



PURCHASING HANDBOOK

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GUIDE TO RED ROCKS COMMUNITY COLLEGE PURCHASING PROCESS

Welcome to the Red Rocks Community College Purchasing Process.

Red Rocks Community College is an agency of the State of Colorado. As such, our purchasing procedures are governed by State of Colorado Purchasing Rules and Regulations, State of Colorado Fiscal Rules, Colorado Community College System Office (CCCS) and also by Red Rocks Community College internal policies.

Items purchased 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.

The purpose of this purchasing handbook is to help you maneuver through the purchasing process so that you will be able to purchase goods and services that meet your department needs, and stay within all the rules and regulations. We understand that all circumstances may not be addressed in this handbook. *Exceptions will be handled on a case-by-case basis.* If you have a unique situation, please contact the Business Services Department for guidance.

BUSINESS SERVICES CONTACTS

Renee Murillo, Procurement Manager
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Michelle Gardner, Executive Assistant to the VP
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Kathy Kaoudis, Controller
303-914-6341
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Bryan Bryant, VP of Administrative Services
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Judy Luhman, Assistant Controller/Accounts Payable
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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. 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.

[Website for the Complete Procurement Code and Rules and the Code of Ethics](#)

[Website for the State Board for Community Colleges Code of Ethics](#)

In accordance with Fiscal Rule 2-1, all expenditures by state agencies shall meet the following standards of propriety:

- ☒ Are for official state business purposes only
- ☒ Are reasonable and necessary under the circumstances

In addition, college funds may not be used to purchase goods/services for personal use or for the personal benefit of another individual.

PURCHASING PARAMETERS

Purchasing parameters are set by several factors, which include the following:

- Purchasing authority and signature authority
Ensure that the proper signature authority is being followed. Are first and second level approvers accurate?
- Dollar amount of goods or services being purchased
See page 8 for discretionary dollar amounts. Does your good or service need to be put out for BID?
- Proper use of procurement documents
Once you identify the need to purchase, what forms need to be completed or can you use your PCard to pay the vendor?
- Vendor/company goods or services are being purchased from
Is the vendor you are using on State Award (Mandatory or Permissive)? Or can you select your vendor of choice?

Your department administrative assistant or program assistant is usually your contact for purchasing any goods or services.

To avoid any delays in the procurement process, please ensure that all forms are completed with all applicable information.

PURCHASING AUTHORITY/SIGNATURE AUTHORITY

Only an employee delegated to purchase on behalf of the college may do so. Employees with delegated signature authority may purchase or authorize transaction posting for specific orgs only up to the limits established by this guideline. A Fiscal Delegate Signature Authorization Form must be on file in Purchasing. The Procurement Manager will assist in determining what training sessions are required annually.

Fiscal Delegate Maximum Purchase Amount Chart

This matrix establishes the **MAXIMUM** dollar amount which may be approved by a Fiscal Delegate for purchase requisitions or payment authorization (invoice “ok to pay”).

The college president or vice presidents may establish lower limits, as needed.

Contractual Debt Service/Bond payments, contractual reimbursements under articulation agreements, and reimbursements of book store financial aid may be approved by the VP Administrative Services and Controller for any amount.

Two signatures are required to approve any purchase. Both signatures must have delegated signature authority for that org. The final (second level) signature must have delegated signature authority equal to or greater than the total amount of the purchase. The VP Administrative Services, Controller, and Assistant Controller can authorize purchases on any org, as needed, up to the amount shown in the matrix below.

