order Contracting (JOC)** process, or another internal sealed quote process;

   For **Goods** and **Services** procurements via a **DQ**, neither the **Solicitation** nor the supplier'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. An ensuing **Purchase Order** shall constitute an offer. The supplier may accept by performance, unless the **Purchase Order** expressly requires acceptance by written acknowledgment.

   The choice of supplier for **Goods** and **Services** must be based on which acceptable response is most **Advantageous** to the University, with price/cost being one consideration. The basis for the selection must be documented and will be final.

   Documented Quotes must be advertised on the **ESNS** and **Solicitations** must remain posted for at least three (3) **University Business Days** unless the Chief Procurement Officer/Director or designee provides a **Determination** that a lesser time is required in order to meet an immediate University need. The **Purchasing Agent** has discretion to extend the period whenever necessary to promote **Competition**.

   The **Purchasing Agent** may negotiate with any supplier to clarify its **Quote** or to effect modifications that will make the **Quote** acceptable or more **Advantageous** to the University. However, in the negotiation process, the terms of one supplier's **Quote** shall not be revealed to a competing supplier, and all **Quotes** will be kept confidential until a **Contract** or **Purchase Order** is issued.

2. **<u>Invitation for Bids (IFB)</u>**

   a. Use of **Invitation for Bids**
      An **Invitation for Bids** is a procurement method which results in a **Contract** or **Purchase Order** being awarded to the lowest **Responsive Bid** from a **Responsible** bidder based on the **Specifications** and terms set forth in the **Solicitation**.. An **IFB** can only be issued after an approved purchase requisition is received in Procurement Services. Typical reasons why an **IFB** may be used include:

i. The Award will be made on the basis of price alone, **Specifications** and other terms being met; or
ii. It is not necessary to conduct negotiations with the responding bidders about their bids.

b. **Solicitation** Time
IFBs must be advertised via the **ESNS**. The minimum time for the **IFB** opening date will be not less than fourteen calendar days after posting the **Solicitation**. When special requirements or conditions exist, the Chief Procurement Officer/Director or designee may shorten the **IFB** time but in no case will the time be shortened for the purpose of reducing **Competition. Solicitation** periods of less than fourteen calendar days will be documented as to why a reduced **IFB** period was required.

c. Late Responses
Responses received after the due date and time will not be allowed. Responses received after the due date and time due to uncontrollable circumstances will be considered on a case-by-case basis; acceptance of such responses will be at the sole discretion of the University.

d. **IFB** Opening
All **IFB**s shall be opened and reviewed via the **ESNS**. The name of each bidder, amount of **Bid** , and other relevant information will be entered into the **ESNS** record and made available for public inspection. Other information related to a **Bid**, or a bidder's **Responsiveness**, may be withheld from inspection until questions concerning such information are resolved. After **Award**, all **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 as set forth in Section VI, Q. Confidential Information. Neither a response in its entirety nor price information will be considered confidential information.

e. Award
All **Goods**, **Services** and **Construction** will be evaluated for acceptability against the **Specifications** and/or brand name used as a reference and other evaluation criteria as set forth in the **DQ/IFB/AFB/RFP** or other competitive **Solicitation**. Following determination of acceptability, **Bids** will be evaluated to determine which bidder offers the lowest costs to the University in accordance with the **Specifications**, taking into account any lifecycle cost formulas stated in the **IFB/AFB/RFP**.

f. 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 **Acceptable** 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** or **Purchase Order** 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 conduct of discussions to evaluate and determine the **Acceptability** of technical offers.

g. **Best Value Invitation for Bids** and the **Construction Competitive Sealed Best Value (CSBV)**

i. A **Best Value IFB/CSBV** is used where the **IFB/CSBV** specifically allows for enhancements, options, and/or Alternatives. A **Best Value IFB/CSBV** must include a **Base Bid** statement and, when used for **Construction**, shall be in accordance with **C.R.S.** 24-92-103.5 and 24-92-103.7.

ii. The **Purchasing Agent** shall provide a written **Determination** for approval to the Chief Procurement Officer/Director or designee prior to the use of a **Best Value IFB**. The written **Determination** must explain why the **Best Value IFB** is appropriate for the **Good** or **Services** being solicited. A written **Determination** is not required for the procurement of **Construction**.

iii. 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** will be made to the bidder providing the **Best Value** to the University. For **Construction,** the criteria shall be those in **C.R.S.** 24-92-103.5(3).

3. <u>Competitive Reverse Auctions</u>

Contracts for **Goods** and **Services** may be **Awarded** by **Competitive Reverse Auctions** if the **Purchasing Agent** determines that **Adequate Competition** can be achieved.

4. <u>Request for Proposals</u>

a. Use of **Request for Proposals**

Request for Proposals (RFP) is a method of procurement which results in a **Contract** or **Purchase Order** being **Awarded** to the offeror submitting the proposal that is most **Advantageous** to the University, based on the **Specifications** and terms set forth in the **RFP**. **Proposals** are evaluated on the basis of factors that include, but are not limited to price. **RFP**s can only be issued after an approved purchase requisition is received by Procurement Services for **Goods** and **Services** expenditures or approval of the Chief Procurement Officer/Director or designee for **Revenue-Producing** or **University Price Agreements**. Evaluations will be based on the factors set forth in the **RFP** to determine which proposal(s) best meet(s) the needs of the University.

b. Advertisement and Open Solicitation Time

RFPs will be advertised via the **ESNS,** and the **Solicitation** will remain open for a minimum of thirty calendar days unless a shortened time frame is approved in writing by the Chief Procurement Officer/Director or designee

c. Late Responses

Responses received after the due date and time will not be allowed. Responses received after the due date and time due to uncontrollable circumstances will be considered on a case-by-case basis; acceptance of such responses will be at the sole discretion of the University.

d. **RFP** Opening

Openings shall be conducted using the **ESNS**. Responses shall be opened and archived within the **ESNS**. All information other than the offerors' names remains confidential until a notification of **Award** has been issued by the University via the **ESNS**.

e. Evaluation Committee
A committee of no less than three individuals will evaluate all **Responsive Proposals**.

