



PROCUREMENT GUIDELINES HANDBOOK

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PURCHASING INTRODUCTION

Red Rocks Community College is an institution of higher education under the State of Colorado. As such, our purchasing procedures are governed by State of Colorado Procurement Code, Rules and Regulations, State of Colorado Fiscal Rules, State Personnel Rules, Colorado Community College System Office (CCCS) policies and procedures and by Red Rocks Community College (RRCC) internal policies. The most up-to-date forms and additional guidance is on the purchasing webpage.

Please note that not all circumstances can be covered in this handbook. If you have a unique situation or questions about the procurement process, please reach out for guidance.

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STATE OF COLORADO PROCUREMENT CODE AND RULES

All purchases are for official state business, regardless of method of payment, must comply with the State of Colorado Procurement Code and Fiscal Rules (Reference Fiscal Rule 2.1 below). Any unauthorized purchase can result in an employee being held personally responsible in accordance with the Colorado Revised Statute (CRS), 24-109-404, 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.”

Additionally, all state employees must adhere to the following:

STATE OF COLORADO CODE OF ETHICS

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

1. Avoid the intent and appearance of unethical compromising practice in relationships, actions, and communications.
2. Demonstrate loyalty to the State of Colorado (state organization where employed) by diligently following the lawful instructions of the State of Colorado 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 State of Colorado (state organization where employed) 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 State of Colorado (CRS, 18-8-308).
5. Identify and strive to eliminate participation of any individual in operational situations where 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 State of Colorado and 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 State of Colorado business.
10. Enhance the proficiency and stature of the purchasing profession by adhering to the highest standards of ethical behavior.

CONFLICTS OF INTEREST IN CONTRACTS

CCCS Board Policies

SP 3-70a and BP 3-70

If an employee will benefit financially from contracting with a third party or engage in potential conflicts of interest, this information must be disclosed to the Procurement Manager.

Official actions of the employee could benefit or promote private interest of family, friends or business associates.

-----i.e. My department is hiring the consulting firm in which my brother-in-law is a partner to perform consulting services.

State of Colorado

24-18-201. Interests in contracts.

(1) Members of the general assembly, public officers, local government officials, or employees shall not be interested in any contract made by them in their official capacity or by any body, agency, or board of which they are members or employees. A former employee may not, within six months following the termination of his employment, contract or be employed by an employer who contracts with a state agency or any local government involving matters with which he was directly involved during his employment. For purposes of this section, the term:

(a) "Be interested in" does not include holding a minority interest in a corporation.

(b) "Contract" does not include:

(I) Contracts awarded to the lowest responsible bidder based on competitive bidding procedures;

(II) Merchandise sold to the highest bidder at public auctions;

(III) Investments or deposits in financial institutions which are in the business of loaning or receiving moneys;

(IV) A contract with an interested party if, because of geographic restrictions, a local government could not otherwise reasonably afford itself of the subject of the contract. It shall be presumed that a local government could not otherwise reasonably afford itself of the subject of a contract if the additional cost to the local government is greater than ten percent of a contract with an interested party or if the contract is for services that must be performed within a limited time period and no other contractor can provide those services within that time period.

(V) A contract with respect to which any member of the general assembly, public officer, local government official, or employee has disclosed a personal interest and has not voted thereon or with respect to which any member of the governing body of a local government has voted thereon in accordance with section 24-18-109 (3)(b) or 31-4-404 (3), C.R.S. Any such disclosure shall be made: To the governing body, for local government officials and employees; in accordance with the rules of the house of representatives and the senate, for members of the general assembly; and to the secretary of state, for all others.

FISCAL RULE: 2-1 PROPRIETY OF EXPENDITURES

1. AUTHORITY

§24-77-101, et seq., C.R.S. (Fiscal Year Spending Limits)
§24-30-202(2), and (5)(a), C.R.S. (Propriety of Expenditures)

2. DEFINITIONS

2.1. Donation – Property, services, or money given without receiving consideration for the transfer. The term “Donation” does not include the State’s purchase of any good or service; Grants, as defined in Fiscal Rule 3-4 (Grants), where the grantee is required to provide an accounting of funds and progress reports regarding the work performed; restitution or court judgments; services provided by individuals in their individual capacity; or payments to or on behalf of beneficiaries of State programs defined in State statute or regulations.