Position:	PRESIDENT/ VP ADMIN SERVICES	CONTROLLER	VP INSTR/ VP STUDENT/ EXEC DIR RMEC/ ASST CONTROLLER	ASSOC VP EXEC DIR/ DEAN/ DIRECTOR/ ASSOC DEAN	DEPT CHAIR/ COORD	FIRST LEVEL FISCAL DELEGATE
Purchasing Type:						
Purchase Requisition	\$200,000	\$50,000	\$25,000	\$10,000	\$5,000	\$3,000
Expense Voucher	\$200,000	\$50,000	\$25,000	\$5,000	\$5,000	\$3,000
Travel Reimbursement	\$5,000	\$5,000	\$5,000	\$2,000	\$1,000	\$1,000
Official/Training Function	President Approval Required ≥ \$3,000	VP Approval Required <\$3,000	VP Approval Required <\$3,000	1st Level only, VP or Pres approval REQUIRED	1st Level only, VP or Pres approval REQUIRED	Not Authorized
Contract Request Form	\$200,000	\$50,000	\$25,000	\$10,000	\$5,000	\$3,000
Employee Tuition Assistance	Required on full list of all employee grants each term	Required for each grant-Bus Services will obtain approval	Required for each grant-Bus Services will obtain approval	1 st level only	1 st level only	1 st level only

Grant funded expenditures also require Grant Program Manager (PI) AND Business Services Grant Accountant Preapproval.

Overnight Travel Requests: (President approval required for all overnight travel, even if cost to college is zero.)

Travel overnight requires approval by the employee’s supervisor, the VP of the functional area, and the college President. Travel overnight and out of country also requires approval of the System Office VP of Finance.

Procurement Card (PCard) Purchasing Authorization:

- **ONLY for permanent full time college employees;**
- **Requires Approving Official pre-approval for all purchases;**
- **VP Administrative Services approval required for all PCard applications; and,**
- **PCard training required.**



Fiscal Delegate Signature Authorization Form

Delegate Printed Name: _____ S#: _____ Effective FY ____

Banner User Name: _____ Employee Position: _____

Maximum Spending/Purchasing Transaction Authority (amounts listed are maximum authority-authorized limits may be lower/appropriate to need)		
President / VP Administrative Services	Max Limit	\$ 200,000
Controller	Max Limit	\$ 50,000
VPI / VPSS / Exec Director RMEC / Asst Controller	Max Limit	\$ 25,000
Assoc VP / Exec Director / Director / Dean / Assoc Dean	Max Limit	\$ 10,000
Dept Chair / Coordinator	Max Limit	\$ 5,000
First Level Delegate	Max Limit	\$ 3,000

Spending Authority/Purchasing Transactions Authorized for Org Codes listed below:

Org #	Org Name	Max \$ (please complete if less than max)	Org #	Org Name	Max \$ (please complete if less than max)

☐ Check box if additional org list attached

Fiscal Delegate Acknowledgment:

I acknowledge responsibility for fiscally responsible purchasing and transaction authorization for the authorized org codes. I agree this delegation applies only to purchases and transactions completed for official state business purposes only and I will comply with all applicable federal, state, and local laws and regulations, State Fiscal Rules, and CCCS System and RRCC procedures and guidelines. I agree to attend annual Fiscal Delegate training as identified below to be completed each fiscal year by February 15. I agree to review all transactions for which I am responsible and ensure adequate budget is available in the org. I will not sign vendor agreements, contracts, or any other document committing the college. I accept this delegation of signature authority/Banner access.

I agree I may be subject to disciplinary action, up to and including termination, for violation of this agreement.

Delegate Signature

Date

Please provide the above delegate with Banner Finance access and spending authority noted above.

Approving Official/Supervisor Signature

Printed Name

Date

President/Vice President Signature

Printed Name

Date

Business Services use only: Banner Org Owner Role Requested: _____ FOMPROF Set Up Completed: _____ (initials /date)

☐ PCard Training: _____ ☐ Budget Banner Training: _____ ☐ Purchasing 101 Training: _____
Date Completed/Initials Date Completed/Initials Date Completed/Initials

DISCRETIONARY SPEND OR BID

<u>Discretionary</u>	<u>Documented Quotes</u>	<u>Invitation for Bids</u>	<u>Request for Proposals</u>
R-24-103-204-02	Bid is posted on Colorado BIDS for competition §24-103-204 CRS / R-24-103-204-03	IFBs; Competitive Sealed Bidding §24-103-202 CRS	RFP; Competitive Sealed Proposals §24-103-203 CRS
<\$10,000 for Goods <\$25,000 for Services <i>*Unless on Price Agreement (goods or services purchased on price agreements do not need competition)</i>	Used when spend is between \$10,000 - *\$150,000 for Goods and between \$25,000 - *\$150,000 for Services <i>*Aggregate spend</i>	Used when spend is *greater than \$150,000 for Goods/Services. <i>*Aggregate spend</i>	Used when spend is *greater than \$150,000 for Goods/Services <i>*Primarily for Services or complex procurements</i> <i>*Aggregate spend</i>

