



PURCHASING MANUAL

2015

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STATEMENT OF PURPOSE

This manual will assist you in making informed, responsible procurement decisions when purchasing for Adams State University.

The ASU Purchasing Manual was written to provide a tool with which to understand the purchasing process for Adams State University.

Adams State University's purchasing practices are subject to the supervision and control of ASU's Purchasing Director.

PURCHASING AUTHORITY HEIRARCHY

UNIVERSITY BOARD OF TRUSTEES

UNIVERSITY PRESIDENT

DIRECTOR OF PURCHASING

**DEPARTMENT BUDGET MANAGERS
AND THEIR DESIGNEES**

SECTION 1.

Adams State University's Purchasing Rules

All procurement done for ADAMS STATE UNIVERSITY are governed by Colorado Revised Statutes, and ASU's Procurement Rules pursuant thereto.

Any purchase made by the ADAMS STATE UNIVERSITY Purchasing Director, or designee, must be in accordance with these Rules. The Purchasing staff is available to answer any questions that may arise. Please contact ASU Purchasing with questions before procuring goods or services.

Note: Section 24-109-404, C.R.S., entitled LIABILITY OF PUBLIC EMPLOYEES:

"If any governmental body purchases any supplies, services, or construction contrary to the provisions of this code, or the rules promulgated pursuant thereto, the head of such governmental body and the public employee, which for the purposes of this section includes elected officials, actually making such purchase shall be personally liable for the costs thereof. If such supplies, services, or construction are unlawfully purchased and paid for with state moneys, the amount thereof may be recovered in the name of the state in an appropriate civil action."

DELEGATION OF PURCHASING AUTHORITY

The procurement delegation for ADAMS STATE UNIVERSITY has been authorized by the University's Board of Trustees to the President of the University and is subject to the supervision and control of the Purchasing Director.

Purchasing authority is delegated by ADAMS STATE UNIVERSITY'S Purchasing Director to account managers and their authorized designees, as described by appropriate sections in this manual.

SECTION 2.

PROCUREMENT CODE OF ETHICS

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

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

- FURTHER CLARIFICATIONS OF THE CODE OF ETHICS -

1. It is essential that any activity or involvement between purchasing professional and active or potential suppliers, which in any way diminishes, or even appears to diminish, open and fair treatment of suppliers be strictly avoided.

The following is a recommended guideline in dealing with perception:

* Situations may occur in which, through uncontrollable circumstances, one finds oneself in a business relationship with a personal friend. The perception (as well as the potential) of a conflict of interest should be discussed with one's superior, and a reassignment of buying responsibility should be considered.

2. It is the duty of the purchasing professional to ensure that actions taken as an agent for the University will benefit the long-term best interests of the University to the exclusion of personal gain.

The following are recommended guidelines in dealing with Responsibilities to the University:

* Obtain the maximum benefit for monies expended as agents for the University:
 * Ensure exercise of reasonable care by maintaining up-to-date knowledge of applicable laws, purchasing techniques, and management responsibilities.

3. Purchasing professionals should pursue and retain an understanding of the essential legal concepts governing our conduct as agents of the University. Some of the laws with which we should be acquainted include, in addition to the University's Purchasing Rules, the Uniform Commercial Code, Sherman Anti-Trust Act, Robinson-Putman Act, and the Federal Acquisition Regulations (OMB Circular A-21). Numerous current textbooks, handbooks, and purchasing references are available which deal with these subjects.

4. Refrain from any private or professional activity that would create a conflict between personal interests and the interests of the University.

Purchasing professionals have the right to engage in activities which are of a private nature and outside their employment. However, purchasing professionals must not use their positions in any way to induce another person to provide any benefit to themselves or persons with whom they have family, business, personal or financial ties.

The following are recommended guidelines in dealing with conflicts of interest:

- * Refrain from any private or business relationships or activities, which could result in a conflict of interest or could reasonably be perceived as a conflict of interest.
- * Refrain from engaging in business with, or employment by a company, which is a supplier to the University.

Personal Investment: Ownership of stock in a supplier of goods or services, or customer is not in itself wrong, provided that the interest is solely of an investment nature. However, such ownership should be reported to the employer for review and guidance to avoid the potential for any impropriety.

Outside Activities: Prior approval by the University should not be required for outside educational, professional, political, philanthropic, social, or recreational activities in which an employee may engage on their own time and at their own expense. Purchasing professionals must not make use of the University's position in any of these activities, or permit any association with such activities, which might be detrimental to the University's business or reputation.