3. RULE:

All expenditures by State Agencies and Institutions of Higher Education shall meet the following standards of propriety:

- 3.1.** Are for official State Business, as defined in Fiscal Rule 5-1 (Travel), purposes only;
- 3.2.** Are reasonable and necessary under the circumstances.
- 3.3.** Are authorized by the appropriation and required approvals have been received.
- 3.4.** Prices or rates are fair and reasonable.
- 3.5.** Amount is within the available unencumbered balance or is within the balance encumbered specifically for the expenditure; and
- 3.6.** Comply with the Procurement Code, applicable statutes, executive orders, rules, and policies.

State Agencies and Institutions of Higher Education shall not make a donation to any other entity or individual unless specifically permitted by statute.

All expenditures by State Agencies and Institutions of Higher Education recorded in a State fiscal year shall be for services performed or goods received by the last day of that fiscal year.

Federal Grants

Goods or services procured using grant funds provided by the federal government are subject to additional requirements which may include various OMB Circulars, federal acquisition regulations (the FAR), Department of Education (EDGAR) regulations, or other federal regulations or requirements of the specific grant. It is the responsibility of the person purchasing on behalf of RRCC to understand the funding source for their purchase and all applicable rules and regulations, which may apply.

Grant funded expenditures also require Grant Program Manager (PI) AND Business Services grant accountant preapproval.

Additional protocols may include System for Award Management (SAM) search and inclusion of special provisions. The college references the following guidelines in compliance with Federal post-award regulations.

1. Procurement Standards (§§ 200.317 - 200.327)

1. [§ 200.317 Procurements by states.](#)
2. [§ 200.318 General procurement standards.](#)
3. [§ 200.319 Competition.](#)
4. [§ 200.320 Methods of procurement to be followed.](#)
5. [§ 200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.](#)
6. [§ 200.322 Domestic preferences for procurements.](#)
7. [§ 200.323 Procurement of recovered materials.](#)
8. [§ 200.324 Contract cost and price.](#)
9. [§ 200.325 Federal awarding agency or pass-through entity review.](#)
10. [§ 200.326 Bonding requirements.](#)
11. [§ 200.327 Contract provisions.](#)

PURCHASING AUTHORITY/SIGNATURE AUTHORITY GUIDELINE

Employees with delegated signature authority may purchase or authorize transaction posting for specific orgs up to the limits established by this guideline. A Fiscal Delegate Signature Authorization Form should be on file in Purchasing. The Procurement Manager will assist in determining what training sessions are required.

Fiscal Delegate Maximum Purchase Amount Chart

This procedure establishes the **MAXIMUM** dollar amount for approval by a Fiscal Delegate for purchases or payment authorization (invoice "ok to pay"). *The college president or vice presidents may establish lower limits, as needed.*

The VP of Administrative Services and Controller may approve contractual Debt Service/Bond payments, expenses such as utilities, contractual reimbursements under articulation agreements, and reimbursements of bookstore financial aid for any amount.

Two signatures are required on documents such as Expense Vouchers/Pay Direct, Purchase Requisitions, Contract Request Forms, Official Functions, Travel, or other documents deemed necessary by Business Services. *The final (second level) signature must have delegated signature authority equal to or greater than the total amount of the purchase via a Signature Authorization Form.* The President, VP of Administrative Services, Controller, and Assistant Controller can authorize purchases or payments on any org up to the amount shown in the matrix below. Amounts may be adjusted as necessary on the individual employee Fiscal Delegate Signature Authorization Form.

Maximum Spending/Purchasing Transaction Authority <i>(amounts listed are maximum authority-authorized limits may be lower/appropriate to need)</i>			
	President / Vice President Administrative Services	Max Limit	\$ 200,000
	Controller	Max Limit	\$ 50,000
	Vice President / Assistant Controller	Max Limit	\$ 25,000
	Executive Director / Associate Vice President / Dean	Max Limit	\$15,000
	Director / Associate Dean	Max Limit	\$10,000
	Department Chair / Coordinator / Manager/Assistant Director	Max Limit	\$5,000
	First Level Delegate (i.e.) Administrative Support	Max Limit	\$4,500

VENDOR AGREEMENTS/QUOTES

Please adhere to the following guidelines.

