COLORADO SCHOOL OF MINES
PROCUREMENT RULES

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1.0 BACKGROUND AND PURPOSE

Pursuant to Section 24-101-105 of the C.R.S., on December 2008, the Board of Trustees adopted a resolution exempting the Colorado School of Mines from the State of Colorado Procurement Code and Rules to be effective December 2008.

These rules are designed to support and facilitate the educational, research and public service missions of the School through the acquisition of goods and services by applying the best methods and business practices that provide for public confidence in the School. Within the context of the School environment, these rules ensure a procurement process of quality, integrity, broad-based competition, fair and equal treatment of the business community, increased economy in the procurement process and uniform procurement procedures.

Colorado School of Mines currently follows federal guidance 2 CRF part 215, including without limitation paragraphs (a)(1), (2) and (3) of §215.44.

2.0 AUTHORITY AND DELEGATION

The Constitution and statutes of the State of Colorado vest the supervision of the School in the Board of Trustees, which includes the authority for procurement. The Board of Trustees has delegated to the President the administration of the School pursuant to its policies, including the authority for procurement and to delegate that authority to other School officials. Upon the effective date of these Procurement Rules (“rules”), all procurement authority of the President of the School shall be delegated to the School’s Director of Business Operations. The Director of Business Operations may further delegate his/her authority to persons in School departments for the efficient operation of the School. The Director of Business Operations is the only person authorized to purchase goods and services for the School, unless such specific delegation of authority is made to another employee. Since no rules can cover all eventualities, exceptional cases will be resolved as circumstances and prudent business practices warrant. No employee of the School is empowered to incur any obligation or make any commitment on behalf of the School for the procurement of goods or services, except as provided under these rules.

Consistent with the provisions of these rules, the Director of Business Operations may adopt operational procedures governing the internal purchasing functions of the School,
including purchases at the department level using the School’s procurement card and field purchase orders.

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

The Director of Business Operations may, from time to time, amend these rules with the approval of the President of the School.
3.0 APPLICABILITY

A. General Applicability
These rules apply to all goods and services procured by and through the School regardless of funding source.

B. Exclusions
These rules do not apply in the following situations:

1. School funds were not expended nor is the contract solely revenue producing.
2. The procurement is for a construction contract as delegated from State Buildings to the Office of Planning and Construction.
3. The procurement is between the School and a public entity including any agency of a federal, state, county or municipal government, a school district or other special district.
4. The procurement is for services provided by architects, engineers, landscape architects, industrial hygienists or land surveyors. (See C.R.S. §§ 24-30-1401 through 24-30-1407).
5. A vendor’s item is to be procured for resale.
6. The procurement of services from a specific vendor is necessary to comply with the specific terms and conditions of a sponsored project grant or contract.
7. The procurement is for the lease, sale, purchase, transfer, disposal or any other transaction involving an interest in real property.
8. The procurement is for an employment contract.
9. The procurement is for insurance policies for the School and its employees.
4.0 ETHICS

A. Conflict of Interest
The Colorado School of Mines Faculty Handbook defines the processes to be followed in articulating and resolving conflicts of interest at the School. When the Office of Business Operations has reason to believe that a conflict of interest may exist in the procurement of goods and services, it will direct the affected department to comply with the procedures described in the Faculty Handbook regarding conflict of interest. All possible conflicts of interest must be discussed with the Office of Business Operations prior to a procurement transaction.

B. Code of Ethics
All parties involved in the negotiation, performance or administration of School contracts are bound to act in good faith. Any person employed by the School who purchases goods and services, or is involved in the procurement process for the School, shall be held to the highest degree of trust and shall be bound to the Colorado School of Mines Procurement Code of Ethics included with these rules as Appendix A.

C. Vendor Shows
A vendor show is a product demonstration or exhibit held on campus, to which a vendor invites more than one School department for the purposes of marketing goods or services. Vendor shows include open houses, product exhibits or product demonstrations. All vendor shows must be approved in advance by the Director of Business Operations in order to:

- Protect the integrity of the School’s procurement process;
- Protect the viability of the School-wide price agreements; and
- Ensure fairness to all vendors.

The sponsoring School department shall notify the Director of Business Operations as far in advance as possible but at least ten (10) business days prior to the vendor show. A product or equipment demonstration to a single School department is not a vendor show. The Director of Business Operations has the final authority to determine what constitutes a vendor show.
5.0 PROCUREMENT METHODS

A. General Solicitation Rules

1. Solicitation Policy
   It shall be the policy of the School to purchase goods and services in a manner that affords vendors a fair and equal opportunity to compete. Solicitations should only be issued when there is a valid procurement need. Solicitations should not be issued to obtain estimates or to “test the water.”

2. Solicitation Thresholds
   i. Goods or services $4,500 or less
      Campus departments have purchasing authority.
   ii. Goods $4,501 through $10,000
      Purchases of goods are processed at the discretion of the purchasing agent.
   iii. Services $4,501 through $25,000
      Purchases of services are processed at the discretion of the purchasing agent.
   iv. Goods $10,001 through $150,000
      Competition for goods is sought via the document quote process.
   v. Services $25,001 through $150,000
      Competition for services is sought via the document quote process.
   vi. Goods and services $150,001 or greater
      Competition for goods or services is sought via either the invitation for bids or Requests for proposal process.

3. Solicitation Notification
   An electronic solicitation notification system is the required method for advertising competitive solicitations for goods and services made through documented quotes ("DQ"), invitation for bids ("IFB") and request for proposals ("RFP"). Other methods of notification may also be used at the discretion of the purchasing agent.

4. Specifications
   Purchasing agents shall issue goods or service specifications, which are not unduly restrictive. Brand name specifications, brand name or equal specifications, or qualified products lists may be used in competitive solicitations. Furthermore, brand name specifications shall only be used in accordance with Section 6.E.1. regarding 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 School. Vendors may be required to certify that these standardized specifications have been met.