5. The following are guidelines for all university employees specifying materials, equipment and services to be purchased.

- * A university employee should not maintain a controlling interest in a firm that does business with the employing university.
- * A university employee shall not accept trips, lodging, meals (except as provided in section 6 under "Business Meals") or tickets from vendors or contractors. Attendance at seminars or courses conducted by potential or current contractors or vendors is not precluded by this provision.
- * A university employee shall not provide inside information to prospective bidders.
- * A university employee shall not "auction" between vendors to attain a better price.

6. Gratuities include any material goods or services offered with the intent of, or providing the potential for, influencing a buying decision. Gratuities are generally offered during telephone solicitations. Goods, services or products offered by telephone generally lend themselves to misrepresentation and should not be purchased as they are seldom in the University's best interest, thus the gratuity is offered to entice the buyer. Extreme caution must be used in evaluating the acceptance of any gratuities even if of nominal value and the frequency of such actions (the collective impact) to ensure that one is abiding by the letter and the spirit of these guidelines.

The following are recommended guidelines in dealing with gratuities:

- * Gifts/Entertainment, Money, loans, credits, or prejudicial discounts must never be accepted.
- * The solicitation of gratuities in any form, for you or the University, is unacceptable.
- * Items of nominal value are sometimes offered by vendors as a gesture of goodwill, or for public relations purposes. For purposes of clarification, nominal value should not exceed \$5.00. The occasional acceptance of such items (e.g., edibles other than meals, promotional items, or novelty items) may be justified if refusal would cause undue embarrassment or strain on the business relationship.
- * Gifts offered exceeding nominal value should be refused and /or returned with a polite explanation, or if perishable, either returned or donated to a local charity in the name of the supplier.
- * Business Meals: Generally, free meals should not be accepted. It is recognized, however, that the offer of a "business lunch" is a customary business practice. If acceptance does not appear inappropriate, seek approval from management.

* University purchasing employees may accept moderate hospitality if it is offered generally to the entire group at a conference, vendor open house, product show or seminar conducted by vendors.

7. The reputation and good standing for the University, the purchasing profession, and the individual will be enhanced by affording all supplier representatives the same courtesy and impartiality in all phases of business transactions.

The following are recommended guidelines for maintaining cooperative relationships with suppliers:

* Establish parameters for bidding and/or re-bidding prior to issuance of an Invitation for Bid. This will help ensure the procedure allows fair, consistent, and unbiased treatment of each prospective bidder and that they understand the process prior to bidding. As a general rule when re-bidding, all initial bidders should be given the same opportunity to re-bid.

* Refrain from "auction" bidding which promotes playing one supplier against the other by allowing multiple opportunities to re-bid.

8. The following are recommended guidelines for developing and exhibiting integrity:

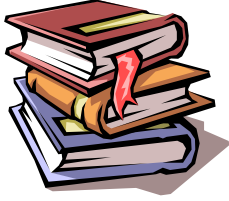
* Be fair and objective in your personal and public relationships.

* Always do what you say you will do, when you say you will do it.

* Don't "bend the rules" for your advantage or give advantage to others.

9. Most universities and many corporations have developed specific guidelines and procedures to enforce policies designed to support and stimulate the growth of small business and those owned by minorities or other disadvantaged groups. Such businesses are dependent for their survival and expansion upon being given the opportunity to compete in the marketplace with their larger competitors. Thus, it is incumbent upon the purchasing professional to give them consideration in buying decisions by providing the opportunity to present products and services, and through opportunities to bid.

10. Purchasing professionals have an obligation to behave ethically in a manner above reproach, both publicly and privately.

SECTION 3.**ADAMS STATE UNIVERSITY BOOKSTORE**

The ADAMS STATE UNIVERSITY Bookstore shall have the sole and exclusive right to sell new and used textbooks, workbooks, fiction, general reference books, paperback books, mimeographed materials, stationery, school supplies, magazine subscriptions, sporting goods, physical education equipment, jewelry, writing instruments, novelties, toilet articles, soft goods, greeting cards, religious articles, art supplies, class rings, room accessories, language tapes, radios, phonographs, records, and other merchandise ordinarily rented or sold in University student bookstores; it being understood that none of the said merchandise and articles hereinabove shall be handled, rented or sold, either at wholesale or retail, on the premises occupied by an individual corporation, or copartnership, except by the ADAMS STATE UNIVERSITY Bookstore.