PURCHASE OF GOODS

<\$3,000 ***RRCC Procurement Card**
 >\$3,000 **Purchase Requisition** (*Required for all IT purchases*)

Competition is required for purchases more than \$10,000 (aggregate spend) - Please contact the Procurement Manager for guidance.

*Temporary increases in PCard limits will be handled on a case-by-case basis.

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. They are processed through the Purchasing Office where a Purchase Order (PO) will be issued and faxed, mailed or emailed to the vendor. An electronic copy of the PO will be sent to the requesting department.

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

- **Please allow at least 5-7 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 time frame.
- PR needs to be completed with the six-digit org code and must have first and second level signature approval.
- Include a complete description of item(s) being purchased and the price. Be sure to attach the quote from the vendor. See guidance below for guest speaker/entertainer.
- If requesting a standing purchase order include:
 - Name(s) of all authorized staff approved to make purchases
 - Account numbers, cell phone number, etc.,
 - If applicable, include the vendor agreement, price sheet or other pertinent information from the vendor.

- IT purchases must be approved and signed off by the Director or Assistant Director of Computer Services. Quotes will be obtained by Computer Services. (NOTE: Complete a work order form and the Computer Services Department will assess your needs and follow-up).
- Once the items have been received please complete a "receiving report" and submit to Receiving, Box 18. This applies to all regular purchase orders, including non-tangible items such as services, maintenance, licensing, etc. (Standing POs and POs for guest speaker/entertainer do not require the receiving report.) The receiving report is available on the [Purchasing webpage](#).
- Please review received invoice(s) for accuracy and if acceptable, forward to Accounts Payable with your "**ok to pay**", **signature, date and reference the PO number**. This applies to regular and standing purchase orders.

PURCHASE OF SERVICES

>\$25,000 Competition may be required - contact the Procurement Manager

PURCHASE ORDERS

These are routinely processed for the following items: guest speakers, entertainers, trainings, standard controlled maintenance projects, repairs, trash removal, etc.

Guest Speaker Guidance:

A detailed SOW (Statement of Work) with all the pertinent information and the dollar amount to be paid (honorarium payment) must be on the Purchase Requisition. A formal quote is not required for this request if the dollar amount is less than \$1,000.00. Purchasing will submit the Purchase Order via mail or email to vendor. Upon receipt of the invoice, okay to pay, sign, date, reference PO number and submit to AP, Box 16. You do not need to submit the receiving report.

Entertainer Guidance:

A detailed SOW (Statement of Work) with all the pertinent information and the dollar amount to be paid must be on the Purchase Requisition. Be sure to include a quote from the individual or representative of the band/group that indicates they agree to perform for the price indicated on the PR. An email acknowledgement is sufficient. Purchasing will submit the Purchase Order via mail or email to the vendor. Upon receipt of the invoice, okay to pay, sign, date, reference PO number and submit to AP, Box 16. You do not need to submit the receiving report.

Forms and additional items to be attached to the Purchase Requisition include:

- ☐ Statement of Work and/or Vendor Quote
- ☐ W-9 (Current)
- ☐ PERA Retiree Form
- ☐ Exhibit IC-Independent Contractor Provisions (Not required for corporations)
- ☐ Independent Contractor/Service Provider Questionnaire

Additional information (Purchasing will assist with items below):

- ☐ May need insurance
- ☐ May need the Certification for Personal Services Agreement (HR approval)

Sole Proprietors/Individuals require the forms above and additional documentation.

- Copy of Driver's License or ID
- **Payroll review.** If the person is also an employee of RRCC, CCCS or another community college, they typically cannot be paid through Accounting and must be paid through payroll.

