

***PURCHASING***

***QUICK***

***REFERENCE***

***GUIDE***

**GUIDELINES**

**ON**

**HOW**

**TO**

**PROCEED**

**WHEN**

**PURCHASING**

**GOODS**

**AND/OR**

**SERVICES**

Auraria Higher Education Center  
Procurement and Distribution & Support Services  
Administration Building, Suite 370  
1201 5<sup>th</sup> Street  
P.O. Box 173361, Campus Box K  
Denver, CO 80217-3361  
Fax: 303.556.2093

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## BASIC GUIDELINES

Each institution has set policy on the expenditure of funds under \$5,000 to fit the institutional needs for security and accounting purposes. The following includes bidding limits and some of the basic thought processes you should know with respect to the procurement process and its related dollar amounts.

This information relates only to Non-Construction goods and services. Construction services (new construction, remodel, carpet etc.) are coordinated through AHEC Facilities Management for all buildings located on the Auraria Higher Education Center. Off-site locations (ie Lowry, Metro South etc.) requiring construction services must contact the Purchasing Office prior to the work being started.

***\*Please be mindful of trying to use Minority and Women owned businesses. We are responsible to report to the Department of Personnel and Administration our usage on a quarterly basis.***

***\*All personnel who purchase goods are to be proactive to find the most Environmentally Preferred Product (EPP) available based on Executive Order D0011 07 signed April 16, 2007.***

***Please contact Purchasing for assistance in meeting these requirements.***

### **Services (Non-Construction):**

*Definition:*

Personal Service - Any human being doing a service with time (includes equipment rental), effort or labor.

#### **\$0 - \$5,000**

- 1) Must use State Price Agreement if available.
- 2) HR must sign before sending to purchasing, include a business case form available from your HR Office.
- 3) IT Purchases: Must have prior IT approval in writing.
- 4) Use a PR, SPO or the State Procurement Card depending on Agency's preference. ***Call your Agency Accounting Office for guidance before work begins.***
- 5) No Bid or Documented Quote needed to be published on the **BIDS** system.
- 6) Ensure you receive the proper insurance certificates listing AHEC and the State of Colorado as additional insured. Check with Purchasing to be sure vendor has adequate insurance coverages.

**Any procurement totaling over \$5,000 must have either a purchase order or contract executed *prior* to the receipt of good/services. Splitting procurements to circumvent this requirement is a breach of fiscal rule.**

#### **\$5,000 - \$25,000**

- 1) Must use State Price Agreement if available.
- 2) HR must sign before sending to purchasing, include a business case form available from your HR Office.
- 3) IT Purchases: Must have prior IT approval in writing.
- 4) Please send all information/specifications you may have with the purchase request/requisition (PR).
- 5) Must have a purchase order issued by Purchasing.

- 6) No Bid or Documented Quote needed to be published on the **BIDS** system.

### **\$25,000 - \$150,000**

- 1) Must use State Price Agreement if available – no competition is required.
- 2) HR must sign before sending to purchasing, include a business case form available from your HR Office.
- 3) IT Purchases: Must have prior IT approval in writing.
- 4) Documented quotes (if not using a State Price Agreement):
  - a. Documented quotes must be published on the **BIDS** system by the Purchasing Office;
  - b. Must be published a **minimum** of three (3) days, **or more** based on the requirements, at the discretion of the purchasing agent.
- 5) Please send all information/specifications you may have with the PR.
- 6) Must have a purchase order issued by Purchasing or a State contract executed for services over \$100,000 by Agency contracting authority.

### **Over \$150,000**

- 1) Must use State Price Agreement if available – no competition is required.
- 2) HR must sign before sending to purchasing, include a business case form available from your HR Office.
- 3) IT Purchases: Must have prior IT approval in writing.
- 4) Must be published on the **BIDS** system by Purchasing; solicitation types available are:
  - a. **Invitation for Bid** (IFB) – must be published for a minimum of 14 calendar days,
  - b. **Request for Proposal** (RFP) – must be published for a minimum of 30 calendar days. If an RFP, then the personal services form (available from your HR Office) must be sent to HR before purchasing may start the process.
- 5) Can be a one time or multi-year purchase if applicable.
- 6) Please attach all information/specifications you may have with the PR. Must have a contract executed by Agency contracting authority for the services.

## **Goods:**

### **\$0 - \$5,000**

- 1) Must use State Price Agreement if available.
- 2) Use either a SPO or the State Procurement Card depending on Agency dollar preference.
- 3) IT Purchases: Must have prior IT approval in writing.
- 4) No Bid or Documented Quote needed to be published on the **BIDS** system.

**Any procurement totaling over \$5,000 must have either a purchase order or contract executed *prior* to the receipt of good/services. Splitting procurements to circumvent this requirement is a breach of fiscal rule.**

### **\$5,000 - \$10,000**

- 1) Must use State Price Agreement if available.
- 2) IT Purchases: Must have prior IT approval in writing.
- 3) Please send all information/specifications you may have with the purchase request/requisition (PR).
- 4) Must have a purchase order issued by Purchasing.

- 5) No Bid or Documented Quote needed to be published on the **BIDS** system.

### **\$10,000 - \$150,000**

- 1) Must use State Price Agreement if available – no competition is required.
- 2) IT Purchases: Must have prior IT approval in writing.
- 3) Documented quotes (if not using a State Price Agreement):
  - a. Documented quotes must be published on the **BIDS** system by the Purchasing Office;
  - b. Must be published a **minimum** of three (3) days, **or more** based on the requirements, at the discretion of the purchasing agent.
- 4) Please send all information/specifications you may have with the PR.
- 5) Must have a purchase order issued by Purchasing.

### **Over \$150,000**

- 1) Must use State Price Agreement if available – no competition is required.
- 2) IT Purchases: Must have prior IT approval in writing.
- 3) Must be published on the **BIDS** system by Purchasing; solicitation types available are:
  - a. **Invitation for Bid** (IFB) – must be published for a minimum of 14 calendar days,
  - b. **Request for Proposal** (RFP) – must be published for a minimum of 30 calendar days.
- 4) Can be a one time or multi-year purchase if applicable.
- 5) Please attach all information/specifications you may have with the PR.
- 6) Must have a purchase order issued by Purchasing.

### **Sole Source Procurement:**

#### *Definition:*

Sole source – (allowed by the Procurement Code) when only one item or service will meet the need of the State **and** when only one vendor can supply that item or service. If a proprietary item is required, a sole source circumstance may exist:

- 1) Sole source justification must be filled out by end-users.
- 2) Personal Service: HR must sign before sending to purchasing, including a business case form available from your HR Office.
- 3) IT Purchases (goods or services): Must have prior IT approval in writing.
- 4) The Sole source justification form must be signed off by the Director of Purchasing.
- 5) Purchasing will make the determination if **BIDS** should be used to determine the validity of the sole source. A Notice of Proposed Sole Source may be published on the **BIDS** systems by Purchasing for a minimum of three (3) days.

**BIDS** – Bid Information and Distribution System (For use by all State of Colorado Agencies)

### **Purchasing Staff:**

Bruce Burgess,

Director/Distribution & Support Services      303.556.4295

Denise Kincaid,

Director/Procurement Services                      303.556.3289

Kathy Hall, Purchasing Agent                      303.556.3280

Tom Spiker, Purchasing Agent                      303.556.3270