The ADAMS STATE UNIVERSITY Bookstore (Grizzly Den) shall have the non-exclusive right to sell candy, snacks, packaged food and beverages.

SECTION 4.

PURCHASE LIMIT APPROVAL

Purchases of goods can be made up to DEPARTMENT LIMIT APPROVAL (NOT TO EXCEED \$4999) can be made without contacting the Adams State University Purchasing Office but the State approved procurement card **must** be used for allowable purchases.

Authority to make purchases up to DEPARTMENT LIMIT has been delegated by the Adams State University Purchasing Director

Note: If a good or service is on a required University-wide Price Agreement ("UPA"), that item must be purchased from that source unless a waiver is obtained from the ASU Purchasing Office.

When competition exists, and it is in the best interest of the university to do so, emailed/written quotes may be obtained and documented.

There will be no circumstance where a representative of Adams State University may charge a purchase to the University without requesting approval from their Department Head. Such purchases are considered personal purchases and must be paid out of pocket by the purchaser. That person may or may not be reimbursed for the expenditure. **Taxes are not reimbursable.**

SECTION 5.

PURCHASES OVER PROCUREMENT CARD LIMIT (\geq \$5,000)

The ADAMS STATE UNIVERSITY Purchase Requisition is to be used to request goods \geq \$5,000 or all services regardless of the dollar amount, and also serves as authorization to commit funds. All purchase requisitions must be submitted to the Purchasing Office for proper processing, prior to the commitment of any purchase.

Fiscal Rule requires signature authority for purchase requisitions. Department Head's may delegate signature authority to include other personnel within the department. All delegation notifications must be sent in writing to the Budget Office and Purchasing Office.

Purchase Requisitions must be approved by personnel with budgetary authority. After department approval the requisition then gets routed to the Purchasing Director for final approval and processing. Sponsored program funds require additional approval from the Sponsored Programs controller before they are routed to the Purchasing Director.

Information Required on the Purchase Requisition

Purchase Requisitions should be fully and accurately filled in as follows:

1. Name and address (email of vendor contact-- to expedite ordering) the Purchasing Office has the option to assign a different vendor to the purchase order;
2. An estimated item cost;
3. Account numbers;
4. Quote, application or renewal form for subscriptions, utility bills;
5. Detailed description of commodity or service;

6. Date of service or activity; and
7. Supporting documentation as appropriate.

SECTION 6.

PURCHASES LESS THAN \$25,000

The ADAMS STATE UNIVERSITY Purchasing Director may purchase goods and or services costing less than \$25,000 without benefit of documented emailed quotations, or written bids. This rule does not preclude the option to obtain written quotations when deemed in the best interest of the University.

The amount of lead-time required for purchases varies according to the items or services to be purchased. Knowledge of the procedures for vendor selection mandated by the Purchasing Rules will assist the user in efficient planning.

SECTION 7.

PURCHASES OF \$5,000 AND ABOVE

All purchases of \$5,000 and above will be handled by the ADAMS STATE UNIVERSITY Purchasing Office. Purchases that are \$25,000 or above are subject to Documented Quotes (DQ), Request for Proposal (RFP) or Competitive Sealed Bid (IFB). After contacting and submitting necessary specifications to the Purchasing Office the best way to procure goods will be determined by the Purchasing Office. No less than seven (7) days must be allowed for preparation and bidding time for Documented Quotes and no less than forty-five (45) days lead-time should be allowed for Requests for Proposal (RFP) and or Competitive Sealed Bids (IFB).

It is purchasing policy that neither emailed nor faxed responses shall be used for the receipt of bids where sealed bids are required by rule or solicitation specified, (RFP or IFB). Electronic responses, faxes or emails are accepted for Documented Quotes or as specified in solicitation request.

When an item is out for bid the requesting party and solicited vendor shall not communicate in any manner - all questions are to be handled by the Adams State University Purchasing Office, unless otherwise specified. Any deviation from this procedure could render the bid null and void whereby the bid will be cancelled and a period of 6 to 8 weeks must lapse before another solicitation can be issued.

This procedure is to protect all parties involved against collusion or bid rigging which is punishable by law.

In addition to the formal solicitation process, purchases for services over \$5,000 require Department of Personnel review and approval. Please contact ASU Purchasing before committing Adams State University to services over \$5,000. See also Section 8.