5. Solicitation Conferences
   Solicitation conferences may be conducted to explain procurement requirements. They shall be announced in the solicitation. The
conference should be held long enough after the solicitation has been issued to allow vendors to become familiar with the solicitation but with adequate time before the solicitation due date to allow vendors time to consider the conference results in preparing their quotes/bids/proposals. Nothing stated at the conference shall change the solicitation unless a change is made by written amendment posted on the electronic solicitation notification system.

6. Amendments to Solicitations
Amendments to solicitations shall be identified as such and may require that the vendors acknowledge receipt of all amendments issued. Amendments shall be posted on the electronic solicitation notification system with sufficient time to allow vendors to consider them in preparing their quotes/bids/proposals. If the due date set will not permit such preparation, then the Office of Business Operations shall extended it.

7. Solicitation Receipt, Opening & Recording
   a. Receipt
      Each response shall show the date and time of receipt. Responses to competitive sealed solicitations shall be stored in a secure place until the due date and time, and shall not be opened upon receipt, except that unidentified responses may be opened for identification purposes. Upon verification of a solicitation response, the response will immediately be resealed and the reason for opening the response will be noted.
   b. Opening and Recording
      The competitive sealed solicitation opening shall be open to the public. Responses shall be opened, in the presence of one or more witnesses, as soon as possible after the date and time and at the place designated in the competitive solicitation.
   c. Confidential Data
      Confidential information includes, but is not limited to, trade secrets, privileged information and confidential commercial and financial information furnished by the vendor and which may be withheld from inspection by the School pursuant to the Colorado Open Records Act, C.R.S. § 24-72-2043 (3) (A)(IV). The vendor may submit written requests for confidentiality to the purchasing agent pursuant to the solicitation terms and conditions. Neither a response in its entirety nor price information will be considered confidential information.
      (i) The purchasing agent shall determine the validity of any written requests for confidentiality and shall provide a written determination of the findings to the vendor.
      (ii) If the purchasing agent and the vendor do not agree upon the nondisclosure of confidential information, the vendor may withdraw its response. After award, all responses shall be open to public inspection with the exception of confidential information.
   d. Withdrawals of Responses & Mistakes in Responses
      (i) Withdrawal of Responses Prior to the Due Date and Time:
Any response may be withdrawn prior to the specified due date and time upon written request from the offeror.

(ii) Withdrawal of Responses after Due Date and Time but Prior to Award:
The Director of Business Operations may allow a response to be withdrawn after the specified due date and time but prior to the award provided:
(a) The vendor provides evidentiary proof that clearly and convincingly demonstrates that a mistake was made in the costs or other material matter provided; or
(b) The mistake is clearly evident on the response; or
(c) It is found by the Director of Business Operations unconscionable not to allow the response to be withdrawn.

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

(b) Minor Informalities
Minor informalities are matters of form rather than substance, are evident from the response or insignificant mistakes that can be waived or corrected without prejudice to other vendors; that is, the effect on price, quantity, quality, delivery or contractual conditions is negligible. The purchasing agent may waive such informalities or allow the vendor to correct them depending on which option is in the best interest of the School.

(c) Determinations
Any decision to permit or deny correction or withdrawal of a response under this section shall be supported by a written determination prepared by the purchasing agent.

e. Evaluation and Award
All responses shall be evaluated as outlined in the solicitation. Where appropriate, procurements may take into account the costs for the full life cycle of any resulting contract to determine total expected cost. The purchasing agent shall ensure that the award decision treats all vendors equitably.

(i) The purchasing agent shall make purchases from and award contracts to, response vendors only.

(ii) Tie quotes/bids
Tie quotes/bids are responsive quotes/bids from responsible vendors that are identical in price, terms and conditions and which meet all the requirements and criteria set forth in the solicitation:

(a) The award shall be made to the vendor that is a small business as defined by the Small Business Administration, if identical favorable quotes/bids are received.

(b) If more than one tie quote/bid is from a small business or if none are, the award shall be made to the local business if identical favorable quotes/bids are received from local and non-local business.

(c) If more than one tie quote/bid is from businesses that meet or do not meet (a) or (b) above then the award shall be made to the minority (MBE) owned, women (WBE) owned or hub zone (HZ) business if identical favorable quotes/bids are received from MBE/WBE/HZ business and a non-MBE/WBE/HZ business.

(d) If more than one tie quote/bid is from a business that meet or do not meet (a), (b) or (c) above then the award shall be made to the in-state business if identical favorable quotes/bids are received from in-state and out-of-state businesses.

(e) If none of the above applies, the purchasing agent shall flip a coin in the presence of another person to determine the awarded vendor.

8. Cancellation of Solicitations

a. 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 School as determined by the Director of Business Operations. Approval to cancel will be obtained from the Director of Business Operations prior to cancellation. The reason(s) for doing so shall be made part of the file and may include, but are not limited to, the following:

(i) The School no longer requires the goods or services;
(ii) The School no longer can reasonably expect to fund the procurement;
(iii) Proposed amendments to the solicitation would be of such magnitude that a new solicitation is desirable;
(iv) Ambiguous or otherwise inadequate specifications were part of the solicitation;
(v) The solicitation did not provide for consideration of all factors of significance to the School;
(vi) Prices exceed available funds and it would not be appropriate to adjust quantities or qualities to come within available funds;
(vii) All otherwise acceptable bids or proposals received are at clearly unreasonable prices;

*See Section 12 for definitions of italicized words*
The School has reason to believe that the bids or proposals may not have been independently arrived at in open competition, may have been collusive or may have been submitted in bad faith. In this case, a notice of rejection shall be sent to all vendors that submitted bids or proposals; or

The number of responses is not sufficient to ensure adequate competition.

b. Notice
When a solicitation is cancelled, notice of cancellation shall be posted on the electronic solicitation notifications system.

c. Disposition of Bids or Proposals
When bids or proposals are rejected or a solicitation is cancelled after bid or proposals are received, the bids or proposals, which have been opened, shall be retained in the procurement file. Bids and proposals, which have not been opened, shall either be returned to the vendors (upon request) or shall be disposed.