STATE CONTRACT

These are routinely processed for the following: multi-year, high risk, consultants, audits/assessments, special projects, IT systems, professional services, etc. If the service provided is >\$100,000 (aggregate spend), a contract must be processed.

Forms and additional items include:

- ☐ Contract Request Form (available at www.rrcc.edu/purchasing)
- ☐ See items listed on page 9 in the forms and additional items section under Purchase Orders

Other contracts such as Memorandums of Understanding (MOU) or other types of contracts may be processed depending on the circumstances.

INDEPENDENT CONTRACTOR GUIDANCE

Please do not make an assumption 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 to be performed and/or the vendor meets independent contractor criteria. *Before proceeding* with the project or connecting with a contractor, please schedule a meeting with the Procurement Manager, Renee Archuleta-Murillo, for guidance on the applicable process to follow state guidelines.

All contracts for services, regardless of type, require review and approval by Human Resources (HR) per CRS 24-50-501, et seq. Purchase Orders or Contracts for services must be accompanied by a Certification for Personal Services Agreement unless the service requested is included in a category for which HR review has been waived.

Independent Contractor may be required to provide insurance. (See additional information under Insurance Certificates.)

STATEMENT OF WORK GUIDANCE

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".

AND

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.

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 or not 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.

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.

UNAUTHORIZED IMMIGRANT LAWS

A Colorado law concerning public contracts for services and Unauthorized Immigrants became effective on August 7, 2006 and was **amended** on May 13, 2008. The law applies to contractors who enter into or renew public contracts for services with a state agency or political subdivision.

- **CRS 8-17.5-101, 102 (HB06-1343, HB07-1073, SB08-193)**

The Certification and Affidavit form is required if all the following conditions are present:

1. Vendor/Contractor provides services, and/or Vendor/Contractor is a sole proprietor, and
2. A written contract or purchase order is not required under Fiscal Rule 2-2, and
3. Vendor/Contractor provides services and/or sole proprietor provides services or delivers goods without a written contract or purchase order.

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, INCLUDING FILE CABINETS - Colorado Correctional Industries is the preferred vendor for office and lounge furniture. Any exceptions will be handled on a case-by-case basis in writing from the Purchasing Department. [CCI online catalog](#)
- TONER – can be purchased from Beyond Technology or 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 - preferred vendors include Office Max Solutions, Source Office Supply and Staples
- SMALL PACKAGE DELIVERY

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

VENDOR AGREEMENTS/CONTRACTS

DO NOT sign vendor agreements; this includes credit applications and any other contracts. Instead forward to Purchasing and include the Purchase Requisition. State Fiscal Rules must be followed and the vendor terms and conditions may need to be modified and/or negotiated by the VP of Administrative Services. *The College President and Vice President of Administrative Services are the only "authorized" personnel on campus that can sign these documents.*

PROCUREMENT CARD (credit card)

How to get started

- Print an application (available online on the [Purchasing webpage](#)).
- Obtain signatures and submit to Purchasing, Box 30.
- Once your application has been processed, you will be contacted to schedule a training session.
- Attend training, sign cardholder agreement, activate card and begin using.

ADDITIONAL PCARD INFORMATION CAN BE FOUND IN THE PROCUREMENT CARD USER HANDBOOK

PROCESS FOR IT PURCHASES

In order to maintain the appropriate level of accountability with the College's use of consistent and compatible technology, to ensure the college has no exposure to licensure or other technological liabilities and to meet the needs of everyone we support while providing a more economic return on all technology investments, the college is implementing the following guidelines

