

	Personal Services Agreements Policy	Responsible Administrative Units: Human Resources
	Issued: May 31, 2006 Revised:	Policy Contacts: Director of Human Resources, Christine Homer (chomer@mines.edu)

1.1 BACKGROUND AND PURPOSE

Colorado statute (24-50-501 through 514 C.R.S.) and the Colorado Department of Personnel and Administration (DPA) Personnel Rules, Chapter 10, govern the procurement of personal services, personal services reviews, and waivers from the review process. Through its regulatory powers, DPA requires CSM to adopt and disseminate policies and procedures establishing a Personal Services Review Program.

While the State Personnel Rules under which CSM must operate were restated in 2005, the concepts are similar to those that have been in place for a number of years. Services requiring review include those acquired through contracts, purchase orders, purchase requisitions and invoices.

In the past, reviews and approvals for Personal Services Agreements were issued centrally by DPA. Under the new rules, CSM is obligated to establish a Personal Services Agreement Review program on campus and retain on its staff a certified reviewer. A component of CSM's program will include waivers from the review requirement when the contract meets certain specific statutory exceptions. The waiver component of the program must be proposed by CSM to the Colorado Department of Personnel and Administration and approved by DPA in order for it to be used on campus.

1.1 DEFINITIONS

24-50-501 C.R.S. provides definitions for the following terms:

- 1.1.1. Contract: Any type of state agreement, regardless of what it may be called, for the acquisition of services.
- 1.1.2. Personal Services: Services acquired for the state's direct benefit in its operations.
- 1.1.3. Purchased services: The acquisition of services which directly benefit specific groups or individuals in the public at large as defined by law, from public or private entities licensed, certified, or otherwise authorized by statute to provide such services.
- 1.1.4. Services: The furnishing of labor, time, or effort.

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2.0 POLICY

It is the policy of the Colorado School of Mines to assure that procurement of all services is made consistent with the requirements of Colorado Statutes, Fiscal Rules, and State Personnel Rules. All CSM employees who procure services for the school are required to do so in accordance with the procedures established by CSM and in concert with the requirements of statute and state rules.

If services are procured or authorized by CSM employees contrary to this policy and its procedures, the costs of the services performed may be personal expenses of the CSM employee who authorized the performance of the work. Such costs, under statute [C.R.S. 24-30-202 (1) or (3)] and State Controller Policy "Managing Commitment Vouchers That Violate State Statutes," are not allowed for payment or reimbursement by CSM.

3.0 PROCEDURES

The following procedures are intended to describe the process of obtaining personal services and implement the steps needed in order to conform to the requirements mandated by legislation and state rules.

3.1 All purchase requisitions for personal services over \$5,000.00 must be accompanied by a completed [Certification for Personal Services Agreements](#) form including all required supporting documents **unless a waiver exists** (see Section 4.0 below). All purchase requisitions above \$50,000.00 must also have an additional completed [Personal Services Business Case](#) form attached.

3.1.1 Services acquired through this *Certification for Personal Services Agreements* process **require formulating and documenting the business case for entering into the contract**. The business case must contain an analysis of accountability, cost and quality. (Use of the forms referenced in 3.1 above can assist purchasers in making the business case.)

3.1.2 The certification must also include an analysis of the potential impact on the state personnel system. At a minimum, the analysis should include consideration of the following questions:

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3.1.2 a Is the predominant purpose of the contract the acquisition of labor, skills, creativity, or judgment, as opposed to the acquisition of property?

3.1.2 b If the contract involves equipment, materials, facilities, or maintenance and operational support services, is the need insufficient to justify hiring permanent employees and purchasing capital equipment?

3.1.2 c Is the need for service resulting from a temporary need for a finite period of time?

3.1.2 d Is the need for service an occasional need that is seasonal, irregular, or fluctuating in nature?

3.1.2 e Does the contract cover an urgent need for immediate action to protect the health, welfare, or safety of people or property?

3.1.2 f Does the contract cover a need for services to meet an externally imposed deadline beyond CSM's control?

3.2 Contracts that are under \$5,000 in aggregate over a twelve (12) month period are not subject to the requirement to obtain a Personal Services Review. However, services obtained under such contracts may not be artificially divided in order to remain under the \$5,000 limit and avoid the requirement for Personal Services Review.

3.3 Contracts that result directly or indirectly in the separation of certified classified employees cannot be approved [24-50-503 (2) C.R.S.].

4.0 Waivers from Personal Services Agreement Review

Certain contracts for personal services are eligible for a waiver from the normally required personal services agreement review. These waivers allow the purchase of the services without the person initiating the purchase or contract having to perform the full business analysis. The list in Appendix A that follows contains specific waivers that may be used by CSM employees in the securing of certain services.

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4.1 Services cannot be performed nor can contracts be issued prior to a waiver being established.

4.2 To use a waiver, a copy of the appropriate waiver from Appendix A must be attached to all contracts, purchase orders, and purchase requisitions that are sent to Procurement Services for processing and payment under the waiver. Additionally, a [Personal Services Business Case](#) form must also be completed and attached to the purchase requisition.

4.3 Some waivers are granted by state agencies, and CSM does not have the authority to grant these waivers. For example, these would include services for printing, artwork, graphic design, copying, microfilm, imaging and mail services, telecommunications services, training and facilitation services. A partial list of example services often used on campus follows. The full list of state services that require external waivers can be found at the [Prior Approval Checklist](#) site. Please work with Procurement Services when requesting these types of services.

4.3.1 **Printing, Artwork, Graphic Design, Copying, Microfilm, Imaging, and Mail Services:** This waiver is limited to the basis that state staff is unable to perform the service needed. In the four county Denver Metro area, the Division of Central Services within the Department of Personnel & Administration (DPA) must be contacted to determine if the service can be provided in-house. If Central Services or state staff cannot provide the service(s), a waiver letter will need to be obtained and placed in the Procurement file. Please work with Procurement Services to request a waiver.

4.3.2 **Telecommunications Services:** These services are not available within the state system and are acquired from outside vendors; however, these services must have the approval from the Telecommunications Division within DPA. Contact the CSM Telecommunications Office prior to initiating any telecommunications services purchase.

4.3.3 **Training and Facilitation Services:** The Workforce Development Program within the Division of Human Resources (DHR) in DPA exists to perform training and facilitation services for state Classified employees. Contact the DHR Workforce Development program via e-mail (prsnl.training@state.co.us) to determine if the needed training is available and to obtain a waiver in the event they cannot deliver the requested services.

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4.4 Waivers issued by CSM from Personal Services Agreements Reviews are contained in Appendix A that follows. When obtaining services covered by one of these waivers, in order for the service to be authorized and for payment to be made, the purchase order or requisition sent to the CSM Procurement Services Office must be accompanied by the relevant part of the waiver.

4.5 Additional Department Instructions – Appendix B contains additional department information that must be followed and which also must be attached to purchase requisitions, purchase orders, contracts or other documents used to secure services covered by these procedures.