B. Procurement Procedures for Purchases Totaling $150,000 or Less

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

1. Small-dollar purchases - purchases totaling $4,500 or less
The School has developed the following mechanisms for the purchase of most goods and services totaling $4,500 or less.

a. The School Procurement Card – This is the preferred method for all purchases $4,500 or less.
   i. Faculty and staff may obtain a procurement card based on the discretion of their Department Head, Vice President or Director. Graduate students may also obtain a procurement card with a stipulated contract start and end date. Other Persons of Interest may be given a procurement card on a case-by-case basis. The procurement card is to be used only by the person to whom the card was issued.
   ii. All use of the Colorado School of Mines procurement card must comply with the School’s financial policies, procurement rules and direct charging policies (applicable to sponsored grants and contracts). Specific purchases that are prohibited on the procurement card include (but are not limited to):
      1. Personal purchases
      2. Inappropriate purchases (per Sensitive Expenditure Policy)
      3. Transactions split to work around the $4,500 Single Purchase Limit
      4. Alcohol
      5. Travel
      6. Chemicals
7. Purchases made from a contract without an authorized signature
8. Telecommunications
9. Cash or cash-type transactions
10. Purchases that violate mandatory price agreements
11. Colorado State Sales Tax

iii. *Procurement card* holders are *responsible* for maintaining purchase documentation on file. For every transaction the cardholder must keep an itemized receipt that includes the:
   1. Purchase Date
   2. Vendor name
   3. Transaction ID
   4. Description of items purchased
   5. Quantity and price of items purchased
   6. Any applicable fees and shipping

iv. The department is liable for all charges made on *procurement cards* issued to cardholders within their supervision. **If it is determined that a charge is made on the *procurement card* that is against any School Policies the cardholder may be liable for the charge.**

v. Misuse of the *procurement card* according to the financial and procurement policies will result in the cardholder being issued a Violation Notification. Violations are given out on a weighted system (from 15-150 points per violation) based on the type of violation. If a cardholder receives 150 points worth of violations within two years the card will be suspended for a minimum of six (6) months pending the completion of procurement card retraining. Continued misuse of the *procurement card* beyond a two year period may result in the permanent suspension of the card at the discretion of the Director of Business Operations. **Card abuse resulting in fraud will result in a permanent suspension and must be immediately reported to the Director of Financial Planning and Business Operations and the Internal Audit Department.**

The Director of Business Operations must approve any exceptions to these rules regarding the use of the *procurement card.*

b. **Field purchase orders** – School departments may issue *field purchase orders* from pre-printed stock for purchases up to $1,000 where the *procurement card* is not an option.

2. **Purchases of goods totaling $4,501 through $10,000**

   [Includes purchases less than $4,501 where neither the *procurement card* nor a *field purchase order* will be accepted by the vendor.] Purchases of these types are processed at the discretion of the *purchasing agent.* Requestors are encouraged to include a recommended vendor at the time of the request, but the *purchasing agent* may place the order with any vendor that the *purchasing agent* determines serves the best interest of the School considering cost and other factors.
3. **Purchases of services totaling $4,501 through $25,000**

   [Includes purchases less than $4,501 where neither the *procurement card* nor a *field purchase order* will be accepted by the vendor.] Purchases of these types are processed at the discretion of the *purchasing agent*. Requestors are encouraged to include a recommended vendor at the time of the request, but the *purchasing agent* may place the order with any vendor that the *purchasing agent* determines serves the best interest of the School considering cost and other factors.

4. **Purchases of goods above $10,000 or services above $25,000 but less than $150,000**
   
   a. The above shall be purchased using the *documented quote* process unless a written *determination* by the *purchasing agent*, that has been approved by the Director of Business Operations, that a *Requests for proposal*, Request for Bid, or *sole source procurement* better meets the needs of the School.
   
   b. For *goods* and *services* procurements, neither the *solicitation* nor the vendor’s response constitutes an “offer”; therefore, *responsiveness* at the time of receipt is not an absolute criterion. The *purchasing agent* will determine whether or not a response is *acceptable* and may compare the relative value of competing response, not solely the price. The ensuing purchase order shall constitute an offer. The vendor may accept by performance, unless the purchase order expressly requires acceptance by written acknowledgment.
   
   c. The choice of vendor for *goods* and *services* must be based on which *acceptable* response is most *advantageous* to the School with price/cost being a consideration. The basis for selection must be documented and will be final.
   
   d. *Documented quotes* must be advertised in accordance with Section VI.A.3. *solicitations* must remain posted for at least three (3) working days unless the Director of Business Operations provides a written *determination* that a lesser time is required in order to meet an immediate School need.
   
   e. The *purchasing agent* may negotiate with any vendor to clarify its *quote* or to effect modifications that will make the *quote* *acceptable* or make the *quote* more *advantageous* to the School. However, in the negotiation process the terms of one vendor’s *quote* shall not be revealed to a competing vendor and all *quotes* will be kept confidential until a purchase order is issued.
   
   f. *Quotes* may be submitted electronically when the terms of the *solicitation* permit electronic submission.
   
   g. *Competitive reverse auctions*. *Contracts* for *goods* and *services* may be awarded by *competitive reverse auction* if the *purchasing agent* determines that adequate *competition* can be achieved.

*See Section 12 for definitions of italicized words*
C. Procurement Procedures for Purchases totaling over $150,000

1. Invitation for Bids (IFB)

a. Use of Invitation for Bids
   Invitation for bids is a method of procurement that results in a contract being awarded to the lowest responsive bid from a responsible bidder based on the specifications set forth in the solicitation. Typical reasons why an IFB may be used include:
   (i) The award will be made on the basis of price; or
   (ii) It is not necessary to conduct negotiations with the responding bidders about their bids.

b. Solicitation Time
   The minimum time for the IFB opening date shall be not less than fourteen (14) calendar days after posting the solicitation on the electronic solicitation notification system. When special requirements or conditions exist, the Director of Business Operations may shorten the IFB time, but in no case shall the time be shortened in order to reduce competition. Solicitation periods of less than fourteen (14) calendar days shall be documented as to why a reduced IFB period was required.

c. Advertisement
   IFBs must be advertised in accordance with Section 6.A.3.

d. Late Responses
   Responses received after the due date and time shall not be opened and shall be rejected as late.

e. IFB Opening
   The name of each bidder, the bid price(s) (unless otherwise provided in the invitation for bids), and other information deemed appropriate by the purchasing agent shall be read aloud at the time of the IFB opening. Reading of all bid item prices may not be reasonable or desired (e.g., in the case of lengthy or complex IFBs). The decision not to read all bid prices shall be made by the purchasing agent. The name of each bidder, amount of the bid, delivery date, name(s) of witness(es) and other relevant information shall be entered into the record and the record shall be available for public inspection. Prior to award, copies of pricing information not read aloud at the IFB opening shall be made reasonably available for inspection, if requested. Other information related to a bid, or the bid's responsiveness, may be withheld from inspection until questions concerning such information are resolved. After award, all IFB/bid documents and a complete bid analysis shall be open to public inspection except to the extent the School has approved a bidder's request that information be held confidential as set forth in Section 6.A.7.c.

f. Award
   All goods and services shall be evaluated for acceptability against the specifications and/or brand name used as a reference and other evaluation criteria as set forth in the IFB. Following determination of acceptability, bids shall be evaluated to determine which bidder offers the lowest costs to the School in...
accordance with the *specifications*, taking into account any life-cycle cost formulas stated in the *IFB*.

g. **Multi-Step Sealed IFBs**
A multi-step sealed *IFB* is a two-phase process. The first phase (technical phase) is composed of one or more steps in which bidders submit un-priced technical offers to be evaluated by the School. The second phase considers only those bidders whose technical offers were determined to be *acceptable* during the first phase. At this time, those price *bids* will be opened and considered. The process is designed to obtain the benefits of competitive *sealed bidding by award of a contract* to the lowest *responsive, responsible* bidder and at the same time obtain the benefits of the *request for proposals* procedure through the solicitation of technical offers and the conduct of discussions to evaluate and determine the acceptability of technical offers.

h. **Best Value IFBs**
   
   (i) Use of the *best value IFB*:
   A *best value IFB* is used where the *IFB* specifically allows for *enhancements, options* and/or *alternatives*. A *best value IFB* must include a base *bid* statement.

   (ii) Written *Determination*:
   The *purchasing agent* shall provide a written *determination* for approval to the Director of Business Operations 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 service being solicited.

   (iii) Evaluation:
   The criteria or formula for evaluation must include objective consideration of the costs and savings and/or benefits associated with *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 School, an *award* shall be made to the bidder providing the *best value* to the School.

i. **Competitive Reverse Auction Contracts**
   
   *Contracts for goods and services may be awarded by competitive reverse auction* if the *purchasing agent* determines that *adequate competition* can be achieved.

2. **Request for Proposals**
   
   a. Use of Request for Proposals (RFP)
   *RFPs* will be used for the solicitation of competitive *sealed proposals* over $150,000 that are evaluated on the basis of factors that include but are not limited to price. Evaluations shall be based on the factors set forth in the *RFP* in order to determine which *proposal(s)* best meet(s) the needs of the School.
(i) Written *Determination* – The *purchasing agent* must provide a written *determination* for approval to the Director of Business Operations prior to the use of an *RFP*. The written *determination* must explain why the *RFP* is the proper method of *solicitation*.

(ii) Evaluation Committee – A committee of no less than three (3) individuals shall evaluate all *responsive proposals*.

b. Solicitation Time
*RFPs* will be open for a minimum of thirty (30) calendar days unless the Director of Business Operations approves a shortened timeframe in writing.

c. Advertisement
*RFPs* will be advertised in accordance with Section 6.A.3.

d. Late Responses
Responses received after the due date and time shall not be opened and shall be rejected as late.

e. RFP Opening
There shall be a public opening at a date and time specified in the *RFP*. The *purchasing agent* shall read the name of all proposers submitting responses. A witness shall be present. All information other than the proposers’ names remains confidential until posting of the notice of intent to *award*.

D. Competitive Negotiation
*Contracts* or recurring small dollar *procurements* may be *awarded* by *competitive negotiation* as defined on page 33.

1. Allowable Use
a. A *contract* may be *awarded* by *competitive negotiation* after an unsuccessful *invitation for bids* or *request for proposals* process if the Director of Business Operations determines that time does not permit re-*solicitation*.

b. Small dollar *procurement* agreements (small dollar *procurements* that are recurring and are not expected to exceed 25,000 per department per year) may be *awarded* by *competitive negotiation* with donor, small, local, minority, women or *hub zone businesses* when it is in the best interest of the School to do so and in accordance with Section 8 of these rules.

2. Unsuccessful IFB/RFP processes
An *invitation for bids* or *request for proposals* process is unsuccessful if:

a. All offers received are unreasonable or uncompetitive;

b. The low *bid* exceeds available funds as certified in writing by the appropriate fiscal officer;

c. The *solicitation* has been properly cancelled in accordance with the provisions of Section 6.A.8.; or

d. The number of *responsive* offers is not sufficient to ensure *adequate competition*.
3. **Participants**
   The *competitive negotiation* process shall include all vendors who responded to the *solicitation* or any *re-bid* and may include other vendors capable of filling the School’s needs. The School may also actively encourage small, local, women, minority, in-state or *hub zone businesses* to participate in the competitive negotiation process or partner with vendors who originally responded to the *IFB* or *RFP*.