- Please review the list of items (page 14) that require an IT work order and approval from the Computer Services Director or the IT Assistant Director.
- PCard purchases will be approved by the COMPUTER SERVICES Administrative Assistant or the IT Director via work order. You must keep the written approval and attach it to your PCard statement as supporting documentation of approval.
- If you are forecasting a grant funded project, please include the IT department in your decision making in regards to technology **before** submitting your grant proposal.
- Submit a [work order online](#). An IT technician will review your request and will verify appropriate product need. The technician will state the approved product with in the work order and will reassign to the Administrative Assistant who will provide the quote and prepare a purchase requisition.
- Once a purchase requisition is prepared, the IT Director or the IT Assistant Director must sign for final IT approval. The purchase requisition will then be forwarded to the requestor to obtain first and second level signatures. (Signatures approve the purchase and provide approval to pay the invoice.)
- After signatures are obtained (return to the purchase requisition to the IT department), IT will submit to purchasing for review and approval.
- Purchasing will process the request and submit the purchase order to the vendor and distribute copies as needed. (The administrative support contact for the department will receive an electronic copy and can distribute within the department if necessary.)
- The PO number that is assigned to your request will be stated in the work order and will be reassigned to the inventory technician.
- Once received, the inventory technician will work with accounting to place asset tags on new equipment over \$200.
- When the product is ready for set-up and deployment, they will reassign the work order to an IT technician who will be in touch with the requestor for set up and deployment.
- All receiving and PO invoicing will be handled by the IT department. Invoices will be submitted directly to Accounts Payable for payment. A copy of the invoice will be provided to the department's administrative support by the accounting department.

Contacts:

IT Help Desk
303-914-6677

Patrick Bonich, Assistant IT Director
303-914-6913
pat.bonich@rrcc.edu

Bill Cherrington, IT Director
303-914-6467
bill.cherrington@rrcc.edu

Corine Albert, Administrative Assistant
303-914-6107
corine.albert@rrcc.edu

- Per procedure, if you are connecting to the network or installing on RRCC devices, you will need approval. If you aren't sure, please ask before you purchase.
- RRCC Business Services will follow the Improper Purchasing Process if any IT purchases are completed without prior IT approval (please see purchasing handbook for details).

Software: All software purchases/installation (Requires IT Approval via Work Order):

All (also includes all software for teaching purposes)

No software can be purchased on a PCard (some exceptions may apply but requires IT Director approval)

Cloud services - NOT ALLOWED AT THIS TIME

Common Requests (Requires IT Approval via Work Order):

Computers (Desktops, laptops)

Tablets (iPads, Elitepads, etc.)

Printers

Scanners

Monitors

Keyboards and Mice (including Wireless)

Printer repair parts of any kind

External hard drive

All drives (CD, DVD, etc...)

*If you aren't sure, please ask first

Common Accessory Requests (Requires IT Approval via Work Order):

Laptop/Tablet batteries

Network adapters

Power supply adapters

Wireless PC cards

Printer cables

Security cables

*If you aren't sure, please ask first

Less Common Requests (Requires IT Approval via Work Order):

All Network Equipment (hubs, switches, routers, etc...)

All computer components: (memory, sound cards, video cards, motherboards, power supplies, etc...)

Cisco equipment (phones, etc...)

*If you aren't sure, please ask first

Things you DO NOT need IT approval on:

Printer toner and Ink Jet Cartridges

Flash drives (refer to CCCS Policy for regulations, personal data storage and FERPA, before purchase)

Writable CD/DVDs

Security/Filter Monitor Screens

USB Cables (check with IT for available surplus cables)

iPad cases (see Jon Johnson for ideas)

*If you aren't sure, please ask first

EXPENSE VOUCHERS

An Expense Voucher is typically used to pay for expenses such as memberships, subscriptions, registration fees, grant payments and refunds and reimbursements to staff. These are still subject to purchasing rules and regulations and a PO may need to be issued instead. Please note that Expense Vouchers are not used as a method to order goods and/or services.

All requests for reimbursements including food purchases must have an itemized receipt attached. Please include "S" number of the form. The Official Function Form must be attached.

Out of pocket purchases are capped at \$50.00. They should only be used for incidental purchases (i.e. postage stamps) and not for commodities covered under State purchasing processes.

- Expense vouchers need to be completed in full including six-digit org code, the account/commodity code and a complete description of charges with dollar amount.
- The expense voucher needs to have a first and second level signature approval.
- Send the white copy of the voucher to Purchasing, Box 30, with the supporting documentation.
- Keep the yellow copy for your department budget records.

TRAVEL

The Travel Expense Voucher is used to reimburse staff for college expenses incurred while traveling for college business purposes.

- The form requires a first and second level authorized signature.
- Please put your employee "S" number on the form.
- Must indicate the purpose of travel.