DO NOT sign vendor agreements and/or quotes. This also includes credit applications, or any other documents provided by the vendor. Only authorized personnel within Business Services can sign on behalf of the college and only when absolutely necessary.

The State has specific rules regarding prohibited language. We cannot have a conflict between State terms and conditions and the vendors. Most often, language is edited and or stricken as necessary. Negotiations may need to take place. The college is obligated to follow State Controller Policies on the topic.

<\$5,000.00

Forward the agreement to the Procurement Manager for review. A determination will be made on whether the agreement can be signed and if a PCard or Expense Voucher/Pay Direct can be used.

>\$5,000.00

Submit the agreement with a fully signed Purchase Requisition to the PO email indicated on the form. CCCS requires a Purchase Order is issued; therefore, you are not authorized to place the order directly. This includes signing a quote upon the vendor's request. The Purchasing Department will process and send the PO on your behalf.

DOLLAR LIMITS AND PURCHASING METHOD

TYPE OF PROCUREMENT	DOLLAR LIMIT Total value of the commitment	REQUIREMENTS
Goods	\$5,000.00 and less	PCard or Expense Voucher/Pay Direct
	More than \$5,000.00	Purchase Order
Services	\$5,000.00 and less	Expense Voucher/Pay Direct or Purchase Order
	More than \$5,000.00	Purchase Order or State Contract
	More than \$250,000.00	State Contract
Honorarium Payment	\$250.00 and less	Expense Voucher/Pay Direct
Capital Construction / Controlled Maintenance	\$150,000 and less More than \$150,000	Construction PO (See Fiscal Rule 4-1) (See Fiscal Rule 4-1)
Professional Services under §24-30-1401, et seq., C.R.S., including architectural, engineering, land surveying, industrial hygienist, and landscape architect services	Any dollar amount	State contract
Real Property lease or license of land, buildings, or a portion thereof for term of more than 30 days	Any dollar amount	State Contract
Agreements Between State Agencies and/or Institutions of Higher Education	Any dollar amount Encumbrance required for amounts more than \$250,000	Use Interagency Agreement in accordance with Fiscal Rule 3-5

PURCHASING THRESHOLDS

Plan as you review the aggregate spend of the expense. The following information lists the types of procurement established by State of Colorado Procurement Rules.

No Solicitation Required

- State Price Agreements – solicited by the State, so no bidding is required by the college.
- Discretionary purchases =<\$50,000.00

Competition Required. The solicitation is posted on the State’s bid website VSS. Amounts listed are the aggregate spend.

- *Documented Quote* – informal process, primary factor is price driven =<\$250,000.00
Posted 5-7 business days.
- *Invitation for Bid (IFB)* – formal sealed bid, lowest price >\$250,000
Posted 14 calendar days.
- Request for Proposal (RFP) – formal sealed bid, evaluate on factors other than price – amounts greater than \$250,000, but can use for any amount over \$50,000.
Posted 30 calendar days.
- Sole Source – only 1 supply/service and only 1 vendor – any amount over \$50,000.
Posted a minimum of 3 business days.

PURCHASE REQUISITION/PURCHASE ORDER

A Purchase Requisition (PR) **is not a valid purchasing document** and cannot be used to purchase goods or services directly from a vendor. PR’s are processed through Purchasing where a Purchase Order (PO) will be issued emailed to the vendor. An electronic copy of the PO will be sent to the requesting department’s contact.

The Purchase Requisition is available on the [Purchasing webpage](#).

General guidelines:

- **Please allow at least 14 business days for the Purchase Order to be processed.** The requester will receive notification if there are extenuating circumstances that will delay processing the PO beyond the typical period.
- PR needs to be completed with the six-digit org code and must have first and second level signature approval. SUBMIT ONE COMPLETE PDF FILE TO: rrcc.purchaseorders@rrcc.edu
- Include a complete description of item(s) and the price. Be sure to attach the quote from the vendor. All services should include a Statement of Work (SOW) that accurately reflects what the vendor is doing.
- If requesting a standing purchase order include:
 - Name(s) of all authorized staff approved to make purchases.
 - Account numbers, cell phone number, etc.
 - Include the vendor agreement, price sheet or other pertinent information from the vendor.
- Information Technology Purchases (i.e. laptops, software, printers, etc.): complete a work order form and a technician from the Information Technology Services will assess your needs and follow-up.