4. **Times and Locations**
   *Procurement services* may set reasonable times and locations for participation in the *competitive negotiation*, reflecting the fact that time constraints are the basis for the *competitive negotiation* process.

5. **Separate Negotiations**
   Each vendor with whom *procurement services* negotiates shall be given a fair and equal chance to compete. Negotiations shall be conducted separately and independently with each vendor and in no case shall the terms of any vendor’s offer be communicated to any other vendor until intent to *award* notice has been issued. Any change in requirements shall be communicated to all vendors.

6. **Elimination from Process**
   A vendor may be eliminated from the process upon a *determination* that its offer is not reasonably suspected of being selected for *award*.

7. **Award**
   The *award* shall be made to the vendor whose offer is most *advantageous* to the School. The Director of Business Operations shall make a written *determination* that identifies the nature of the discussions with each vendor and that states why the selected offer is the most *advantageous* to the School.

E. **Exceptions to Competitive Solicitation Processes**

1. **Sole Source Procurements**
   *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* or service that can reasonably meet the need and there is only one vendor who can provide the *good* or service. A requirement for a particular proprietary item (i.e., a *brand name specification*) does not justify a *sole source procurement* if there is more than one potential vendor for that *good* or service. Price is not a consideration to justify a *sole source procurement*. In cases of reasonable doubt, competition will be solicited.

   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 School. *Procurement services* shall take action, whenever possible, to avoid the need to
continue to procure the same goods and/or services without competition.

b. Sole Source Procurement Procedures
(i) The requesting department shall submit a sole source justification detailing why the procurement is a sole source along with any other pertinent information regarding the sole source procurement; e.g. vendor quote, requisition, literature, etc.
(ii) Procurement services is the final authority of the approval of sole source procurements.
(iii) The purchasing agent shall publish all sole source procurements for at least three (3) days on the electronic solicitation system to allow vendors an opportunity to comment on the validity of the sole source.
(iv) 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
When an emergency condition exists that prevents the use of a competitive procurement method, the School 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.

a. Determination of Need
An emergency condition justifies the use of an emergency procurement when that condition threatens one (1) or more of the following:
(i) The functioning of the School, or its programs;
(ii) The preservation or protection of property; and/or
(iii) The health or safety of any person(s) or animal(s).

Emergency procurements do not include: procurements that need to be rushed because of a failure to plan ahead; end of fiscal year procurements; or, end of grant/contract procurements.

b. Authority to Make Emergency Procurements
The School may make emergency procurements when an emergency condition arises and the need cannot be met through normal procurement methods, provided that whenever practicable, approval by the Director of Business Operations shall be obtained prior to the procurement. In the event an emergency arises after normal working hours, the School department shall notify the Director of Business Operations on the next working day. If the Director of Business Operations determines that all criteria for an emergency procurement were not met, then the procurement will be processed as an "after-the-fact" procurement as set forth in Section 8.
c. **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.

d. **Documentation**

As soon as *practicable*, the School department shall prepare a written justification, to be approved by the Director of Business Operations, that sets forth the justification for the emergency *procurement*. The justification shall include the following:

(i) The basis for the emergency *procurement* including the date the emergency first became known;

(ii) A listing of the *goods* and/or *services* procured;

(iii) A description of the efforts made to ensure that *proposals* or offers were received from as many potential vendors as possible under the circumstances; and

(iv) The basis for the selection of the vendor.

e. **Procedures**

(i) The procedure used shall be selected to assure that the required *goods* and/or *services* are procured in time to meet the emergency. Given this constraint such *competition* as is *practicable* shall be obtained.

(ii) Any *acceptable* form of *solicitation* (e.g. written, faxed, electronically transmitted, phoned, etc.) may be used to obtain *proposals* for an emergency *procurement*.

3. **School Wide Price Agreements**

a. The Director of Business Operations may issue School-wide price agreements for *goods* and *services* for use by all School departments. Such price agreements may include, but are not limited to School initiated agreements or cooperative agreements. The purpose of such agreements is to promote efficiency and savings that can result from leveraging the School’s buying power.

b. School price agreement pricing is based on the School’s overall anticipated volume of purchases during the agreement period. In order to assure the School of the least total cost of *goods* or *services*, all School departments are required to order needed *goods* or *services* from School price agreements where applicable.

c. *Procurement services* is *responsible* for publicizing all School-wide price agreements and for monitoring compliance.
4. Cooperative Purchasing Agreements

a. The Director of Business Operations may approve the purchase of goods or services from a cooperative purchasing agreement if he/she finds that such purchase is in the best interest of the School after considering the competitiveness of pricing under the contract and the efficiencies and cost savings of using the contract.

b. The School 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;
   (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 multi-state agency;
   (iv) A county, municipal corporation or other political subdivision of the State of Colorado or any other state, or an agency or other instrumentality of the political subdivision;
   (v) Other institutions of higher education; 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 soliciting bids or proposals. Examples include the Educational and Institutional Cooperative and the Western States Contracts Alliance.

c. The Director of Business Operations may approve a single purchase or approve ongoing participation in a cooperative or consortium purchasing agreement as a School-wide price agreement. The Director of Business Operations has the final authority to approve the School’s participation in cooperative or consortium purchasing agreements.

F. Price Cost Analysis

Price cost analysis is required when there is no competition (such as a sole source procurement or when only one response is received to a solicitation). The purchasing agent must ensure that the price the School is paying is fair and reasonable by completing a price cost analysis. Procurements, where appropriate, should take into account the costs for the full life cycle of any resulting contract to determine total expected cost. Additionally, federal laws mandate that the School perform price cost analysis under certain conditions.