Any overnight or out-of-state travel must be approved in **advance** by the College President. The **Overnight Travel Request and Authorization form** must be completed and an RR number issued prior to any travel arrangements being made. This includes, if applicable, any conference registration payment to the vendor.

All travel is processed through Kristi Murphy at 303-914-6217 or travel@rrcc.edu .

OFFICIAL FUNCTIONS

FISCAL RULE 2-7:

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:

- Check with the Cafeteria to see if they can provide service for your event **FIRST BEFORE** talking to outside caterers.
- Complete all items on the Request 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** \$3,000) or the President (cost **above** \$3,000) 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 general 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. 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 (IDI) approximately two-three weeks after your event. "Ok to pay" and sign/date the invoice. Submit completed approved *packet to Accounts Payable, Box 16.

IMPORTANT! Alcohol may NEVER be purchased or reimbursed.

STATE CONTRACT

A State Contract is used when a specialized service is needed and meets the independent contractor criteria. Services may include: consultants, training, etc. Per Fiscal Rule a contract is issued if the aggregate spend is >\$100,000 (over a period of five years). If the service provided is more than \$25,000, it must go through the bid process.

To start the process, please begin with the Contract Packet which includes comprehensive instructions on completing the request form and the overall process. Contract packet is available on the purchasing webpage. A brief meeting may be scheduled to clarify the process.

Several factors may impact the amount of time it takes to process the contract so we err on the side of caution specifying that it could take 3-4 weeks for processing in a worst case scenario. Contracts are handled on a case-by-case basis.

The Contract packet includes:

For the Department: Guidelines and Contract Request Form.

For the Contractor to complete: W9, PERA Retire Questionnaire, IC Exhibit, Independent Contractor Questionnaire

- Per State of Colorado regulations, if the contractor is an individual/sole proprietor, an ID must be provided (State ID or driver's license).
- A detailed Statement of Work must be prepared and attached to the Contract Data Form packet (see section Purpose/Services on the Data Form). Statement of Work must also be sent electronically to renee.murillo@rrcc.edu.

PAYING INVOICES

Invoices should be sent directly to AP by the vendor; however, if you receive the invoice forward to AP.

All invoices submitted for payment must have your "okay to pay", signature (no initials), date and reference to the document number (PO or Expense Voucher). If you are aware your signature is difficult to decipher, please also print your name.

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

STAFF REIMBURSEMENTS

Out of pocket purchases are capped at \$50.00. They should only be used for incidental purchases (i.e. postage stamps) and not for commodities covered under State purchasing processes. Exceptions will need to be approved prior to the purchase by the Procurement Manager or the Controller.

Any purchase made by a staff member is still subject to all purchasing rules and regulations. Check with Purchasing at 303-914-6345 before making a purchase with your own money.

Please put your employee "S" number on the Expense Voucher form.

All requests for reimbursements including food purchases must have an itemized receipt attached.

State purchases are tax exempt. If a staff member makes a purchase and pays tax, the tax will not be reimbursed.

RECEIVING

Regular Orders

- Once you receive your goods/services (this includes **all** purchase orders even if the product is a non-tangible item such as services, maintenance, licensing, etc.) complete the receiving process by completing and signing the "Receiving Report" and submit to Sonja Starkweather, Box 18. The Receiving Report is available on the purchasing web page: www.rrcc.edu/purchasing.
- Once you receive the invoice, write "**ok to pay**", sign, date, reference the PO number and forward to Accounts Payable, Box 16.

Standing Orders (Blanket/Open)

- If you have an order placed against a standing purchase order then you can acknowledge receiving by writing "**ok to pay**" on the invoice, sign, date, reference the PO number and forward to Accounts Payable, Box 16.

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 would 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 \$25 limit. The \$25 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 other item costing \$25 or less.

Regardless of dollar amount a list of recipients of the gift card, prize or award must be included with the receipt or invoice.

INSURANCE CERTIFICATES
State of Colorado
Insurance Requirements Checklist

Workers' Compensation coverage is required if the following applies:

- ☐ Contractor has employees that will be working on State of Colorado property or will be doing work on the State's behalf.