- Once the items have been received complete a Receiving Report and submit to Receiving, Box 18 or email to Robert Pitts at robert.pitts@rrcc.edu . This applies to all regular purchase orders, including non-tangible items such as services, maintenance, licensing, etc. The form is available on the [Purchasing webpage](#).
- The invoice should be sent by the vendor directly to Accounts Payable (AP). An email asking for an “okay to pay” is sent to the department contact and/or second level signer. Please respond within 3 business days. If the invoice is sent directly to you in error, immediately forward to AP.

PURCHASE OF SERVICES

All contracts for services, regardless of type, require review and approval by Human Resources (HR) per CRS 24-50-501, et seq. A Certification for Personal Services Agreement is required unless the service requested is included in a category for which HR review has been waived via a memo on file in Purchasing.

Independent Contractor (IC) Guidance

Please do not assume that utilizing an Independent Contractor (IC) is the appropriate method for your approved project. Several factors are taken into consideration and used to determine if the work performed and/or the vendor meets independent contractor criteria. *Before proceeding* with the project or connecting with a vendor, please schedule a meeting with the Procurement Manager for guidance on the applicable process to follow state guidelines.

The following information should be obtained from the vendor:

Statement of Work and/or Vendor Quote

The college typically does not pay directly or reimburse for travel expenses. Negotiate an all-inclusive flat rate with the vendor.

Ensure that a detailed Statement of Work (SOW) is provided with your Purchase Requisition or Contract Request Form. The SOW should adhere to the following State of Colorado definition.

State of Colorado Definition: *“An accurate, thorough, detailed, precise, measurable description of the essential and technical requirements for the goods and services to be provided, including the desired results and the standards to be used to determine whether the requirements have been met”.*

Details (basically telling the story) in writing include:

- Detailed description of service(s) to be provided.
- Identify the deliverables.
- Definitions
- Technical requirements and or part numbers (if applicable)
- Standards to be used to determine whether the requirements have been met, **time frame, deadlines**, etc.
- **Prices and rates** (will they bill us after the project is completed or after certain deliverables/phases are met)
- Any other pertinent information
- Specify whether work is to be performed within the State of Colorado. If any work is to be performed outside of the State of Colorado, or outside the United States, justification must be provided.

C.R.S. 24-102-206: *Vendor must disclose where the work is to be performed. Contract Performance outside of the United States or Colorado must be justified in writing why it is necessary or advantageous to go outside of the US or the state to perform the services except for projects that are funded through federal moneys.*

IC forms to be completed by the vendor/contractor includes the W9, PERA and IC Questionnaire. These forms are available on the [Purchasing webpage](#).

Please vet and review the information provided for accuracy and pay attention to the following important details: Doing business with PERA retiree's has financial implications for both the individual and the college. If the person is also an employee or recent employee of RRCC, CCCS or another community college, they cannot be paid through Accounts Payable and must be paid through Payroll.

W-9

We are required to obtain a W9 for any vendor we pay with a check for goods and/or services, regardless of the amount. Sole Proprietors/Individuals require payroll review and therefore, they must provide their social security number.

PERA Retiree Form

This form collects the necessary information to determine PERA retiree status. If the individual is a PERA retiree, the Retiree Working for a PERA Employer form must also be collected and included with the Purchase Requisition. The payments are tracked by Accounts Payable and Payroll.

Independent Contractor/Service Provider Questionnaire

This form collects the necessary information to assist in determining independent contractor status and conflicts of interest.

Additional documentation may need to be provided prior to the Purchase Order, Expense Voucher or Contract being processed.

Insurance

The State of Colorado requires us to obtain a copy of the Insurance certificate issued on the standard Accord Form for service providers. See page 14.

Certification for Personal Services Agreement (HR approval)

This form is completed by the department contact and submitted to the Executive Director of Human Resources for approval. This is to ensure that the service provider meets independent contractor criteria and does not take the place of work that should be done by an employee.

CHANGE ORDER/CONTRACT MODIFICATION

To request a modification to your Purchase Order/Contract, please submit the Change Order Request form available on the [Purchasing web page](#). Some examples of requested changes include increase/decrease in dollar amount, change in statement of work, change of line item, ORG code, etc.