SECTION 8.

PURCHASE ORDER DEFINED

A Purchase Order or Contract must be in place before securing any goods or services for Adams State University at \$5,000.00 or above.

The official Adams State University Purchase Order (issued only by the ASU Purchasing Office) constitutes authority to purchase or commit ADAMS STATE UNIVERSITY for goods or services. There are limitations on this for services. Any service of \$5,000 and above requires a Personal Services Certification. Services over \$50,000 may require a contract, unless determined otherwise by the Purchasing Director.

A Purchase Order must be used for all purchases of \$5,000 and above, with the exception of gasoline, diesel fuel, food and lodging. Authority to sign the ASU Purchase Order is limited to the Adams State University Purchasing Director and/or delegate.

A Purchase Order is initiated by submitting a Purchase Requisition to Adams State University Purchasing. Upon receipt of the approved Purchase Requisition, the Purchasing Director or Purchasing Agent assigned will take all necessary steps to obtain quotations, bids, etc., as stipulated by the University's Purchasing Rules. After vendor selection, a signed Purchase Order is issued to the vendor.

ASU's Central Receiving (Mailroom) will physically receive and deliver goods to the requesting department. The requestor is responsible for making sure that goods or services are received in accordance with the specifications of the Purchase Order. The department account manager shall resolve any problems with goods received by contacting the vendor. If a problem cannot be resolved, contact the Purchasing Office.

SECTION 9.

CHANGE ORDERS

A Change Order request is needed for a Purchase Order that has already been sent to the vendor, i.e., to increase the quantity (Change Orders are not necessary for price decreases unless the reduction is substantial) or, to replace a discontinued item, etc. The requesting department budget manager initiates a Change Order, by contacting and advising the Purchasing Office that a Change Order is needed followed by written documentation and approval of the needed change(s).

Only the Adams State University Purchasing Office is authorized to change a Purchase Order. Departments are not authorized to approve Change Orders with vendors.

SECTION 10.

OPEN END PURCHASE ORDERS (BLANKET PURCHASE ORDERS)

The purpose of the open-end Purchase Order is to provide flexibility, to prevent costly delays, reduce paperwork, and avoid freight costs on small orders.

To initiate an open-end purchase order, the following procedures should be followed in filling out the purchase requisition and sending it to the Adams State University Purchasing Office:

- Describe fully the items or service needed in the description section of the requisition. Indicate if this is a new or renewal of a previous purchase order;
 - Indicate quantity if needed;
 - Period of time the order is to cover (fiscal year/semester);
 - Account code;
- Open End Purchase orders are valid only for the amount shown on the face of the order;
 - No orders are to be given to any vendor until the Purchasing Office has given approval and a purchase order has been issued;
- Dollar limitation for open end Purchase Orders must be included on the requisition. This will be given as a figure not to exceed a given amount for a specified time; and
 - The dollar limit and the expiration date on the Purchase Order will control expiration of the open-end purchase order. If the dollar limit has been expended, an increase to the Purchase Order must be requested.

SECTION 11.

PURCHASES FROM THE DIVISION OF CORRECTIONAL INDUSTRIES

Procurement of *Office Furniture and Office Systems* relating to Colorado Corrections Industries (CCi) pursuant to C.R.S. 17-24-111.

Website for ordering: www.coloradoci.com

GUIDANCE

Departments **may but are not required to purchase** office furniture and office systems through CCi.

- Departments **are required** to request a bid from CCi when the office furniture purchase is expected to be \$150,000 or more.
- Purchases may not be broken into smaller groups to create a smaller value.
- Opportunities for CCi to bid should be provided to CCi with sufficient time for them to research, quote and deliver the bid.
- When CCi provides a bid, the bid must be considered on a competitive basis.
- Departments may purchase furniture directly from CCI as a sole source provider. Per statute, no solicitation, intent to sole source, or sole source waiver is required when purchasing exclusively from CCi.
- Various solicitation methods including cooperative purchasing agreements are acceptable when purchasing over \$150,000, however, CCi must be given an opportunity to bid.

If you need to procure furniture outside of CCi please contact the ASU Purchasing Office prior to contacting or committing to outside vendor agreements.

SECTION 12.

MAINTENANCE AGREEMENTS

Maintenance agreements for service and repair of capital equipment items, such as: computers, scientific equipment, etc., are used when it is considered cost beneficial to do so rather than pay for service on a per-call basis.