5. <u>Invitation to Negotiate</u>

a. Use of **Invitation to Negotiate**
The **Invitation to Negotiate (ITN)** is the best method for achieving a specific goal or solving a particular problem. Through the **ITN**, the University will identify one or more **Responsive** suppliers with which the University may negotiate to determine the response that is most **Advantageous**. Unless otherwise specified, the rules for **Request for Proposals** shall apply to **Invitation to Negotiate**.

b. Negotiations and **Award**

i. The **ITN** must include, at a minimum, the specific goals or problems that are the subject of the **Solicitation** and describe which items can be negotiated and which are non-negotiable.

ii. Through the evaluation process, the University will identify the competitive range of responses reasonably susceptible of **Award**, the University, in its discretion, may hold discussions with any or all **Responsible** vendors who submit responses for the purpose of clarification to assure understanding of the **Solicitation** requirements and the supplier's responses. Suppliers shall be accorded fair and equitable treatment. The evaluation, including the results of any discussions, shall result in the determination of a competitive range of responses reasonably susceptible of **Award**.

iii. The University shall commence negotiations with those suppliers whose responses are determined to be in the competitive range. The University may discontinue negotiations with a supplier if the University determines that the response is no longer reasonably susceptible of **Award**. The purpose of negotiations is to facilitate a **Contract** that will be most **Advantageous** to the University, taking into consideration price and the other evaluation factors set forth in the **ITN**.

iv. The committee(s) established to evaluate the responses and negotiate with suppliers whose proposals are in the competitive range shall make a recommendation to the **Purchasing Agent**. If the **Purchasing Agent** approves the recommendation, an **Award** shall be made in accordance with the recommendation.

v. The **Award** shall be made to the **Responsible** supplier whose response is determined in writing to be the most **Advantageous** to the University, taking into consideration the price and the evaluation factors set forth in the **ITN** and the result of negotiations. No other factors or criteria shall be used in the evaluation.

vi. The procurement record shall contain the basis on which the **Award** is made along with an explanation of why the **Award** provides the best value to the University.

6. **Competitive Negotiation**
   a. **Competitive Negotiations** may be used when it is in the best interest of the University. A Contract or Purchase Order may be awarded by **Competitive Negotiation** when it is Advantageous to have competition among known suppliers that are on group purchasing organization supplier lists or have been awarded through a competitive **Solicitation**.

   b. **Competitive Negotiation** may also be used after an unsuccessful **DQ, IFB** or **RFP** process if the Chief Procurement Officer/Director or designee or **OSA Delegate** for **Construction** determines that time does not permit re-solicitation, or that, considering all of the facts and circumstances, re-solicitation would be impracticable or is not reasonably likely to result in more favorable terms for the University. A **DQ, AFB, IFB** or **RFP** process is unsuccessful if:
      i. All offers received are unreasonable or non-competitive;
      ii. Low **Bid** exceeds available funds, as certified in writing by the appropriate fiscal officer, and **Competitive Negotiation** may result in a **Bid** that is within the available funds amount;
      iii. **Solicitation** has been properly cancelled in accordance with these Rules;
      iv. Number of **Responsive** offers is not sufficient to ensure **Adequate Competition**; or
      v. The Chief Procurement Officer/Director, designee or **OSA Delegate** for **Construction** determines that **Competitive Negotiation** is the most **Advantageous** method of resolving low tie bids.

      b. The **Competitive Negotiation** process includes all **Responsible** bidders or offerors whose response to the **Solicitation** or any rebid is determined to be **Responsive**, and may include other suppliers capable of fulfilling the University's needs.

      c. The **Purchasing Agent** may set reasonable times and locations for participation in the **Competitive Negotiation.**

      d. Each supplier with whom Procurement Services negotiates shall be given a fair and equal chance to compete. Negotiations will be conducted separately and independently with each supplier, and in no case shall the terms of any supplier's offer be communicated to any other supplier until an **Award** notice has been issued via the **ESNS**. Any change in requirements shall be communicated to all suppliers.

      e. A supplier may be eliminated from the process upon a **Determination** that its offer is not reasonably susceptible of being selected for **Award**.

      f. The **Award** will be made to the supplier whose offer is most Advantageous to the University. The Chief Procurement Officer/Director or designee shall make a written **Determination** that identifies the nature of the discussions with each supplier and that states why the selected offer is the most **Advantageous** to the University.

G. Qualified Vendor List (QVL)

Establish a panel of pre-qualified vendors in advance of identifying a specific **Good** or **Service** need. The list will be established by conducting a competitive procurement process. The definitions and process of how the list will be used should be identified in the competitive **Solicitation**.

H. Solicitation Notification

An **Electronic Solicitation Notification System (ESNS)** is the required method for advertising competitive **Solicitations** for **Goods**, **Services** and **Construction**. Other methods of notification may also be used at the discretion of the **Purchasing Agent**.

I. <u>Pre-Bid Conferences</u>

Pre-bid conferences may be conducted to explain procurement requirements and solicit input from the supplier community. They will be announced in the **Solicitation** or an **Addendum**. The conference should be held a reasonable time after the **Solicitation** has been issued, and there should be adequate time after the conference to allow bidders consideration of the conference results in preparing their **Quotes, Bids** or proposals. Nothing stated at the conference shall change the **Solicitation** unless a change is made by written **Addendum,** posted on the **Electronic Solicitation Notification System**.

J. <u>Addendums to Solicitations</u>

Addendums to **Solicitations** shall be identified as such, and may require that the bidders or offerors acknowledge receipt of all **Addendums** issued. **Addendums** shall be posted on the **Electronic Solicitation Notification System** with sufficient time to allow bidders to consider them in preparing their quotes, bids or proposals. If the due date set will not permit such preparation, it may be extended.

K. <u>Solicitation Receipt, Opening, & Recording</u>

1. Receipt
   Each response to a competitive Solicitation shall show the date and time of receipt. Responses to competitive Solicitations shall be submitted via the **ESNS**; the system shall not allow the viewing of or opening of responses until the due date and time. Acceptance of responses submitted by means other than through the **ESNS** shall be reviewed on a case-by-case basis and shall require written **Determination** approved by the Chief Procurement Officer/Director or designee.

2. Opening and Recording
   Competitive sealed **Solicitation** openings shall be conducted using the **ESNS**. Responses will be opened and archived within the **ESNS**. **Request for Proposals** shall not be open to the public. All material received in response to a formal **RFP** solicitation is considered confidential and cannot be disclosed until after an **Award** has been made.

L. <u>Confidential Information</u>

Unless otherwise specified in the **Solicitation** or response, all documents, information, and materials submitted by a bidder become the property of the University and are public records subject to disclosure as provided in this Rule. The bidder may submit written requests for confidentiality to the **Purchasing Agent** pursuant to the Solicitation terms and conditions. Any restrictions on the disclosure or use of confidential information contained within a **Bid** or proposal must be clearly stated in the **Bid** or proposal itself, and the materials to be considered as Confidential Information must be clearly and conspicuously marked as such and submitted as a separate, file submitted together with the **Bid** or proposal. Designations of Confidential Information received after the initial disclosure to the University shall be invalid. The **Purchasing Agent** shall determine the validity of any written requests for confidentiality and shall provide a written **Determination** of the findings to the supplier.

The supplier may submit written requests for confidentiality to the **Purchasing Agent** as provided in the Solicitation terms and conditions. Neither a response in its entirety nor price information will be considered confidential information after an **Award** has been made. Claims of confidentiality must be supported by the Open Records Act and the bidder's justification.

The **Purchasing Agent** may request that any confidential information submitted by the bidder be provided in a redacted format for use in the event of a post-award request for disclosure, or that the bidder withdraw its claim of confidentiality as to any and all of the information on the grounds that it does not appear to be properly designated as confidential information under these Rules. If the **Purchasing Agent** and the bidder do not agree on the confidentiality or handling of the claimed confidential information, the bidder may withdraw its response and all of the disputed information will be returned to the bidder or destroyed. Such **Bid** or response will be disqualified from the **Award**.