SELECTING A VENDOR

Foreign Vendors

There are numerous rules and regulations that need to be followed when doing business with a foreign vendor. Please **obtain approval** from Purchasing before using a foreign vendor. Approval is ultimately granted by CCCS.

Minority and Women Owned Businesses

"All agencies shall maximize the opportunity for minority-owned and women-owned business enterprises to receive orders that are issued when bids are not required."

Price Agreements

[State price agreements](#) (also known as State Awards) set some of the purchasing guidelines. If a price agreement is considered mandatory, then we must purchase from the vendor who has been awarded the agreement. If there are multiple vendors for the same good or service who have all been awarded a state pricing agreement, you may choose the vendor which best meets your needs. If you have any questions on vendor selection, contact the Purchasing Department for guidance.

Some State Price Agreements include but are not limited to:

- FURNITURE PURCHASES
- TONER – can be purchased from the office supply vendors.
- CELL PHONE SERVICE
- JANITORIAL SUPPLIES
- INDUSTRIAL SUPPLIES – typically items that would be purchased at a hardware store.
- PAPER (COPY AND PRINTER)
- OFFICE SUPPLIES
- SMALL PACKAGE DELIVERY

Please visit the [State of Colorado Price Agreements Website](#) for a full list of vendors.

EXPENSE VOUCHER/PAY DIRECT

This form is used to request the issuance of a check and is not intended to bypass procurement or fiscal rules. A Purchase Order should be processed for the purchase of goods/services more than \$5,000.00. Exceptions to the dollar threshold must be pre-approved by the Procurement Manager and/or Controller.

Uses include:

- Pay invoice for goods up to \$5,000.00.
- Pay invoice for services up to \$5,000.00 (On-site service – Vendor insurance is required and [IC paperwork](#) collected for sole proprietors & partnerships. Independent contractor guidelines must be followed.)
- Payment for professional guest speakers (Attach W9, PERA Retiree form, Invoice – cannot exceed \$5,000.00)
- Honorarium payments (Attach W9, PERA Retiree form, Invoice – cannot exceed \$250.00)
- Employee reimbursement (Attach itemized receipt).
 - Must have prior approval from supervisor.
 - The person seeking reimbursement may not sign the form.
 - Tax is not reimbursable unless prior arrangements have been made with the Controller or Procurement Manager.
 - Receipts must be itemized, and proof of payment included and any other documents such as the official function form provided.

May also be used for payments to grant recipients and other expenses deemed necessary by the Controller or VP of Administrative Services.

OFFICIAL FUNCTIONS

Fiscal Rule 2-4

Official functions and training functions shall be held to achieve program objectives and shall be limited to reasonable and actual costs. The attendance of state employees at official functions shall be kept to a minimum and shall include only those individuals directly related to the purpose of the function. Expenditures shall be kept to a minimum as they have the potential of being perceived to be for personal benefit and an abuse of public funds. Expenditures incurred for official functions shall be approved by the chief executive officer or by a representative of the state agency or institution of higher education that has been delegated authority by the chief executive officer.

Definition

Official Function - A meeting, conference, meal, or other function that is hosted by the chief executive officer, or representative, of a state agency or institution of higher education, attended by guests and/or state employees, and held for official state business purposes.

Training Function - A meeting, conference, or other function which is hosted by a state agency or institution of higher education, attended by customers of the state and/or state employees, and held to enhance staff knowledge or to educate customers of the state or state employees, that are affected by the state agency or institution of higher education's operations or regulations. Training functions should have a written agenda, study materials, and be led by an identified presenter.

RRCC Procedures

All official function forms must be **pre-approved** by the President or appropriate Vice President before any purchase is made. The official function form is used **only** for the approval process. See below for additional guidelines. *Packet: Official Function Form, Agenda/Training Materials, Sign-in Sheet, and Invoice/Receipt.

