

The New Mexico Procurement Code requires that all purchases with a few specific exceptions as defined in Section 13-1-98 N.M.S.A. 1978 be achieved by competitive sealed bids or proposals. Below is a description of the various regulations that govern University purchases subject to the New Mexico Procurement Code and University regulations. The University's Board of Regents has designated the University Purchasing Department as its central purchasing office and also operates in accordance with Sections 13-1-97 and 13-1-99 N.M.S.A. 1978 . **If using Federal Funding, please refer to [2 CFR 200.320 – Methods of procurement to be followed](#) for current Thresholds and Guidance.**

#### **Small Purchases**

All purchases under \$60,000 are subject only to University regulations summarized as follows. It is illegal to artificially divide procurement requirements so as to constitute a small purchase. Purchases of equipment greater than \$5,000.00 cannot be purchased through a small open purchase order. They must be itemized in order to be tagged and capitalized as a fixed asset.

<sup>1</sup>Up to \$20,000. – (\$10,000 for Federal Funding)

Buyer may place a direct purchase order to vendor/contractor based upon the **best obtainable price for a one-time purchase.**

<sup>1</sup>From \$20,001 to \$60,000 - (\$10,001 to \$60,000 for Federal Funding)

Three (3) verbal or written quotes, unadvertised bids or competitive pricing in the past six (6) months; or recent evidence that prices are competitive.

For purchases valued under \$60,000, the departments may choose to obtain at least three written quotes by contacting vendors/contractors and recording pricing and delivery information. Attach all written quotes to the Purchase Requisition.

#### **Formal Bids**

##### Over \$60,000

Advertised, written and sealed bids required. Upon receipt of a Purchase Requisition, the buyer prepares the Invitation for Bid (IFB) according to the specifications submitted with the requisition. It is the requesting department's responsibility to provide the performance specifications required and indicate any criteria other than price that will be considered during the bid evaluation. A legal notice advertising the IFB is printed in a local newspaper and vendors must be given at least ten (10) calendar days from the date of publication to submit a sealed bid. Bid openings are public and interested departments and vendors may attend. The bid opening consists of reading the bid prices and recording the bids that were received. The vendor offering the lowest price that meets all specifications defined in the IFB is considered a responsible bidder, and shall be awarded the purchase order. All vendors listed on NMHU's bid list as offering the required item must be sent a copy of the IFB.

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<sup>1</sup> This policy is not applicable to procurement for services of architects, engineers, landscape architects, or surveyors for public works projects. The procurement of such services requires advertised, written, sealed proposals.

Contracts for purchases up to \$500,000 shall be approved by the President or their designee.

Contracts for purchases over \$500,000 must be approved by the Board of Regents in an open, public meeting of the Board and the President.

When justified, contracts may be awarded on a sole source basis. The Board of Regents will be informed at its next regular meeting on the award of any contract item over \$20,000 that was not put out to bid because it was awarded on a sole source basis.

### **Proposals**

The New Mexico Procurement Code permits the use of competitive sealed proposals when a written determination is made that the use of competitive sealed bidding (an IFB) for items of tangible personal property or services is either not practicable or not advantageous. A request for proposals (RFP) is issued by the Purchasing Department when the requestor and buyer provide sufficient written justification for its use. Selection criteria and their relative weights to be used to select the winning vendor must be specified in the RFP and the evaluation of proposals must be in accordance with the stated criteria and relative weights.

The opening of proposals is not open to the public and all contents of any proposal shall not be disclosed so as to be available to competing offerors during the negotiation process. The requesting department, however, may attend the opening. Proposals which have been received are recorded by the buyer and submitted to the technical evaluation team for scoring. It is possible for the buyer to negotiate any item in a proposal prior to award, unlike the Invitation for Bid where no changes are allowed to be made after the opening of the bids and the award is typically made based on price alone.

### Professional Services

Professional services are typically awarded via a Request for Proposal (RFP). Professional Services are defined by the New Mexico Procurement Code as follows:

“Professional services” means the services of architects, archeologists, engineers, surveyors, landscape architects, medical arts practitioners, scientists, management and systems analysts, certified public accountants, registered public accountants, lawyers, psychologists, planners, researchers, construction managers and other persons or businesses providing similar professional services, which may be designated as such by a determination issued by the state purchasing agent or a central purchasing office (Purchasing Department).

\$60,000 and under Does not require competitive procurement. Professional services are procured from the "Best available source at the best attainable prices."

\$60,001 and over Requires advertised, written, sealed proposals.  
  
Contracts for purchases of professional services up to \$500,000 must be approved by the President or his designee.

Contracts for purchases of professional services over \$500,000 must be approved by the Board of Regents in an open, public meeting of the Board and the President.

When justified, contracts may be awarded on a sole source basis. The Board of Regents will be informed at its next regular meeting of the award of any contract item over \$60,000 that was not put out to bid because it was awarded on a sole source basis.

Contracts Regarding Invitations for Bid (IFB) or Requests for Proposals (RFP)

For each IFB or RFP that is issued by the University, the Purchasing Department shall designate a contact person or contact persons. Each IFB or RFP shall contain the following language regarding the contact person or contact persons:

(Contact Person) has been designated as the contact person for this (IFB/RFP). No (bidder/offeror) may contact any University employee, officer or member of the Board of Regents other than (Contact Person) regarding this (IFB/RFP) through the date of the award of contract. Any (bidder/offeror) who makes such unauthorized contact shall be deemed to have violated the terms and conditions of this (IFB/RFP) and that person's (bid/proposal) may be rejected as a result.