After **Award**, all responses to the **Solicitation** shall be open to public inspection, with the exception of confidential information as defined in this Rule.

M. <u>Mistakes and Withdrawal of Response</u>

1. Confirmation or Withdrawal
   When it appears from a review of the response that a mistake has been made, the bidder 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 bidder may have its response considered as-is or may withdraw its response if the conditions set forth in this section are met.

2. 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 bidders; that is, the effect on price, quantity, quality, delivery, or contractual conditions is negligible. The **Purchasing Agent** may waive such informalities or allow the bidder to correct them depending on which is in the best interest of the University.

3. Withdrawals of Responses Prior to Due Date and Time
   Any response may be withdrawn prior to the specified due date and time upon written request from the bidder. Once withdrawn, a response may not be resubmitted after the due date and time.

4. Withdrawal of Responses After Due Date and Time but Prior to Award
   The Chief Procurement Officer/Director or designee may allow a response to be withdrawn after the specified due date and time but prior to **Award**, provided that:

   a. Bidder provides evidentiary proof that clearly and convincingly demonstrates that a mistake was made in the costs or other material matter provided; or

   b. A mistake is clearly evident on the response; or

   c. It is found by the Chief Procurement Officer/Director or designee to be unconscionable not to allow the response to be withdrawn.

5. Determination.

   Any decision to permit or deny correction or withdrawal of a response under this section must be supported by a written **Determination** prepared by the **Purchasing Agent** and approved by the Chief Procurement Officer/Director or designee.

N. Evaluation and Award

All responses will be evaluated as outlined in the **Solicitation**. The **Purchasing Agent** must ensure that the **Award** decision treats all bidders equitably. **Awards** can only be made to **Responsible** and **Responsive** bidders.

1. **Request for Proposal Award**
   Contracts solicited under an **RFP** are to be awarded to the **Responsible** offeror whose proposal represents the best overall value and is in the University's best interest. The **RFP** evaluation committee shall prepare a selection recommendation report for the Chief Procurement Officer/Director or designee, recommending the firm considered to be the most highly qualified. The **Award** is contingent upon the approval of the Chief Procurement Officer/Director or designee.

2. Tie **Quote**s/**Bid**s
   Tie **Quote**s or **Bid**s are **Responsive Quote**s or **Bid**s from **Responsible** bidders that are substantially identical in price, terms, and conditions and that meet all the requirements and criteria set forth in the **Solicitation**. In the event of tie **Quote**s or **Bid**s, one or more of the following rules may apply, as determined by the **Purchasing Agent**:

   a. The **Award** shall be made to the small **Business** concern, as defined by the Small Business Administration.

   b. The **Award** shall be made to the bidder as to whom a statutory preference applies under Colorado law or these Rules.

   c. If no preference applies, the **Purchasing Agent** may engage in **Competitive Negotiation** with the tied bidders and make the **Award** as set forth in Section VI.

   d. If **Competitive Negotiation** does not result in a lower bid, the Chief Procurement Officer/Director or designee shall make the **Award** in their discretion.

   e. Only One Bid Received. When a **Solicitation** receives only one **Bid** from a **Responsible** and **Responsive** bidder, the **Purchasing Agent** will evaluate the **Bid** and determine whether the price, terms, specifications and quality are all **Acceptable** to the University. If the **Bid** is not **Acceptable**, the **Solicitation** may be canceled and the University may, in its sole discretion, revise and/or reissue the **Solicitation**; or, the **Purchasing Agent** may engage in negotiations with the sole bidder in order to make the **Bid Acceptable**. A notice shall be published via the **ESNS** stating the action taken. If the **Bid** is **Acceptable**, the University may, in its sole discretion, make an **Award** to the bidder.

O. 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 Chief Procurement Officer/Director or designee. The reason(s) for doing so shall be made part of the file and may include the following:

a. The University no longer requires the **Goods**, **Services** or **Construction**;

b. The University no longer can reasonably expect to fund the procurement;

c. Proposed **Addendum** to the **Solicitation** would be of such magnitude that a new **Solicitation** is desirable;

d. Ambiguous or otherwise inadequate **Specifications** were part of the **Solicitation**;

e. The **Solicitation** did not provide for consideration of all factors of significance to the University;

f. Prices exceed available funds and it would not be appropriate to adjust quantities or qualities to come within available funds;

g. All otherwise Acceptable **Quote**s, **Bid**s or **Proposal**s received are at clearly unreasonable prices;

h. University has reason to believe that the **Quote**s, **Bids** or **Proposal**s 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 bidders that submitted **Quote**s, **Bids** or **Proposal**s; or

i. The number of responses is not sufficient to ensure **Adequate Competition**.

2. Notice of Cancellation
When a solicitation is cancelled, notice of cancellation shall be posted on the **Electronic Solicitation Notification System**.

3. Disposition of **Quote**s, **Bids** or **Proposal**s
When **Quote**s, **Bids** or **Proposal**s are rejected, or a **Solicitation** is cancelled after **Bids** or proposals are received, the **Quote**s, **Bids** or **Proposal**s which have been opened shall be retained in the procurement file. **Bid**s and **Proposal**s which have not been opened, such as late submissions or suppliers who do not proceed to the next phase of a multi-phase **IFB** shall either be returned to the bidders (upon request), or shall be disposed of (shredded or deleted).

P. <u>Non-Competitive Procurements</u>

1. **<u>Sole Source Procurement</u>**
Procurement without competition is authorized under limited conditions and subject to written justification documenting the conditions which preclude the use of a competitive process. A **Sole Source Procurement** is justified when there is only one **Good**, **Service** or **Construction** that can reasonably meet the need and there is only one supplier who can provide the **Good**, **Service** or **Construction**. 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

supplier that can provide the **Good**, **Service** or **Construction**. Price is not a consideration to justify a **Sole Source Procurement**. In cases of reasonable doubt, competition is to be solicited.

a. Continuing Need for **Sole Source**
Procurement Services 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. Procurement Services shall take action, whenever possible, to avoid the need to continue to repeatedly procure the same Goods, Services and/or Construction without competition. Changes in Specifications, market conditions, or supply chain may all result in a sole source no longer being valid.

b. **Sole Source Procurement** Procedures
   i. The requesting department must submit to Procurement Services the sole source justification form along with any other pertinent information regarding the **Sole Source Procurement**; e.g., supplier's quote, literature, etc. A **Sole Source** is never justified because of an **Unauthorized Purchase**.
   ii. The Chief Procurement Officer/Director or designee may rule on **Sole Source Procurements** and is the final authority for approval. The **OSA Delegate** is the final authority of s**ole source procurements** of c**onstruction**.
   iii. 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 written **Determination** that the price is fair and reasonable.

2. **Emergency Procurements**

a. Definition
When an emergency condition prevents the use of a competitive **Procurement** method, the University may conduct a **Procurement** on an emergency basis. Emergency **Procurements** may be negotiated on a **Sole Source** or limited competition basis as dictated by the circumstances surrounding the emergency.

b. Determining Need for an Emergency **Procurement**
An emergency condition justifies the use of an emergency **Procurement** when that condition threatens one or more of the following:
   i. Functioning of the University, or its programs;
   ii. Preservation or protection of property; and/or
   iii. The health or safety of any person(s) or animal(s).

c. Emergency **Procurements** do not include:
   i. **Procurements** that need to be rushed because of an avoidable failure to plan ahead;
   ii. End of the fiscal year **Procurements**; or
   iii. End of a grant/contract **Procurement**.

d. 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, as determined by the

Chief Procurement Officer/Director or designee. In addition to the Chief Procurement Officer/Director or designee, the President, the Vice President for University Operations, Associate Vice President of Facilities, Chief of Police, Director of Environmental Health Services, **OSA Delegate** for **Construction**, or other responsible University official who is managing the emergency condition may declare an emergency, provided that, whenever practicable, approval by the Chief Procurement Officer/Director or designee shall be obtained prior to the **Procurement.** If the Chief Procurement Officer/Director or designee determines that criteria for an emergency **Procurement** were not met, then the **Procurement** will be processed as **Unauthorized Purchase** as set forth in the University Controller's official policies, and these Rules.

e. Limits of an Emergency **Procurement**
The emergency **Procurement** shall be limited to the **Procurement** of only the types of items and quantities or time period sufficient to meet the immediate threat and shall not be used to meet long-term requirements.

f. Documentation
As soon as practicable after an emergency **Procurement** decision, the responsible University department shall prepare a written justification, to be approved by the Chief Procurement Officer/Director or designee, which sets forth the justification for the emergency **Procurement**. The justification shall include the following:

i. Basis for the emergency **Procurement** including the date the emergency first became known;

ii. Listing of the **Goods, Services** and/or **Construction** procured;

iii. Description of the efforts made to ensure that **Proposals** or offers were received from as many potential suppliers as possible under the circumstances; and

iv. Basis for the selection of the selected supplier.

g. Procedures
The procedure used shall be selected to assure that the required **Goods**, **Services** or **Construction** 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.

3. **<u>University Price Agreement(s) (UPAs) and Cooperative Purchasing Agreements</u>**
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: (i) the Federal government or an agency or other instrumentality of the Federal government (for GSA schedule contracts, **Purchasing Agents** must confirm competition); (ii) the State of Colorado, another state, or an agency or other instrumentality of the State of Colorado or another state; (iii) a bi-state or multistate agency; (iv) 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; (v) other institutions of higher education or hospital affiliate; or (vi) 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 conducting a Solicitation.

The **Purchasing Agent** may approve a single purchase of **Goods, Services,** and **Construction** from a cooperative purchasing agreement if they find that such purchase is in the best interests of the University after confirming: (i) the competitiveness of pricing under the contract; and (ii) efficiencies and cost savings of using the contract in comparison to other **Procurement** methods; and (iii) no conflict of interests exist with CU's existing suppliers, or with the Cooperative agreement itself; and (iv) the active contract term covers the University's delivery of **Goods, Services**, and **Construction**; and (v) the contract terms and payment methods are acceptable to the University.

Use of cooperative agreements must include public procurement considerations and these Procurement Rules. This includes competitive procurement procedures, 5-year intervals on suppliers sourced under the cooperative agreement, source selection documentation and price reasonableness. The Director/Chief Procurement Officer or designee has final authority on the use of cooperative agreements and any suppliers sourced under the cooperative.

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Procurement Services is responsible for publicizing UPAs. University departments are responsible for checking the Procurement Services website or the CSU e-Procurement system to determine if a UPA has been established before initiating a purchasing transaction of any type or amount, including PCard and disbursement voucher or Automatic Purchase Order transactions.

4. **Agreements with Incumbent Suppliers**
   If it is determined to promote the best interests of the University, the University reserves the right to negotiate the extension of existing agreement(s) with incumbent suppliers subject to approval from the Director. The reasoning for an extension must be documented.

Q. Qualified Products List(s)

A **Qualified Products List** may be developed with the approval of the Chief Procurement Officer/Director or designee when testing or examination of **Goods** prior to issuance of the **Solicitation** is desirable or necessary in order to best satisfy the University's requirements. When developing a **Qualified Products List**, a representative group of potential suppliers may be solicited in writing to submit products for testing and examination to determine acceptability for inclusion on a **Qualified Products List**. Any potential supplier, even though not solicited, may offer its products for consideration on subsequent **Solicitations**.

R. Request for Information (RFI)

A **Request for Information (RFI)** is used to obtain preliminary information about a market, type of available service or a product An **RFI** may ask for vendor input to assist the University in preparing a **Specification** or work statement for a subsequent **Solicitation** and may ask for pricing information only with the provision that such information would be submitted voluntarily. The **RFI** shall clearly state that any actions taken as a result of the **RFI** will be done if deemed in the best interest of the University.

S. Price Reasonableness and Cost Analysis

When there is no **Competition** (such as 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. Additionally, Federal laws mandate that the University perform price cost analysis under certain conditions.

If, after analysis, the **Purchasing Agent** is not convinced the price to be paid is fair and reasonable, they will do one of two things:

1. Engage in further efforts to seek competition; or

2. Negotiate with the supplier to lower the price

3.

T. Demonstration or Sample Agreements

Equipment requested by University departments from suppliers or offered by suppliers to the University on a trial, loan, demonstration, or evaluation basis does not constitute a commitment to purchase said equipment. The University department receiving such equipment is responsible for advising the supplier that, for purchases greater than $15,000, a purchase order will be issued at the discretion of Procurement Services and that competitive procurement procedures shall apply as required by these Rules. If the supplier who loaned the equipment is the awardee, new equipment must be supplied unless otherwise agreed in writing by an authorized University official. All moving, handling, transportation, and applicable installation costs associated with the equipment of this nature are the sole responsibility of the supplier unless otherwise agreed by authorized University officials in accordance with these Rules. Any agreement which is required by the supplier shall be signed by the appropriate University officials as for any other expenditure of funds.

U. Preferences

1. Environmentally Preferable Products
   The CSU Policy on Environmentally and Socially Responsible Procurement requires that **Purchasing Agent** provide a preference to suppliers of certain **Goods**, **Services** and **Construction** and is incorporated into these Rules.

2. Colorado Businesses
   The provisions of **C.R.S.** §§24-103-906 and 24-103-907, which require a preference for resident bidders and resident agricultural products under certain circumstances, are incorporated into these Rules and will apply to the **Award** of CSU **Contracts**.

SECTION VII
CONTRACTS

A. Types of Contracts

Subject to the limitations of this section and the CSUS Fiscal Rules, any type of **Contract** which will promote the best interests of the University may be used; except that the use of a cost-plus-a-percentage-of-cost **Contract** is prohibited. A cost-reimbursement **Contract** may be used only when a written **Determination** is made by the **Purchasing Agent** 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. Such a **Determination** may also be made by the Director of Sponsored Programs if required pursuant to a grant, subgrant, or **Award**.

B. Multi-Year Contracts

The Chief Procurement Officer/Director or designee may approve a multi-year **Contract** for **Goods** or **Services**, subject to funding availability as established by the University Controller. **Contracts** for periods in excess of five years require the written approval of the Chief Procurement Officer/Director or designee and execution by the University Controller.

C. Contract Administration

End user departments are primarily responsible for **Contract** management, oversight and administration. For **Contract** changes and amendments, disputes and performance issues, contact Procurement Services.

D. Approved Procurement Contract Forms

1. All **Construction** bidding and contracting procedures will utilize standard state forms, and **Contract** documents, per the requirements of **OSA.**

2. **Contract** Amendments – Modifications to Procurement **Contracts** are generally made by a formal written amendment signed by the parties to the **Contract**. In the situation where a **Contract** has been established with an initial term followed by renewal terms, the renewal extension as well as changes in annual dollar amounts, rates and routine changes, such as changes in scope, may be made by issuance of a **Purchase Order** if allowed in the **Contract**. For **Goods, Services** and **Construction** projects under $500,000: Except in the case of **Contracts** with renewals as described in the previous sentence, a **Contract** cannot be amended or extended (revived) after the **Contract** term has expired. For Construction over $500,000, for scope identified in the original procurement and at the discretion of the **OSA Delegate** and a for a period of two years after substantial completion of a project, a **Contract** can be reopened with an amendment to the **Contract** with associated terms agreeable to all parties as included in the executed amendment.

E. Procurement Contract Approvals

1. Contingency-Based **Contracts** require the approval of the University Controller and any other approvals deemed necessary by the University Controller. See **C.R.S**. §24-17-204

2. Debt Collection Services **Contracts** require the approval of the University Controller. See **C.R.S.** §24-30-202.4

3. Legal Services **Contracts** require the approval of the Office of the General Counsel, on behalf of the State Attorney General or delegate.

4. Utility Cost-Savings **Contracts** require approval of the State Personnel director or delegate. See **C.R.S**. §24-30-2003(1)(b)

5. **Construction Contracts** require the signature of **OSA** or the **OSA Delegate**. See **C.R.S.** §24-30-1303(5)(a).

SECTION VIII
UNAUTHORIZED PURCHASES

An **Unauthorized Purchase** occurs when a purchase or other legal commitment to expend funds of more than $15,000 is made before the issuance of an approved purchasing document (**PO**, University **Contract**, or other form as defined in the CSUS Fiscal Rules). Likewise, authorizing a supplier to begin work before Procurement Services issues a **Purchase Order**, even though the department has submitted a purchase requisition, is prohibited. Obtaining **Goods** or **Services** on credit and subsequently submitting the invoice with a payment voucher is a violation of this rule unless it is a purchase specifically allowed to be paid by disbursement voucher or PCard.

Note: Pursuant to state statute C.R.S. § 24-30-202(3), individuals who participate in the making of an Unauthorized Purchase in violation of state statutes may be personally liable for the amount of the obligation incurred.

Repeated violations by an individual or department may result in sanctions as reasonably required to discourage and prevent future violations, satisfy the requirements of auditors and officials, and/or protect the University from protests and other risks. These may include, but are not limited to, withdrawal of purchasing authority, requirement of pre-approval of purchases at lower dollar amounts, requirement of additional departmental or college-level oversight, or any other measures deemed necessary and appropriate by the Director. Any such sanctions shall be submitted to the University Controller and the Vice President for University Operations for review before being imposed. Such violations may also constitute cause for employee discipline under state law and university policies. Nothing in these Rules is intended to supersede, conflict with or modify any other rule or policy of the University, including those governing disciplinary actions against employees.

SECTION IX
DISPUTES AND REMEDIES; PROTESTS

A. Resolution of Disputes and Remedies

The Director/Chief Procurement Officer is authorized to settle and resolve any questions regarding:

1. Any protest concerning the solicitation or **Award** of a **Contract** or **Purchase Order**; and
2. After consultation with the Office of General Counsel, any controversy or dispute arising between the University and a contractor/supplier (or prospective contractor/supplier), including, without limitation, controversies based upon breach of Contract, mistake, misrepresentation, or any other cause for modification or rescission of a Contract or PO. Any settlement or agreement concerning the resolution of a dispute that requires payment to a contractor/supplier, forgiveness of debt, or material changes in Contract terms must be approved by General Counsel and signed by the appropriately designated authority for the institution.

B. Protests other than Contract Disputes

1. Costs of Filing

All costs associated with filing and prosecuting a protest or dispute shall be borne by the **Protestor**.

2. Filing of Protest

Protestors may file a protest of a solicitation or **Award**, including the specifications, **Award**, or disclosure of information marked as confidential. Protests shall be submitted in writing within seven (7) **University Business Days** after such aggrieved person knows or should have known of the facts giving rise thereto.

The written protest shall include, at a minimum:

i. Name and address of the protestor;

ii. Appropriate identification of the procurement by solicitation number;

iii. Statement of the reasons for the protest; and

iv. Any available exhibits, evidence, or documents substantiating the protest.

The protest for goods, services and construction Awarded under these rules shall be addressed to the Director/Chief Procurement Officer and sent to Office of Procurement Services The subject line must read "Dispute (Solicitation Number and Title)." The protest for **Construction** projects **Awarded** under the State Procurement Code, **C.R.S.** § 24-101-101, et seq. shall be addressed to the University Architect The protestor shall have the burden of proof as to both the merits of the protest and the time, place and method of delivery of the protest letter or appeal.

3. Requested Information

Any additional information regarding the protest should be submitted in writing and 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 Director or designee, the protest may be resolved without such information.

4. Decision

The Director/Chief Procurement Officer shall render a written decision regarding the protest within seven (7) working days after the protest is received. The decision shall be based on and limited to a review of the issues raised by the protestor and shall set forth basis for the decision. The Director shall furnish a copy of the decision to the protestor in writing

5. Stay of **Procurement**

In the case of protested **RFP**s or ITN's only, there shall be a stay of **Procurement** until the decision of the Director/Chief Procurement Officer is rendered, unless the Director/Chief Procurement Officer determines that execution of a **Contract** or **Purchase Order** without delay is necessary to protect substantial University interests. In all other solicitations the **Award** may be made without regard to the status of the protest. The Director may, but is not required to cancel or modify the **Award** as a result of a protest to an **RFP**.

6. Actions in Court

If a protestor has filed a complaint in court which complaint is also the subject of a protest filed with the Director/Chief Procurement Officer, the Director/Chief Procurement Officer will not review the protest.

7. Entitlement to Costs

When a protest is sustained by the Director/Chief Procurement Officer and the protestor should have been awarded the **Contract** under the **Solicitation**, but due to a defect in the **Solicitation** or **Award**, was not, the **Protestor** shall be entitled to reasonable costs incurred by the protestor in connection with responding to the **Solicitation**. No other costs shall be permitted, and reasonable costs shall not include attorney fees or court costs.

C. Solicitation Response Remedy

Should the University experience a business disruption such as a system outage while a **Solicitation** is open, the University reserves the right, but is not obligated, to extend the **Solicitation**. If the University experiences a system outage that occurs on the day a **Solicitation** is set to close, the University reserves the right, but is not obligated to extend the **Solicitation** one (1) business day. All system outages will be verified with the software developer.

If a supplier is experiencing technical difficulties responding to a **Solicitation**, they must contact the **Purchasing Agent** responsible for issuing the Solicitation a minimum of two (2) hours prior to the Solicitation closing time. At that time, the **Purchasing Agent** will evaluate a possible extension and will advise the respondent of how to proceed if they have an objection to the decision.

D. Contract Disputes

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**.

SECTION X
COST PRINCIPLES

A. CSU Cost Principles

The University is utilizing the Federal Cost Principles to determine allowability, allocability and reasonableness when reimbursing costs on reimbursable contracts including, but not limited to, pricing of termination for convenience settlements. Each entity must follow the applicable cost principles established for their entity type. The cost principles for Institutions of Higher Education, Nonprofit Organizations, State and Local Governments, and Indian Tribal Governments can be found at 2 CFR 200 Subpart E – Cost Principles, Hospitals can be found at 45 CFR Part 75 Appendix E, for all other entities the cost principles can be found in the Federal Acquisition Regulations Part 31 Contract Cost Principles and Procedures. The following links can be used to access the cost principles:

2 CFR Part 200

45 CFR Part 75

Federal Acquisition Regulations Part 31

The Cost Principles are subject to change without notice.

B. Use of Federal Cost Principles

1. Cost Negotiations

The University's Purchasing Agent may use the federal cost principles as guidance in contract negotiations.

2. Incorporation of Federal Cost Principles

In non-federal contracts, 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 the agreement, the agreement shall control.

3. Conflicts between Federal Principles and these Rules

In contracts awarded under a program which is financed in whole or in part by federal assistance or federal contract funds, all requirements set forth in the agreement, including specified federal cost principles, must be satisfied. Therefore, the cost principles specified in the federal Award document shall take precedence over any applicable documents.

4. Authority to Deviate from Cost Principles

Any deviation from federal cost principles shall have the prior approval of Procurement Services.

C. <u>Federally Funded Procurements</u>

CSU will comply with Procurement Standards as defined in 2 CFR 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal Awards", Subpart D, Sections 200.318 - 200.326, for all federal assistance funded procurements starting July 1, 2018.

Up until July 1, 2018, CSU has elected to comply with the procurement standards of OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations, Subpart C – Post-Award Requirements, Procurement Standards, Sections .40 - .48.

SECTION XI
FEDERAL MICRO PURCHASE THRESHOLD

Colorado State University Establishment of $50,000 Micro-purchase Threshold

Effective July 1, 2026. The University will renew its self-certification annually each July.

In accordance with 2 CFR 200.320, the Colorado State University System (CSU) which includes Colorado State University, Colorado State University Pueblo and CSU Global is responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and its documented procurement procedures. The University may establish (self-certify) a micro-purchase threshold higher than the micro-purchase threshold established in the Federal Acquisition Regulations (FAR), up to $50,000, in accordance with the documentation requirements of §200.320. The University's self-certification must include a justification, clear identification of the micro-purchase threshold, and supporting documentation as outlined in 2 CFR 200.320(a)(1)(iv). CSU remains committed to fulfilling the documentation retention requirements as outlined in 2 CFR 200.334. CSU has established robust internal controls to ensure all micro-purchases comply with the Code of Federal Regulations guidelines and university procurement policies.

Internal Controls

Internal controls encompass various measures aimed at ensuring transparency and efficiency in our operations. These include internal and external audits, as well as managing intricate workflows within our financial system. Additionally, CSU conducts random purchase order audits in addition to conducting additional reviews for transactions of heightened risk or significant value, along with conflict-of-interest assessments.

Evaluation of Risk

CSU conducts risk evaluations considering both the dollar amount and the nature of the acquisition. Transactions related to technology, data sharing, and dealings with businesses deemed high-risk undergo further examination by subject matter experts.

Documented Policies

Documented policies, such as these Procurement Rules, serve to provide further guidance within the university’s comprehensive procurement function.

With the information provided in this document, CSU believes it has met the necessary requirements to establish a $50,000 micro-purchase threshold.

SECTION XII
SUSPENSION AND DEBARMENT

A. Suspension

After meeting with the affected University department(s) and, where practicable, the vendor who is to be suspended, the Director 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 action has been initiated for an offense which would be cause for debarment or a debarment request has been received by the Director which request reasonably appears to be well-founded based on the facts and circumstances described in the request, within the causes enumerated below, and the Director determines that suspension is necessary to protect the best interests of the University. The suspension may remain in effect until after the trial of the suspended vendor or final determination of the request for debarment.

1. Notice of Suspension

A written notice of the suspension, including a copy of the determination, shall be sent to the suspended vendor. The notice shall:

i. State that the suspension will be for the period necessary to complete an investigation into possible debarment; and

ii. 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.

2. Effective Date

The suspension period will be effective upon issuance of the notice of suspension.

B. Debarment

1. Reasons for Debarment

A vendor may be debarred for any of the following reasons:

i. Conviction of a criminal offense in relation to obtaining or attempting to obtain a University contract or in the performance of such contract;

ii. Conviction under State of Colorado or Federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records or receiving stolen property;

iii. Conviction under State of Colorado or Federal antitrust statutes arising out of the submission of bids or proposals;

iv. 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;

v. 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

vi. Violation of the provisions of C.R.S. §7-108-401, "General Standards of Conduct for Directors and Officers."

2. Decision on Debarment

Following reasonable inquiry to determine whether a vendor has engaged in activities which are cause for debarment, the Director may debar the vendor. A vendor may be debarred for a period of time commensurate with the seriousness of the offense.

3. Notice of Debarment

A written notice of debarment shall be sent to the suspended vendor. The notice shall:

i. State the debarment period; and

ii. Inform the debarred vendor that no business may be conducted with the University by the debarred vendor, or by any person(s) representing, or acting by or through the debarred vendor during the debarment period and that any solicitation responses received from the debarred vendor or any such person during the debarment period shall not be considered.

4. Debarment Effective Date and Period

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 Director orders otherwise.

C. Master List

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

1. Excluded Parties (System for Award Management) -Automatic Disqualification from Solicitation

Whether or not any action is taken by the University to suspend or debar a vendor or potential vendor, the vendor shall automatically be disqualified from participating in any procurement when the vendor is named as an excluded party by the Federal government on its System for Award Management website () if the procurement involves the expenditure of any federal funds and the disqualification shall continue until the vendor's name is no longer listed as excluded.

SECTION XIII
SMALL BUSINESS PROGRAM

Successful Businesses have a positive impact on the University community, and it is important that the University promote a strong and diverse business community. Therefore, the University has established a Small Business Program whose mission is to promote equitable procurement processes and identify and maximize the opportunities for small Business concerns, including Alaskan Native Corporation or Indian Tribe Businesses, small disadvantaged Businesses, woman-owned Businesses, economically disadvantaged woman-owned Businesses, HUBZone Businesses, SBA 8(a) Businesses, historically black colleges/universities and minority institutions, veteran-owned and service-disabled veteran-owned Businesses, to participate in the University's business of procuring goods and services at all dollar levels.