Before your event

- You are encouraged to check with the cafeteria prior to seeking outside vendors.
- Complete all items on the form including detail for estimated function cost. Official business purpose must be documented on this form. The event must meet the definition above for Official or Training Function. Include price sheet or quote.
- Submit the original request form to your VP (total cost **up to** \$5,000) or the President (cost **above** \$5,000) for approval. Include agenda, price quotes, and presenter information so they may review all before approval.
- Food and beverages where only State employees are in attendance **MUST** be limited to training functions and group meetings at least 4 hours long, interview days, College-sponsored recognition functions, and all-campus meetings. ***No food and beverages may be purchased for regular staff meetings.***

During your event

- Hold your event. Ensure **all** attendees sign an attendance sheet (Exception: All college staff or public events - no sign in sheet required).

After your event (paying the invoice)

- **For outside catering service vendors:** You may use your *PCard up to your spending authority or if a PO was issued, follow the guidelines for receiving and okay to pay process. Attach completed *packet to your PCard statement as supporting documentation. An itemized receipt is required for all food purchases.
- **For cafeteria services:** The Food Services Manager will provide an invoice approximately two-three weeks after your event. "Ok to pay" and sign/date the invoice. Submit completed approved *packet to Purchasing, Campus Box 30.

IMPORTANT! Alcohol may NEVER be purchased or reimbursed.

PAYING INVOICES

Invoices should be sent directly to Accounts Payable: rcc.acctspayable.edu by the vendor; however, if you receive the invoice forward to AP.

All invoices submitted for payment must have an your "okay to pay", signature (not initials), date and reference to the document number (Expense Voucher/Pay Direct). If you are aware your signature is difficult to decipher, please also print your name.

It is important to respond timely to the AP staff regarding the approval to pay invoices on a Purchase Order or any other inquiries about payment. There is only one weekly check run.

Please note this does not apply to backup submitted with your PCard statement as the vendor has already been paid.

PRIZES, AWARDS, GIFTS AND GIFT CARDS

The purchase of gift cards is typically not permitted. This includes purchasing gift cards with a procurement card or any other method of payment such as charging at the bookstore or paying with personal funds and asking for college reimbursement. Rare exceptions will be handled on a case-by-case basis. Gift cards may only be purchased if pre-authorized by the Procurement Manager.

A gift card is taxable income, regardless of amount, and is considered by the IRS to be identical to a cash payment. Employees will need to go through payroll if they receive a gift card and nonemployees would need the payment coded as 1099able. Required documentation may include the W-9 and Prize and Gift Form. The value of the gift card will be included in the employee's W-2 and for vendors/students, it would be reported if the \$600 threshold is met. Please check with Purchasing for guidance as additional information may need to be provided.

The Internal Revenue Service discussion of the rules and limitations for giving gifts and gift cards can be found in IRS Publications 463 and 525.

If a department wishes to provide a contest judge, speaker, etc. a gift in lieu of an honorarium payment, or provide a prize for contests, etc. they may do so up to a \$50 limit. The \$50 does not include incidental expenses such as engraving, packing, insuring, or mailing costs. An example of an appropriate "thank you" gift or "prize" within the IRS limitations would be an engraved plaque, RRCC shirt, or another item costing \$50 or less.

IMPORTANT: If the dollar amount is more than \$50 then a Prize and Award form must be completed and signed by the recipient and additional forms may be required.

Please note that gifts/awards to employees (including student employees) may have different requirements and should first be discussed with the Procurement Manager or Controller.

STATE OF COLORADO INSURANCE REQUIREMENTS

Contractor and its Subcontractors shall obtain and maintain insurance as always specified in this section during the term of this Contract. All policies evidencing the insurance coverage required hereunder shall be issued by insurance companies satisfactory to Contractor and the State.

Contractor

Public Entities

If Contractor is a "public entity" within the meaning of the Colorado Governmental Immunity Act, CRS §24-10-101, et seq., as amended (the "GIA"), then Contractor shall always maintain during the term of this Contract such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. Contractor shall show proof of such insurance satisfactory to the State, if requested by the State. Contractor shall require each contract with a Subcontractor that is a public entity, to include the insurance requirements necessary to meet such Subcontractor's liabilities under the GIA.

Non-Public Entities

If Contractor is not a "public entity" within the meaning of the GIA, Contractor shall obtain and maintain during the term of this Contract insurance coverage and policies meeting the same requirements set forth in § B with respect to subcontractors that are not "public entities".

Contractors - Subcontractors

Contractor shall require each contract with subcontractors other than those that are public entities, providing Goods or Services in connection with this Contract, to include insurance requirements substantially similar to the following:

Worker's Compensation

Worker's Compensation Insurance as required by State statute, and Employer's Liability Insurance covering all of Contractor or subcontractor employees acting within the course and scope of their employment.