If, after analysis, the purchasing agent does not feel the price to be paid is fair and reasonable, he/she will either seek competition or negotiate with the vendor to lower the price.
G. Demonstration or Sample Agreements

Equipment requested by School department from vendors, or offered by vendors to School departments, on a trial, loan, demonstration or evaluation basis does not constitute a commitment to purchase said equipment. The School department shall be responsible for advising the vendor that, for purchases totaling over $4,501 a purchase order will be issued at the discretion of the purchasing agent, and that competitive purchasing procedures shall be used as required by School policies and procedures. If the vendor who loaned the equipment is the successful vendor, new equipment must be supplied unless otherwise specified.

All moving, handling, transportation and applicable installation costs associated with equipment of this nature are the sole responsibility of the vendor unless otherwise specified. The School will not incur any costs associated with equipment that is on trial, loaned, demonstrated, tested or evaluated unless otherwise specified.

Any agreement, which is required by the vendor, shall be executed by the appropriate purchasing agent, regardless of dollar value of the equipment.
6.0 CONTRACTS

A. Types of Contracts
Subject to the limitations of this section, any type of contract that will promote the best interests of the School may be used; except that the use of a cost plus a percentage of the suppliers cost contract is prohibited. A cost reimbursement contract may be used only when a written determination is made that such contract is likely to be less costly to the School than any other type of contract or that it is impracticable to obtain the goods or services required unless the cost reimbursement contract is used. The minimum requirements for contract formation and content are contained in Chapter 3 of the Colorado School of Mines Financial Policies.

B. Multi-Year Contracts
Procurement services may enter into multi-year contracts for goods and/or services subject to funding availability. Contracts for periods in excess of five (5) years require the written approval of the Director of Business Operations.
7.0  AFTER-THE-FACT ("ATF") PURCHASES

Per State of Colorado regulations, all *after-the-fact* purchases must be processed in accordance with the Colorado School of Mines Financial Policies, Section 2.2.5. The School and the State of Colorado consider *after the fact* purchases to be illegal and unauthorized transactions. It is possible that the individual who authorized such a transaction could be held personally responsible for the cost associated with the transaction and or to have disciplinary measures result from the transaction.
8.0 DISPUTES & REMEDIES

A. Types of Disputes
The Director of Business Operations is authorized to settle and resolve any questions regarding:
1. Any protest concerning the solicitation or award of a contract;
2. Any controversy arising between the School and a contractor by virtue of a contract between them, including, without limitation, controversies based on breach of contract, mistake, misrepresentation or any other cause for contract modification or rescission; and,
3. As per delegation from the State of Colorado Purchasing Office, any dispute arising from solicitations and contracts through the State Buildings process which is initiated and managed by Planning and Construction.

B. Costs of Filing
All costs associated with filing and prosecuting a protest or contract dispute shall be borne by the protestor/contractor.

C. Protests other than Contract Disputes

1. Filing of Protests
   a. Subject of Protest
      Protestors may file a protest on any phase of a solicitation or award including, but not limited to, specifications, award, or disclosure of information marked as confidential in a solicitation offer. Protests shall be submitted in writing within seven (7) working days after such aggrieved person knows or should have known of the facts giving rise thereto.
   b. Form
      The written protest shall include, at a minimum:
      (i) The name and address of the protestor;
      (ii) Appropriate identification of the procurement by solicitation number;
      (iii) A statement of the reasons for the protest; and
      (iv) Any available exhibits, evidence or documents substantiating the protest.
   c. To Whom Addressed
      The protest shall be addressed to the Director of Business Operations or Purchasing Manager and sent to the Office of Business Operations.

2. Requested Information
Any additional information regarding the protest should be submitted within the time period requested in order to expedite resolution of the protest. If any party fails to comply expeditiously with any request for information by the Director of Business Operations, the protest may be resolved without such information.
3. **Decision**  
The Director of Business Operations 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 each factor taken into account in reaching the decision. The Director of Business Operations shall furnish a copy of the decision to the *protestor* in writing.

4. **Stay of Procurement**  
In the case of protested RFPs only; there shall be a stay of procurement until the decision of the Director of Business Operations is rendered, unless the Director of Business Operations determines that execution of a *contract* without delay is necessary to protect substantial School interests.

5. **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 of Business Operations, the Director of Business Operations will not review the protest.

6. **Entitlement to Costs**  
When the Director of Business Operations substantiates a protest and the *protestor* should have been awarded the *contract* under the *solicitation* but, due to a defect in the School’s *solicitation* or process, was not, the *protestor* shall be entitled to the reasonable costs incurred in connection with responding to the *solicitation*. No other costs shall be permitted and reasonable costs shall not include attorney fees.

D. **Contract Disputes**

1. **Statement of Policy**  
The terms and conditions of School *contracts* establish procedures and remedies to resolve *contract* and breach of *contract* controversies between the School and a *contractor*. It is the School’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*.

2. **Situation Prior to Issuing Decisions**  
When a controversy cannot be resolved by mutual agreement, the Director of Business Operations shall review the matter within twenty (20) working days after receiving a written request by the *contractor* for a final decision and shall issue a written decision.

3. **Final Decision**  
The Director of Business Operations shall furnish a written copy of the decision to the *contractor*. The decision shall include:
   a. A description of the controversy;
b. A reference to the pertinent contract provision(s);
c. A statement of the factual areas of agreement and
disagreement; and
d. The supporting rationale for the decision.

4. Actions in Court

If a contractor has filed a complaint in court which complaint is also the
subject of a protest filed with the Director of Business Operations, the
Director of Business Operations will not review the protest.
9.0 SUSPENSION & DEBARMENT

A. Suspension

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

1. A written notice of the suspension, including a copy of the determination, shall be sent to the suspended vendor. The notice shall:
   a. State that the suspension will be for the period necessary to complete an investigation into possible debarment; and
   b. Inform the suspended vendor that any person(s) representing the suspended vendor during the suspension period may conduct no business with the School and that any solicitation responses received from the suspended vendor during the suspension period shall not be considered.

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

B. Debarment

1. A vendor may be debarred for any of the following reasons:
   a. Conviction of a criminal offense in relation to obtaining or attempting to obtain a School contract or in the performance of such contract;
   b. Conviction under State of Colorado or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records or receiving stolen property;
   c. Conviction under State of Colorado or federal antitrust statutes arising out of the submission of bids or proposals;
   d. 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;
   e. The vendor is currently under debarment by any other governmental entity which is based upon a settlement agreement or a final administrative or judicial determination issued by a federal, state or local governmental entity; and/or
   f. Violation of the provisions of Section 7-108-401 C.R.S., “General Standards of Conduct for Directors and Officers.”

2. Following completion of the investigation to determine whether a vendor has engaged in activities that are cause for debarment, the Director of Business Operations may debar the vendor. A vendor may be debarred for a period of time commensurate with the seriousness of the offense.
3. A written notice of debarment shall be sent to the debarred vendor. The notice shall:
   a. State the debarment period; and
   b. Inform the debarred vendor that any person(s) representing the debarred vendor during the debarment period may conduct no *business* with the School and that any *solicitation* responses received from the debarred vendor during the debarment period shall not be considered.

4. The debarment period will be effective fourteen (14) days after the notice of debarment is sent to the debarred vendor.

5. After the debarment period begins, the vendor shall remain debarred until the debarment period specified expires unless a court of competent jurisdiction or the Director of Business Operations deems otherwise.

C. **Master List**

The Office of Business Operations shall maintain a master list of all suspensions and debarments. The master list containing information concerning suspensions and debarments will be a public record.
10.0 LOCAL, SMALL BUSINESS & DONOR BUSINESS PROGRAM

Successful small businesses have a positive impact on the School community and it is important that the School promote a strong diverse business community. Therefore, the School has established a Local, Small and Donor Business Program whose mission is to maximize the opportunities for local business concerns, donor business concerns and small business concerns, including small, disadvantaged businesses, woman-owned businesses, hub zone businesses, historically black colleges/universities and minority institutions, and veteran-owned and service-disabled veteran-owned businesses to participate in the School’s business of procuring goods and services at all dollar levels.

The following is a summary of provisions included in these rules that address local, small or disadvantaged businesses.

1. Tie quotes/bids situations as described in Section 6.A.7.e.(ii)(a) (b) (c) and (d).
2. Competitive negotiation situations as described in Section 6.D.1.b.

No provision is made in these rules for set asides or preferences for small or disadvantaged business. However, the School endeavors to provide opportunities for all businesses in compliance with the Federal Acquisition Regulations Sections 19 and 52. Further, the School believes it receives direct benefit from its relationships with a diverse vendor base.
11.0 PROCUREMENT RECORD INFORMATION & RETENTION

Procurement records may be subject to disclosure pursuant to the provisions of the Colorado Open Records Act C.R.S. §§ 24-72-1010 et seq.

Procurement records shall be retained and disposed of in accordance with applicable records retention policies. At this time the retention is 3 years unless research/grant related.

*See Section 12 for definitions of italicized words*
12.0 DEFINITIONS

The terms defined in this section shall 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.

**Acceptable**, with regard to a *bid* or *proposal*, means an offer submitted by any person in response to a *solicitation* issued by the School that is in compliance with the *solicitation* terms and conditions and within the requirements of the *specifications* described and required therein.

**Adequate competition** exists if a *documented quote*, competitive *sealed bid* or competitive *sealed proposal* has been conducted and at least two *responsive* offerors have independently competed to provide the School’s needed *goods* or *services*. If the foregoing conditions are met, price competition shall be presumed to be "adequate" unless the *purchasing agent* determines, in writing, that such competition is not adequate.

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

An *after-the-fact* ("ATF") purchase occurs when a department makes a purchase for more than $4,501 before the Office of Business Operations issues a purchase order. For example, authorizing a vendor to begin work before the Office of Business Operations issues a purchase order, even though the department has submitted a purchase requisition, is an ATF. Similarly, obtaining *goods* or *services* on credit and subsequently submitting the invoice with a payment voucher is an ATF unless it is a purchase specifically allowed to be paid by payment voucher as set forth on the voucher document.

**Alternative** means a choice of a different *good* or *Service* that meets or exceeds the functional requirements of the base *bid*.

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

**Base Bid** means the minimum functional requirements of the *good* or *Service*.

**Best value** means the lowest overall cost to the School after taking into consideration costs, benefits, and savings.

**Bid** means a response from a vendor to an invitation for a bid (IFB).

**Brand name specification** means a *specification* limited to one or more *goods* or *services* by manufacturer's names or catalogue numbers.

**Brand name or equal specification** means a *specification* that uses one or more Manufacturer’s names or catalogue numbers to describe the standard of quality, performance, and/or other characteristics needed to meet School requirements, and which provides for the submission of equivalent *goods* or *services*.
**Business** means any corporation, limited liability company, partnership, individual, sole proprietorship, joint-stock company, joint venture, or other private legal entity.

**Competitive negotiation** means the process of discussion and issue resolution between a purchasing agent and a prospective vendor in order to arrange for the providing of a good or service needed by the School. If more than one vendor is available for such negotiation, the needs of the School must be clearly defined in advance of any negotiations, via a specification that details fully the School's intended procurement.

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

**Contract** means any type of School agreement, regardless of what it may be called, for the procurement or disposal of goods or services, and includes purchase orders.

**Contractor** means any entity that has a contractual relationship with the School for the provision of goods or services as allowed for under these rules.

**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 this code, "construction" includes capital construction and controlled maintenance, as defined in C.R.S. § 24-30-1301.

**Cost-reimbursement contract** means a contract under which a contractor is reimbursed for costs that are allowable and allocable in accordance with the contract terms.

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

**Determination** means a written procurement decision made by the Director of Procurement Services, or his or her delegate, which is based on sufficient facts, circumstances and reasoning to substantiate the decision. Each determination shall be filed in the appropriate Purchasing Department file.

**Documented quote ("DQ")** means a process of soliciting informally for fulfilling the School's need for specific goods or services and receiving and evaluating vendor responses. The dollar limits for use of documented quotations shall be as stated in the section on small purchases and shall be conducted only by a purchasing agent.

**Enhancement** 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 School.

**Field purchase orders ("FPO")** Pre-printed purchase orders not to exceed $1,000.00 that may be obtained from Shipping and Receiving.

**Good** means all property, whether tangible or intangible, 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 School employees.

**Hub zone ("HZ")** means any business in a historically underutilized zone as defined by
the United States Government Small Business Administration.

**In-state business** means:

A. A business that is authorized to transact business in Colorado and that maintains its principle place of business in Colorado; or

B. A business that is authorized to transact business in Colorado, that maintains a place of business in Colorado, and that has filed Colorado unemployment compensation reports in at least seventy-five percent of the eight (8) quarters immediately before bidding on a solicitation.

**Invitation for bids ("IFB")** means all documents, including those attached or incorporated by reference, utilized by the School for soliciting bids.

**Local business** means any business located within ten (10) miles of the Colorado School of Mines campus or that is a member of the Golden Chamber of Commerce or that has an office within the City of Golden.

**Minority business ("MBE")** means any business that is at least 51% minority owned or otherwise meets the U.S. Small Business Administration definition of a minority business and self certifies, is certified by the National Minority Business Council, or is certified by any Minority Chamber of Commerce or any entity of the federal government.

**Option** means choices of additional components, services, or goods that would serve to provide increased value to the School beyond the base bid.

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

**Procurement** means buying, purchasing, renting, leasing, or otherwise acquiring any goods or services. *procurement* includes all functions that pertain to the obtaining of any goods or services; including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration.

**Procurement Card** means a form of company credit card that allows goods and services to be purchased and is designed to help the School maintain control of small purchases while reducing the administrative costs. The P-Cards are traditionally used by companies to replace paper invoices.

**Procurement Services** means staff that has formal delegated authority to execute contracts on behalf of the School. Procurement Services provides rapid analyses of the School’s spend and implements changes, negotiate with suppliers, and uses School’s best practices.

**Proposal** means a response from a vendor to an RFP.

**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.

**Public entity** means a state agency or institution of higher education or political subdivision of the State of Colorado, or of another state, the federal government or any combination thereof.
**Purchasing agent** means one of the School’s employees in the Office of Business Operations with delegated purchasing authority from the Director of Business Operations.

**Qualified products list** means an approved list of goods or services described by model or catalogue numbers, which prior to competitive solicitation, the School has determined will meet the applicable specification requirements.

**Quote** means a response from a vendor to a DQ.

**Request for proposals** ("RFP") means all documents, including those attached or incorporated by reference, utilized by the School for soliciting proposals. RFPs are the commonly used name for competitive sealed proposals.

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

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

**Responsive** means an offer, with regard to a bid or proposal, that conforms in all material respects to the requirements contained in the solicitation.

**Revenue-producing** means a situation where a business pays money to the School as a result of any activity carried on by the business with the permission or agreement of the School. Situations that may be revenue producing will be evaluated by the Director of Business Operations on a case-by-case basis, and, if approved as revenue producing, will be documented in a written determination.

**Sealed** means that the bid or proposal must be submitted in a manner that:

A. Ensures that the contents of the bid or proposal cannot be opened or viewed before the formal opening without leaving evidence that the document has been opened or viewed;

B. Ensures that the document cannot be changed, once received by the School, without leaving evidence that the document has been changed;

C. Bears a physical or electronic signature evincing intent by the bidder or proposer to be bound. An electronic signature must comply with the definitions and requirements set forth in the government electronic transactions act, C.R.S. § 24-71.1-101 et seq. and its implementing rules; and,

D. Records, manually or electronically, the date and time the School receives the bid or proposal and that cannot be altered without leaving evidence of the alteration.

**Services** means the furnishing of labor, time, or effort by a contractor not involving the delivery of a specific end product other than reports which are merely incidental to the required performance.
Sole source procurement means a procurement made without competition, when competition is otherwise required.

Solicitation means a request to the business community to respond to a documented quote, invitation for bids, or request for proposals.

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

Women owned business (“WBE”) means any business that is 51% women owned or otherwise meets the U.S. Small Business Administration definition of a women owned business and self certifies in accordance with the rules of the State of Colorado or is certified by the Women’s Business Enterprise National Council or by any agency of the federal government.
APPENDIX A  PROCUREMENT CODE OF ETHICS

Colorado School of Mines Procurement Code of Ethics

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

1. Avoid the intent and appearance of unethical or compromising practice in relationships, actions, and communications;

2. Demonstrate loyalty to the Colorado School of Mines by diligently following all lawful instructions while using professional judgment, reasonable care, and exercising only the authority granted;

3. Conduct all purchasing activities in accordance with the laws, while remaining alert to and advising the Colorado School of Mines 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 the Colorado School of Mines;

5. Identify and strive to eliminate participation of any individual in operational situations where a conflict of interest may be involved;

6. Never solicit or accept money, loans, credits, or prejudicial discounts, and avoid the acceptance of gifts, entertainment, favors, or services from present or potential suppliers which might influence or appear to influence purchasing decisions;

7. Promote positive supplier relationships through impartiality in all phases of the purchasing cycle;

8. Display the highest ideals of honor and integrity in all public and personal relationships in order to merit the respect and inspire the confidence of the public being served;

9. Provide an environment where all business concerns, large or small, majority- or minority-owned, are afforded an equal opportunity to compete for Colorado School of Mines business; and,

10. Enhance the proficiency and stature of the purchasing profession by adhering to the highest standards of ethical behavior.