Other than in Tie Quotes/Bids situations as described in Section V.Q.2., no provision is made in these Rules for preferences or set asides for small Business concerns.

SECTION XIV
DEFINITIONS

The terms defined in this section have the following meanings whenever they appear in 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.

1. **Acceptable**, with regard to a **Bid** or **Proposal**, means an offer submitted by any person in response to a **Solicitation** issued by the University that is in compliance with the **Solicitation** terms and conditions and within the requirements of the **Specifications** described and required therein.

2. **Addendum** is additions or supplements to **Solicitation** documents issued prior to the opening date. Additions or modifications to **Contract** documents.

3. **Adequate Competition** exists if a **Solicitation** has been conducted and at least two (2) Responsible and Responsive offerors have independently competed to provide the University's needed **Goods**, **Services** or **Construction**. If the foregoing conditions are met, price competition will be presumed to be "adequate" unless the **Purchasing Agent** determines that competition is not adequate.

4. **Advantageous** means that something is in the University's best interests.

5. **Alternate or Alternative** means a choice of a different **Good**, **Service** or **Construction** that meets or exceeds the functional requirements of the Base Bid.

6. **Automatic Purchase Order (APO)** is a commitment voucher containing required University terms and conditions, prepared and approved by campus departments for the purpose of encumbering funds and securing goods or services from a vendor. Once accepted by the vendor, a purchase order becomes a binding contract between the University and the vendor. The Director has delegated to University departments the authority to use APO for small dollar purchases.

7. **Award** means the acceptance of a **Bid** or **Proposal** by issuance of a purchase order and may include the execution of a written agreement to cover performance by the vendor.

8. **Base Bid** means the minimum functional requirements of the **Good**, **Service** or **Construction**.

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

10. **Bid** means a response from a supplier to an **Invitation for Bids (IFB)**.

11. **Brand Name Specification** means a Specification limited to one or more Goods, Services or Construction by manufacturer's names or catalog numbers. A Brand Name Only Specification requires a written justification for the specific good or service.

12. **Brand Name or Equal Specification** means a Specification which uses one or more manufacturer's names or catalog numbers as a reference to describe the standard of quality,

performance, and other characteristics needed to meet University requirements, and which provides for the submission of equivalent **Goods**, **Services** or **Construction**.

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

14. **Competitive Negotiation** means the process of discussion and issue resolution between a **Purchasing Agent** and a prospective supplier in order to arrange for the providing of a Good, Service or Construction needed by the University. If more than one vendor is available for such negotiation, the needs of the University must be clearly defined in advance of any negotiations, via a **Specification** that details fully the University's intended **Procurement**.

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

16. **Contract** means an agreement between the University and another party, regardless of what it may be called, creating obligations that are enforceable under the law. As used in these Rules, the term contract includes purchase orders.

17. **Contractor** means any entity that has a contractual relationship with the University for the provision of **Goods**, **Services** or **Construction** as allowed for under these Rules.

18. **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(2),(4).

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

20. **C.R.S.** means Colorado Revised Statutes.

21. **CSU e-Procurement System** means the web-based electronic catalog system maintained by CSU Procurement Services for placing orders directly with pre-approved vendors.

22. **Determination** means a written **Procurement** decision made by the Chief Procurement Officer/Director or authorized delegate which is based on sufficient facts, circumstances and reasoning to substantiate the decision. Each **Determination** shall be filed in the appropriate Procurement Services file.

23. **Disbursement Voucher (DV)** is a payment request document used by an ordering department to initiate payment for goods and services totaling $15,000 or less. The **Disbursement Voucher** is a check request document only and cannot be used in place of a **Contract** or **Purchase Order** when one is required.

24. **Documented Quote (DQ)** is a process of soliciting pricing for fulfilling the University’s need for specific **Goods**, **Services** or **Construction** and receiving and evaluating supplier responses. The

dollar limits for use of Documented Quotes shall be as stated in the Procurement Methods and Procedures section and shall be conducted only by a **Purchasing Agent**.

25. **Electronic Solicitation Notification System (ESNS)** means a system used by Procurement Services to notify or potential suppliers and others of **Solicitations**, **Awards**, and other pertinent matters related to a **Solicitation**. The University may, but is not required to, utilize other notification methods in addition to the **Electronic Solicitation Notification System**.

26. **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.

27. **Goods** means all property, whether tangible or intangible, materials, equipment and insurance provided by a **Contractor**. The term does not include land, the purchase of an interest in land, water or mineral rights, workers' compensation insurance, or benefit insurance for University employees.

28. **Invitation for Bids (IFB)** means all documents, including those attached or incorporated by reference, utilized by the University for soliciting **Bids**.

29. **Invitation to Negotiate (ITN)** means all documents, including those attached or incorporated by reference, used to solicit responses from suppliers to determine the best method for achieving a specific goal or solving a particular problem to identify one or more responsible suppliers with which the University may negotiate to determine the response that is most advantageous to the University.

30. **Job Order Contracting (JOC)** means all documents, including those attached or incorporated by reference, utilized by the University for soliciting and administering a job order contractor program. The program selects a supplier to provide management and oversight of a job order contracting program. The supplier, along with the University, will pre-qualify suppliers in needed trade categories. The suppliers will utilize a cost book that is established to set unit costs for scope elements. The program also defines and competes the mark-up percentages for the management and execution of the scope of work and pre-qualifies suppliers in specific trade categories.

31. **Office of the State Architect (OSA)** means the office within the State of Colorado's Department of Personnel and Administration responsible for the purchase of real estate and the negotiation of real property leases, easements and rights-of-way; the management of capital construction, controlled maintenance, energy consumption analysis; and the selection and maintenance of lists of qualified suppliers for the State. **OSA** includes the State Buildings Program and Real Estate Program units. **OSA** is a central approver for **Contracts** within its purview.

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

33. **OSA Delegate** means a campus employee that has obtained delegation from the **OSA** State Buildings Program to manage code and procurement requirements for University planning, design, and construction. The delegation is specific to each campus.

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

35. **PCard:** A University-liable commercial procurement payment card used by authorized cardholders to make purchases for goods and services totaling $5,000 or less per transaction. The University PCard is a point-of-sale payment method. .

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

37. **Proposal** means a response from a supplier to an **RFP**, **ITN** or other competitive procurement.

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

39. **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.

40. **Purchasing Agent** means one of the University's employees in the Office of Procurement Services with delegated Procurement authority from the Director and, for the purposes of Construction Procurement, Purchasing Agent means OSA Delegate.

41. **Purchase Order (PO)** is a commitment voucher containing required University terms and conditions, prepared and approved by an authorized employee of the University for the purpose of encumbering funds and securing **Goods**, **Services** or **Construction** from a supplier. Once accepted by the vendor, a purchase order becomes a binding contract between the University and the vendor.

42. **Purchase Requisition (REQ)** is an informal request from a campus department to Procurement Services for the procurement of **Goods**, **Services** or **Construction** and to authorize a specific fund account to be charged. A purchase requisition is an internal source document only; not a commitment voucher. It is the document by which a customer department requests that a contract be entered into by the University for a specific service, item of personal property or construction project, and may include (but is not limited to) the technical description of the requested item, delivery schedule, transportation requirements, suggested sources of supply and supporting documentation.

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

44. **Qualified Vendor List** means an approved list of vendors that has been selected using a competitive procurement method.

45. **Quote** means a response from a supplier to a **Documented Quote (DQ)**.

46. **Request for Proposals (RFP)** means all documents, including those attached or incorporated by reference, utilized by the University for soliciting **Proposals** and is the commonly used name for competitive **Sealed Proposals**. **Procurements** should take into account the costs for the full life cycle of any resulting **Contract** to determine total expected cost.

47. **Requests for Qualifications (RFQ)** means all documents, including those attached or incorporated by reference, utilized by the University for soliciting qualifications for services. Prices are not solicitated as part of the **RFQ** process.

48. **Resale** means **Goods** that will be purchased by a department and resold as-is, including sales to other departments of the University. 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.

49. **Resident Bidder** means: (a) a person, partnership, corporation, or joint venture which is authorized to transact business in Colorado and which maintains its principal place of business in Colorado; or (b) A person, partnership, corporation, or joint venture which: (i) Is authorized to transact business in Colorado; (ii) Maintains a place of business in Colorado; (iii) Has paid Colorado unemployment compensation taxes for at least eighteen months of the two years immediately prior to bidding on a contract.

50. **Responsible** means a **Business** that has the capability in all respects to perform fully the **Contract** requirements, and the integrity and reliability which will assure good faith performance and protect the University from reputational risk. A responsible Business demonstrates ethical conduct, financial and operational stability, and business practices that do not conflict with the University's mission, values, or public trust. In determining responsibility, the University may consider any factors that could pose reputational, financial, legal, or operational risk, including but not limited to past performance, legal or regulatory history, public conduct, and alignment with applicable University standards.

51. **Responsive** means an offer, with regard to **Quote**, **Bid** or **Proposal**, which conforms in all material respects to the requirements contained in the **Solicitation**.

52. **Revenue-Producing** means any transaction whereby a Business pays money to the University as a result of any activity carried on by the Business with the permission or agreement of the University. **Revenue-Producing** will be evaluated by the Director on a case-by-case basis, and, if approved as **Revenue Producing**, will be documented in a written **Determination**.

53. **Sealed** means that the **Quote**, **Bid** or **Proposal** must be submitted in a manner that: (i) ensures that the contents of the **Quote**, **Bid** or **Proposal** cannot be opened or viewed before the formal opening without leaving evidence that the document has been opened or; (ii) is reasonably designed so that the document cannot be changed, once received by the University, without leaving evidence that the document has been changed; (iii) bears a physical or electronic signature evidencing the bidder's to be bound (an electronic signature must comply with the definitions and requirements set forth in the government electronic transactions act, **C.R.S.** §24-71-101 et seq. and its implementing rules); and (iv) 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.

54. **Services** mean 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.

55. **Sole Source Procurement** means a **Procurement** made without **Competition**, when **Competition** is otherwise required.

56. **Solicitation** means a request to the **Business** community to respond to a **Documented Quote**, **Invitation for Bids**, **Request for Proposals**, **Invitation to Negotiate** or other such competitive method as deemed appropriate by the **Purchasing Agent**.

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

58. **Sponsor** means the governmental agency or private organization which has funded a project at Colorado State University.

59. **Standing Order Contracting (SOC)** means all documents, including those attached or incorporated by reference, utilized by the University for soliciting and administering a standing order contractor program. The program pre-qualifies suppliers in specific trade categories. Once pre-qualified, the suppliers will be solicited to bid on indefinite in quantity work as prime vendor or sub-contractors to program general contractors based on University projects and needs.

60. **Unauthorized Purchase** occurs when a department makes a purchase for more than $15,000 before a purchase order is issued. For example, authorizing a supplier to begin work before a purchase order is issued, even though the department has submitted a purchase requisition or obtaining Goods or Services on credit and subsequently submitting the invoice with a disbursement voucher is an unauthorized purchase unless it is a purchase specifically allowed to be paid by disbursement voucher as set forth Colorado State University Financial Rules, 2.4 Exempt Transactions.

61. **University Business Day** is one on which the University is open for business according to its official calendar.

62. **University Price Agreement (UPA)** means a contract entered into by the University for the purpose of promoting efficiency and savings that result from leveraging the University's buying power. A UPA is mandatory for all University purchases of a particular good or service unless the Director or designee provides a waiver.

SECTION XVI
PROCUREMENT RECORDS -- INFORMATION AND RETENTION

Procurement records are subject to disclosure pursuant to the provisions of the Colorado Open Records Act, C.R.S. § 24-72-101, et seq.

Procurement records are subject to applicable federal, state and University records retention policies.

REFERENCES:

1. Colorado Revised Statutes (C.R.S.): Title 24, Article 30, Parts 13 and 14;
   Title 24, Article 91, Section 101-110;
   Title 24, Article 92, Section 101-210;
   Title 34, Article 93, Sections 101-108;
   Title 24, Article 101, Section 201-203 and 301-302;
   Title 38, Article 26, Section 106-108; and
   Title 8, Article 17, Section 101.
2. Fiscal Rules: issued by the State Controller's Office.
3. Procurement Code and Rules: issued by the State Purchasing and Contracts Office
4. Budget Instructions: issued by the Office of the State Architect and Colorado Commission on Higher Education.
5. Capital Construction Accounting Guidelines: issued by the State Controller's Office.
6. State of Colorado Contract Manual: issued by the State Controller's Office.
7. OSA Policies and Procedures.

REFERENCES

- 2 CFR Part 200
- 24-103-907
- 45 CFR Part 75
- C.R.S. § 24-101-105
- C.R.S. § 24-101-105(1)(b)
- C.R.S. § 24-101-301(18)
- C.R.S. § 24-30-1402(6)
- C.R.S. § 24-30-202(13)
- C.R.S. § 24-30-202(3)
- C.R.S. § 24-48.5-312(3)(a)(I)(A)
- C.R.S. §24-103-906
- C.R.S. §23-30-102
- C.R.S. §24-30-1301

- C.R.S. §24-71-101
- C.R.S. 24-30-202(2)
- C.R.S. Title 24, Articles 101-112
- C.R.S., §24-72-204(3)(A)(IV)
- Conflict of Interest (COI) Policy
- CSU Policy on Central Communications
- CSU Policy on Construction Project Approvals
- CSU Policy on Environmentally and Socially Responsible Procurement
- CSU's own Financial Rules and Financial Procedure Instructions
- Federal Acquisition Regulations Part 31
- official calendar
- PCard Program Handbook
- Rocky Mountain E-Purchasing System
- Supplier Inclusion Program
- System for Award Management website