General Liability

Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows: (a) \$1,000,000 each occurrence; (b) \$1,000,000 general aggregate; (c) \$1,000,000 products and completed operations aggregate; and (d) \$50,000 any one fire. If any aggregate limit is reduced below \$1,000,000 because of claims made or paid, subcontractor shall immediately obtain additional insurance to restore the full aggregate limit and furnish to Contractor a certificate or other document satisfactory to Contractor showing compliance with this provision.

Automobile Liability

Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

Additional Insured

The State and Red Rocks Community College shall be named as additional insured on all Commercial General Liability Insurance policies (leases and construction contracts require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent) required of Contractor and any subcontractors hereunder.

Primacy of Coverage

Coverage required of Contractor and subcontractor shall be primary over any insurance or self-insurance program carried by Contractor or the State.

Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 30 days prior notice to Contractor and the State by certified mail.

Subrogation Waiver

All insurance policies in any way related to this Contract and secured and maintained by Contractor or its subcontractors as required herein shall include clauses stating that each carrier shall waive all rights of recovery, under subrogation or otherwise, against Contractor or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

GREEN PURCHASING

In compliance with Governor's Executive Order D0012-07 the SPO has created the Environmentally Preferable Purchasing Policy effective July 1, 2009. The EPP Policy document provides purchasing guidance, goals, and considerations for the procurement of commodities and services that strengthen environmental outcomes through purchasing decisions that:

- Cause less pollution and waste,
- Conserve resources and habitats,
- Minimize local and global climate impact, and
- Contribute to sustainable economic growth within the State of Colorado.

Questions a buyer should ask themselves or their program end-user following receipt of a requisition:

- Is there an environmental aspect to this product or service that can be applied?
- How much of this product is purchased, and how often?
 - Can a slight change in what we buy or how we work with a vendor or product provide a cost benefit, or reduce the number of times we must deal with it (ordering, transportation, handling, invoicing/payment, distribution, etc.)?
- How might an alternative product or service improve our business?
- Can we find something comparable in performance that is lower impact to our environment?
- What will we do with a product when we are finished with it?

Standard EPP Checklist

The following environmental ideas may or may not apply to your specific analysis; Performance, Price, and Environmental qualities (EPP backwards):

1. Is the amount requested necessary? Can the amount requested be reduced or can the product be purchased in volume less often?
2. Energy efficiency (if it plugs in/uses fuel, it's measurable and can be evaluated).
3. Product content, Recyclability of component parts, biodegradable/compostable elements.
4. Disposal/waste cost of product at end of use (completely consumable?)
5. Manufacturing processes (low or high environmental impact?)
6. Packaging materials (return, reuse, recyclable?)
7. Logistics: frequency of delivery
 - a. regional availability, and
 - b. transportation type
=carbon imprint
8. Chemical impact on air, water, people (low-VOC, non-toxic, neutral)
9. What I'm buying: is it re-useable, returnable, and recyclable?
10. Services: electronic/remote communication, online ordering, invoicing, payment, E-media (paper reduction), teleconferencing/telecommuting, public transportation.

Questions

- Quantity now and future. How often does this get purchased?
 - Can I buy more now to save multiple handling, lessen the number of orders, deliveries, administration?
- Energy Efficiency: how so? Compare and contrast competing products.
- Product content: good, better, best; what's out there, and what's a good fit for purpose at the best value that has the least residual impact?
- Waste: can it be reduced, what else might be done with the things we buy?
- Cradle to purchase: what's in the makeup of the product I'm buying?
- Do I end up with more waste when a product arrives, or can it be returned to be used again?
- Close/far, scheduling, lead-times, availability, do I need it so often?
- Toxicity. Is there a less harmful product that I can bring into the workplace that will meet performance needs?
- What is the total cost of buying this product?
 - Are there disposal costs at the end of its useful life?
 - Can the product be re-purposed, re-used, or recycled?
- Do service providers engage in responsible practices that provide efficiencies that impact me less?