PLEASE NOTE: If the contractor does not have any employees, workers' compensation coverage is not required. If this is the case, have the contractor write a letter stating that they do not have employees and therefore are not required to carry workers' compensation coverage.

General Liability coverage is required if any of the following apply:

- ☐ Operations of the contractor could cause bodily injury or damage to state or private property.
- ☐ Contract has a hold harmless/indemnification provision.
(*Contractual Liability*)
- ☐ Contractor will (a) have access to confidential information about other persons or (b) provide security guard service, or (c) create publications of any form.
(*Personal Injury and Advertising Injury*)
- ☐ Contractor will lease a portion of a State building.
(*Fire Damage Legal Liability*)
- ☐ Contractor will have subcontractors.
(*Independent Contractors*)
- ☐ Contractor will provide a tangible, physical product that could cause bodily injury or property damage.
(*Products –Completed Operations*)
- ☐ Contractor's service, after completion, could fail from faulty workmanship and cause bodily injury or property damage.
(*Products-Completed Operations*)

Automobile Liability coverage is required if the following applies:

- ☐ Performance of contract will involve operation of a motor vehicle by contractor or subcontractor.

Professional Liability or Errors and Omissions coverage is required if the following applies:

- ☐ Contractor to provide professional or technical services (medical, legal engineering, architectural, real estate appraisal, computer programming).

Builders Risk coverage is required if the following applies:

- ☐ Contractor will construct or substantially renovate a state building or structure.

NOTE: Coverage limit should be the completed value of the project.

Crime Coverage is required if the following applies:

- ☐ Contractor is accepting/handling state monies.

STATE OF COLORADO INSURANCE REQUIREMENTS

Contractor and its Subcontractors shall obtain and maintain insurance as specified in this section at all times 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 maintain at all times 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 have to 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.

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.

Possible violations may include but are not limited to:

- Misuse of College Procurement Card:
 - Split transaction - 75 pts.
 - Shared card - 50 pts.
 - Card on file with vendor – 50 pts.
 - Unauthorized, inappropriate, or not preapproved purchase - 50 pts.
 - Inadvertent personal use - 50 pts.
 - Intentional personal use - 150 pts. - **immediate revocation of all purchasing authority**
 - Failure to timely provide original or adequate documentation - 50 pts.
 - Sales Tax charged - 25 pts.
 - Points are charged if the employee does not get a vendor refund for the sales tax charged or in an instance where the employee does not reimburse the college for sales taxes paid.
 - Submitting statements late – 10 pts.
 - Repeated instances of late statements will be handled on a case-by-case basis with the cardholder, approving official and respective VP and may lead to suspension or cancellation of PCard use, regardless of purchasing violation points assessed.
 - Unauthorized or inappropriate purchase - 50 pts.
- Split Purchases - Splitting a purchase to circumvent single purchase dollar limits. The State Procurement Rules require a Purchase Order for all procurements over \$5,000. Competitive bidding is required for all single purchases of goods more than \$10,000 and of services more than \$25,000. Splitting a purchase may occur with more than one cardholder. - 75 pts.
- Ordering a good or service **without** a signed College Purchase Order or Contract issued by the Purchasing Department that results in a statutory violation. - 100 pts.
- Unauthorized out of pocket expenses submitted for reimbursement. – 50 pts.
- Signing a Vendor Agreement, Contract or Credit Application (*The College President and Vice President of Administrative Services are the only "authorized" personnel on campus that can sign these documents*). - 100 pts.

STATE CONTROLLER POLICY

Statutory Violation-Fiscal Rule 2.2

Purchasing violations greater than \$5,000 must be reported to the State Controller. Ratification of the illegal purchases must be requested [by the Vice President of Administrative Services] of the State Controller. ***The State Controller is not required to approve or ratify your purchase.*** Red Rocks must include an explanation of why commitment arose before it was authorized and include the steps that are planned to prevent a recurrence of this situation in the future. If the State Controller does not approve the purchase, by law it cannot be paid for by the College. 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.

REMINDER: Purchasing authority is granted at the discretion of the College President.