State Fiscal Rules require a formal state contract for agreements at or above \$100,000.

A contract, rather than a Purchase Order will also be used when the terms and conditions of a Purchase Order will not adequately protect the interests of the State.

The vendor's contract form is **not** to be used to obtain a maintenance agreement. State statutes require special wording for a contract to be binding. This language is not included in vendor forms. The State's interest may not be protected in a vendor's standard form. Some vendor's forms may be amended and then referenced on a Purchase Order or contract. **DO NOT sign the vendor's contract forms**, you may include them as an attachment to your requisition.

The President, and Vice President are the only representatives of Adams State University authorized to sign contracts, unless delegated otherwise.

ANY PERSON SIGNING OR ENTERING INTO A CONTRACT FOR THE STATE, WHO HAS NOT BEEN DELEGATED AUTHORITY TO DO SO, MAY BE HELD PERSONALLY LIABLE FOR ANY AMOUNT DUE UNDER THE CONTRACT. PLEASE DO NOT SIGN ANY CONTRACT OR AGREEMENT FORM.

To originate a Maintenance Agreement, a Purchase Requisition must be submitted including a full description of service to be received, the vendor's name, and price. A copy of the vendor's standard contract form should be attached for reference only.

When appropriate, a Purchase Order will be issued for equipment maintenance. In cases where monthly payment is required, an Open End Purchase Order will be issued for the current fiscal year only.

If a formal contract is necessary, contact the Purchasing Office for clarification and assistance. Allow six to eight weeks for preparation and approval of the contract.

NOTE: This section does not cover personal service contracts such as janitorial, word processing, secretarial, or tasks that could be handled by a State employee. Please contact the Human Resources Office for information on these contracts.

Before any service agreements are processed, contact the Purchasing Office for current rules, regulations, and laws.

SECTION 13.**PERSONAL SERVICES****Review Attachment C—State of Colorado Fiscal Rules, Rule 3-1 State Contracts.**

Before agreeing to services from a vendor for personal services if you answer yes to any of the following questions contact the Purchasing Director for instructions and clarification before proceeding further.

- 1) Is this service for \$5000 or more?
- 2) Would State personnel be able to perform this service?
- 3) Is this vendor considered an employee of the State of Colorado?
- 4) Has this service been performed by State personnel in the past?

Information Required on the Purchase Requisition for Personal Services

Purchase Requisitions should be fully and accurately filled in as follows:

1. Name and address;
2. W-9 form;
3. Estimated cost;
4. Description of service;
5. Date of service;
6. Accounting Information; and
7. Supporting documentation as appropriate (W-9, Certification & Affidavit, Independent Contractor Form, PERA Retiree Questionnaire form)

SECTION 14.**CONSTRUCTION CONTRACTS****BONDING AND INSURANCE**

Contact Facilities Services for assistance on construction related projects. All renovation/remodeling must be pre-approved. Please refer to State of Colorado Fiscal Rules (Rule 3-1 State Contracts).

INSURANCE AND BONDS

All construction awards that are processed are required to have insurance certification on file in the Purchasing office, regardless of the amount of the contract. This includes Worker's Compensation, employer's general liability, and vehicle liability when applicable.

In the event that a bid or an award results in a contract of \$50,000 or more, the successful bidder will be required to furnish: A performance bond (state form #SC-6.22), and a labor and materials payment bond (state form #SC-6.221), in the sum of 100% of the contract. The surety on such bonds must be a corporation authorized to transact such business in Colorado. The University has the option of asking for performance bonds for contracts in amounts less than \$50,000, if it is deemed to be in the best interest of the University.

NOTICE TO PROCEED

The receipt of the signed purchase order from the Purchasing Office is the notice to proceed for the contractor. All change orders to the contract (Purchase Order) must be cleared and authorized by the Purchasing Office.

No verbal or other form of change will be approved prior to any authorization given by Purchasing Office.

All change orders must be within the original scope of the work unless an emergency or unknown problem occurs during the actual contract work. ADAMS STATE UNIVERSITY has the option of getting quotes from other sources if it is in the best interests of the University to do so.

Any contractor that proceeds with work when problems of an unknown physical condition occur, or conditions that differ materially from those normally encountered, without contacting ADAMS STATE UNIVERSITY, will be liable for payment of all costs not approved by Adams State University.

GENERAL INFORMATION

NO PERSON OR FIRM SHALL BEGIN WORK BEFORE APPROVAL OF A PURCHASE ORDER OR CONTRACT.

SECTION 15.

REQUESTS FOR PROPOSALS - COMPETITIVE SEALED PROPOSALS (Ref. C.R.S. 24-103-202)

The ADAMS STATE UNIVERSITY Purchasing Director shall determine whether a Request for Proposal (RFP), competitive sealed bid, or other method, shall be used for each procurement. The University has written procedures and guidelines for RFP's that must be followed; a copy can be made available through the Adams State University Purchasing Office.

Requests for Proposals (RFP'S) are issued:

- A. For the procurement of personal services (consulting services, etc.), other than architects, engineers and land surveyors, or
- B. When competitive sealed bidding is not practicable (technical and performance capability must be evaluated), or,
- C. when competitive sealed bidding is not advantageous to the University.

If it is determined that an RFP is appropriate, it will be the responsibility of the user to write the request, especially with regard to the scope of work and evaluation criteria. Complete evaluation forms and recommendation of members to participate in the evaluation committee must be submitted to the Purchasing Director prior to the RFP being published. All aspects of the RFP are subject to approval by the Adams State University Purchasing Director or designee.

RFP preparation time shall be set to provide offerors a minimum of 30 calendar days to prepare and submit their proposals. The normal time required to complete the RFP process, from preparing specifications to commencing work, will be approximately 120 days. The lead-time can be shortened if a Purchase Order rather than a formal contract can be used. This shall be determined by the Adams State University Purchasing Director. Contact the Purchasing Office prior to initiating any action.

SECTION 16.

EMERGENCY PURCHASES

An emergency condition as defined by Part 2 24-103-206, C.R.S. and Section F - 3 of the University's Purchasing Rules, is a situation which creates a threat to public health, welfare, or safety such as may arise by reason of floods, epidemics, riots, equipment failure, or such other reasons as may be proclaimed by the using agency, and approved by the Director, head of a purchasing agency, or designee. The existence of such conditions creates an immediate and serious need for supplies, services, or construction that cannot be met through normal procurement methods and the lack of which would seriously threaten:

- A. The functioning of state government, or its programs, or
- B. The preservation or protection of property, or
- C. The health or safety of any person or persons.

The University may make emergency procurements when an emergency condition arises and the need cannot be met through normal procurement methods, provided that, whenever practical, approval by the director or head of a purchasing office shall be obtained prior to the procurement. In the event an emergency arises after normal working hours, the department shall notify the director or head of a purchasing office on the next working day.

Only the quantity of goods or services necessary to alleviate the emergency may be purchased under emergency conditions.

SECTION 17.

INSURANCE

Insurance requirements for Adams State University are handled by the Finance Office.

Worker's Compensation claims are handled through the Adams State University Human Resources Office.

SECTION 18.

ADVERTISING

Advertising, newspaper ads, including legal notices, can be placed by using a Procurement Card or a Purchase Order. If the cost of the ad exceeds your Procurement Card limit you must obtain a Purchase Order. Do not arrange for an ad without first obtaining a Purchase Order.

SECTION 19.

SOLE SOURCE PURCHASE REQUESTS

Sole Source vendor selection may be used only if certain circumstances or criteria exist. Those circumstances are set forth in Section 24-103-205, C.R.S., which provides in part:

"A contract may be awarded for a supply, service, or construction item without competition when, under rules, the head of a purchasing agency . . . determines in writing that there is only one source for the required supply, service, or construction item."

Sole Source vendor selection is an exception to the practice of selecting vendors as the result of a competitive sealed bid. Sole Source Procurement is an option if a purchase requirement is reasonably available only from a single vendor or if it otherwise qualifies under Code of Colorado Regulations, 1CCR101-9. (See Code of Colorado Regulations below).

The Sole Source Documentation form provides specific direction on what information is necessary when making such a request. Contact the Purchasing Office if you feel your procurement would qualify as a Sole Source request.

CODE OF COLORADO REGULATIONS 1CCR101-9 SOLE SOURCE PROCUREMENT

3-205 Conditions for Use of Sole Source Procurement

Sole source procurement is not permissible unless a requirement is available from only a single supplier. A requirement for a particular proprietary item does not justify a sole source procurement if there is more

than one potential bidder or offeror for that item. The following are examples of circumstances, which could necessitate sole source procurement:

- (a) where the compatibility of equipment, accessories, or replacement parts is the paramount consideration;
- (b) where a sole supplier's item is needed for trial use or testing;
- (c) where public utility services are to be procured.

The director, the head of a purchasing agency, or the designee of such person, shall make a written determination that a procurement is sole source, setting forth the reasons. In cases of reasonable doubt, competition should be solicited. Any request by a using agency that procurement be restricted to one potential contractor shall be accompanied by an explanation as to why no other will be suitable or acceptable to meet the need. Complete the Sole Source Form sign and forward to the Purchasing Director for review and approval.

NOTE: Insufficient time for conducting a competitive procurement is not a lawful reason for selecting the sole source procurement option.

SECTION 20.

OFFICIAL FUNCTIONS

I. INTRODUCTION

The expenditure of University funds for such things as food, beverage, catering services, the cost of holding receptions, employee recognition events, etc., are sometimes perceived as funds used for entertainment or personal benefit. In order to avoid undue criticism or possible misuse of University funds, State Fiscal Rule mandates that the President of Adams State University or designee (Vice President or Vice President for Finance and Governmental Relations) must approve all expenditures of this type. University staff that have been given departmental purchasing signature authority are authorized to approve expenditures that are reasonable up to \$200.00.

I. DEFINITION

A meeting, conference, or other assembly, which meets all of the following criteria:

- A. It is hosted by administrative officials of Adams State University, as required in the conduct of official business.
- B. It is held to further the best interests of Adams State University.
- C. It requires the expenditure of University funds for such things as food, beverage, catering services, the cost of holding receptions, employee recognition events, etc.
- D. The expenditure is properly authorized by the Department budget manager and approved by the President of the University or designee.

II. EXAMPLES

The following are examples, which qualify as "Official Functions":

- A. Food and beverages purchased for the hosts and one or more guests visiting a department on official business.
- B. Luncheons, dinners, receptions, and banquets given as a necessary adjunct to official meetings or conferences.

- C. Meals (including spouses), service pins, and merit certificates for State employees being honored at an award luncheon, dinner, or reception. This includes the cost of meals for State officials who are required to participate in an official capacity.
- D. Catering services, which may be required for large formal official functions.
- E. Decorations as essential to the circumstances.
- F. Meeting rooms essential to the occasion.

III. POLICY

It is the policy of the State of Colorado that State funds (in this case University funds) may be used for productive meetings and events that are designed to achieve program objectives (State Fiscal Rules Chapter 2 Sec. 7). University funds are not to be used for entertainment or personal benefit.

IV. AUTHORIZATION PROCEDURES AND FORMS

- A. FORMS: "Official Functions Request" forms are available in the Purchasing Office or on the Departments web page. This form is used for requests involving refreshments, meals, snacks and beverages. If you need assistance with the "Official Functions Request" contact the Purchasing Office at x7526.
- B. INFORMATION REQUIRED FOR OFFICIAL FUNCTION:
 - 1) Department approval;
 - 2) Detailed description of function (where, why, when); and
 - 3) Necessary supporting documentation (agenda, etc.)
- C. ROUTING PROCEDURE FOR OFFICIAL FUNCTIONS ABOVE \$200.00:
 - 1) Department Budget Approval;
 - 2) Sponsored Programs (SP) budgets need SP Controller approval;
 - 3) Foundation accounts require Director of Development approval;
 - 4) Club accounts need Club Advisor and Budget Director approval;
 - 5) All Official Functions need President, Provost, or Vice President of Finance and Administration approval if over \$200; and finally
 - 6) Purchasing approval and processing.

Purchase Orders can only be generated after approval of "Official Functions" form is complete.

Reference: Fiscal Rules Chapter 2, Sec. 7

SECTION 21.

DISPOSAL OR TRANSFER OF CAPITAL EQUIPMENT

Before you relocate or dispose of University property, contact Gary Garcia in the Business Office (7552) for a RELOCATION OF PROPERTY (Transfer) form or DELETION OF PROPERTY form. These forms must be completed by the Department budget manager and submitted to Gary Garcia in the Business Office. Transfer or Deletion of Property forms are then routed to the Purchasing Office for approval. After surplus transfer or deletion requests are completed, Adams State University will then proceed with transfer, sale or disposal of University property.

SECTION 22.**TRAVEL**

Before making travel arrangements process the necessary travel requests and approvals for your Department.

Contact the Travel Compliance Officer (7762) regarding travel questions.