Examples of environmentally preferred products

- Recycled paper and paper products
- Remanufactured laser printer toner cartridges
- Energy Star Rated computers and appliances
- Rechargeable batteries
- Re-refined lubrication, hydraulic oils, and antifreeze
- Recycled plastic outdoor-wood substitutes including plastic lumber, benches, fencing, signs and posts
- Recycled content construction, building and maintenance products, including plastic lumber, carpet, tiles and insulation
- Re-crushed cement concrete aggregate and asphalt
- Cement and asphalt concrete containing glass cullet, recycled fiber, plastic, tire rubber, or fly ash
- Compost, mulch, and other organics including recycled bio-solid products
- Re-manufactured and/or low VOC or VOC-free paint
- Cleaning products with minimal toxicity
- Energy saving products
- Waste-reducing products
- Water-saving products

IMPROPER PURCHASE VIOLATION PROCEDURE

All staff authorized to purchase goods or services on behalf of their departments are required to know and follow State, CCCS System, and Red Rocks Community College Fiscal and Procurement Rules, including those defining violations and their consequences. If you become aware of a mistake in the procurement process, immediately contact the Procurement Manager or Controller for guidance on rectifying the situation.

If the Procurement Manager determines that a violation has occurred, a Notice of Improper Purchase may be issued. A copy will be provided to the supervisor.

Upon receipt of an Improper Purchase Notice, sign and return the form to Purchasing. Additional information such as written justification may be requested depending on the circumstances. This notice will be documented and placed in a file located in the Purchasing Office.

The Procurement Manager will issue points for each discovered violation; however, a written warning may be issued in lieu of points being assessed. Human error and the degree of seriousness will be taken into consideration.

Consequences Violation Points

- Anyone that accumulates 150 points or more will have their purchasing authority suspended. This includes PCard misuse.

Depending on the nature of the violation, the issuance of points may not be a factor and automatic suspension, or revocation may be enforced. This means a serious violation may result in the inability to sign a purchase requisition, expense voucher, or initiate any type of purchase by any means including use of the PCard.

Suspension or revocation of purchasing authority will be handled on a case-by-case basis.

- Violation points will be reviewed on a quarterly basis. The violation points will be removed from the total cumulative points approximately two years after the points were assessed. However, the record of the violation points will remain on file permanently.
- Violation points will remain in effect even if the staff member transfers to a different department.

Refer to sample notice on page 19.

Statutory Violation- C.R.S. 24-30-202

When a department or Institution of Higher Education (IHE) incurs a liability in violation of C.R.S. 24-30-202, that liability is null and void unless the State Controller or a delegate within the Central Contracts Unit approves the violation and, by that approval, authorizes a retroactive commitment voucher. This approval of the State Controller or a delegate within the Central Contracts Unit is the only way to execute a valid retroactive commitment voucher.

The Controller delegate reports all statutory violations. The College must include an explanation of why the commitment arose without the issuance of a PO or Contract and include the steps planned to prevent a recurrence of this situation in the future. Any statutory violation not ratified by the State Controller will be the personal obligation of the person who ordered the goods or services and incurred the obligation.

Red Rocks Community College
Business Services
Notice of Procurement Violation

Date:

FY:

Employee Name:

Department:

TYPE OF VIOLATION

Upon review of business transactions, the following infraction has occurred:

Unauthorized or inappropriate purchase (50 pts)

Statutory violation (100 pts)

Unauthorized out-of-pocket expense submitted for reimbursement (50 pts)

Signing a vendor agreement, contract or credit application (100 pts)

Failure to submit an invoice timely to Accounts Payable (50 pts)

Other:

Pts:

PROCUREMENT MANAGER'S DETERMINATION:

Warning given

Points assessed – Amount:

Accumulated points total (includes PCard program):

COMMENTS

Procurement Manager's Signature: _____ Date: _____

EMPLOYEE SIGNATURE AND ACKNOWLEDGEMENT - I acknowledge receipt of this notice and understand that I am obligated to follow proper procedures established by Purchasing and accumulation of 150 points will result in suspension of purchasing authority.

Signature: _____ Date: _____

SUPERVISOR'S SIGNATURE AND ACKNOWLEDGEMENT - I acknowledge that the above is a violation of procurement policies. I further acknowledge that the employee above has been issued points/warned through the use of this form.

Signature: _____ Date: _____

RETURN FORM TO PURCHASING BY: