A. Definitions. In this Article, unless the context otherwise requires:

1. "Affiliate" means any Person whose governing instruments require it to be bound by the decision of another Person or whose governing board includes enough voting representatives of the other Person to cause or prevent action, whether or not the power is exercised. It may also include Persons doing business under a variety of names, or where there is a parent-subsidiary relationship between Persons.

2. “Contract Claim or Controversy” means a dispute arising under a Contract governed by this Code between a University and a Contractor, including but not limited to a dispute regarding or pertaining to the obligations of parties to the Contract, a dispute regarding or pertaining to the performance of those obligations, or a claim that one party owes the other a payment of some kind.

3. "Debarment" means an action taken by the president, or his or her Designee, under subsection D below to prohibit a Person participating in Procurements with a University for a period of not less than one (1) year nor more than five (5) years.

4. "Filed" means delivery to the CPO, to the university president, or to the executive director of the board, whichever is applicable. A time/date stamp affixed to a document by the office of the CPO, the university president or the executive director of the board, whichever is applicable, will establish the time of delivery for purposes of filing.

5. “Governing Instruments” means those legal documents that establish the existence of a Business and define its powers, including articles of incorporation, organization or association, constitution, charter, bylaws and other similar documents.

6. “Protest” means a challenge, as authorized by the Code, of any University Procurement, Award, or proposed Award of a Contract.
7. “Protester” means a Person who files a Protest.

8. "Receipt" or "Received" means delivery to the last known address of the addressee to whom the document is sent. A document is deemed to have been received by the addressee if properly sent to the addressee’s last known address and not returned. The delivery date will be five (5) Days from the date of mailing unless the addressee can show otherwise.

9. "Suspension" means an action taken by a university president or Designee to prohibit a Person from participating in Procurements with any University, for a period not to exceed one (1) year.

B. Protests

1. Delegation of Authority
   a. Initial review and resolution of Protests shall be conducted by the CPO or Designee for a University.
   b. Final decision on appeal of Protests shall be made by the university president or a Designee other than the CPO.

2. Filing of Protests
   a. Any Interested Party may Protest a Solicitation or the proposed Award or the Award of a Contract by filing a Protest.
   b. Time for Filing Protest
      (1) Protests concerning improprieties in a Solicitation
         (a) In Procurements inviting Bids, Protests based upon alleged errors, irregularities or improprieties in a Solicitation that are apparent before the Bid Opening shall be filed before the
Bid Opening.

(b) In all other Procurements, Protests based upon alleged errors, irregularities or improprieties in a Solicitation that are apparent before the closing date for receipt of initial Proposals shall be filed before the closing date for receipt of initial Proposals. Protests concerning improprieties that do not exist in the initial Solicitation, but that are subsequently incorporated into the Solicitation, shall be filed by the next closing date for receipt of Proposals following the date the improprieties were incorporated into the Solicitation.

(2) In cases other than those covered in subsection (1) above, Protests shall be filed no later than ten (10) Days after the earlier of a) the issuance of a Notice of Intent to Award or b) Award of a Contract in connection with the Procurement action.

(3) Failure to timely file a Protest shall be deemed a waiver of all rights under this Code.

c. Content of a Protest

(1) The Protest shall be in writing and shall include the following information:

(2) The name, address and telephone number of the Protester;

(3) The signature of the Protester or its representative;

(4) Identification of the University and the Solicitation or Contract number;

(5) A detailed statement of the legal and factual grounds
of the Protest including copies of relevant documents; and

(6) The form of relief requested.

d. Upon receipt of the Protest, the CPO shall, within ten (10) business Days, give notice of the Protest to all Interested Parties.

e. Stay of Procurements During the Protest

(1) If a Protest is filed before the Award of a Contract, no Award shall be made until the Protest has been resolved, unless the CPO makes a written determination that there is not a reasonable probability that the Protest will be upheld or that Award of the Contract without delay is necessary to protect substantial interests of the University.

f. Protected Information

(1) Materials submitted by a Protester shall not be withheld from any Interested Party except to the extent that the withholding of information is required by law or is permitted by law and specifically requested by the Protester.

(2) If the Protester believes the Protest contains material that should be withheld, a statement advising the CPO of this fact shall accompany the notice of Protest and the information shall be so identified wherever it appears. The CPO shall review the statement and information and shall determine whether the information shall be withheld, as set forth in ABOR Policy 3-801D.

3. Decision by the Chief Procurement Officer or Designee

September 2019
a. The CPO or Designee shall issue a written decision within twenty (20) Days of receipt of the Protest. The decision shall be sent to the Protester and to all Interested Parties by any method that provides evidence of receipt.

b. The decision shall contain an explanation of the basis of the decision and a statement explaining the Protester’s appeal rights.

c. The time limit for a decision may be extended by the CPO for a reasonable time not to exceed thirty (30) Days. The CPO shall notify the Protester in writing that the time for the issuance of a decision has been extended and the date by which a decision will be issued.

d. If the CPO or Designee fails to issue a decision within the time limits set forth above, the Protester may proceed as if the CPO or Designee had issued an adverse decision.

e. Remedies

(1) If the CPO or Designee sustains the Protest in whole or in part and determines that a Solicitation, proposed Contract Award, or Contract Award does not comply with this Code or the University Policies and Procedures, the CPO shall implement an appropriate remedy.

(2) In determining an appropriate remedy, the CPO must consider all of the circumstances surrounding the Solicitation, the Procurement or the proposed Procurement, including, but not limited to:

(a) The seriousness of the Procurement deficiency;

(b) The degree of prejudice to Interested Parties or to the integrity of the procurement system;
(c) The good faith of the parties;
(d) The extent of performance;
(e) The costs to the University;
(f) The urgency of the Procurement;
(g) The impact on the University's mission; and
(h) Other relevant issues.

(3) An appropriate remedy may include one or more of the following:

(a) Decline to exercise an option to renew under the Contract;
(b) Terminate the Contract;
(c) Amend or reissue the Solicitation;
(d) Issue a new Solicitation;
(e) Award a Contract consistent with this Code and the University Policies and Procedures;
(f) Reject all Bids or Proposals without further action; or
(g) Render such other relief as is determined necessary to ensure compliance with this Code or University Policies and Procedures.

4. Appeal to the President

a. In the event that a Protest is denied, the Protester may
appeal from the decision entered or deemed to be entered by the CPO to the university president within ten (10) Days from the date the decision is received.

b. Final decision on an appeal to the president shall be made by the president or a Designee other than the CPO. Any hearing on appeal shall be conducted by the president or designee who has the authority to make a final decision, or by a hearing officer appointed by the president or designee.

c. The notice of appeal shall contain:

1. The information set forth in ABOR Policy 3-809B.2.c, including the identification of any confidential information in the manner set forth in ABOR Policy 3-809B.2.f.

2. A copy of the decision of the CPO; and

3. The precise legal or factual error in the decision that forms the basis for the appeal.

d. The Person conducting the appeal shall immediately give written notice of the pending appeal to the apparent successful Contractor if Award has been made or, if no Award has been made, to all Interested Parties. Any Person so notified shall, upon request, be furnished with a copy of the notice of appeal filed in the matter.

e. Stay of Procurement during Appeal

1. If an appeal is filed before an Award of Contract and the Award of the Contract was stayed by the CPO pursuant to ABOR Policy 3-809.B.2.e, the filing of an appeal shall automatically continue the stay unless the Person conducting the appeal makes a written determination that the Award of the Contract without delay is necessary to protect substantial interests of
the University.

(2) Following a review of the CPO’s decision and the notice of appeal, the Person conducting the hearing may stay the Procurement if the Person determines that there is a reasonable probability the Protest will be upheld or that a stay is in the best interests of the University.

def. Dismissal before Hearing

The Person conducting the appeal may enter a written determination dismissing an appeal in whole or in part, if:

(1) The appeal does not state a valid basis for Protest; or

(2) The appeal is untimely.

(3) The appeal attempts to raise issues not raised in the Protest.

g. Hearing on Bid Protest Decision

If a hearing on an appeal of a Solicitation, Contract Award or proposed Contract Award decision is required, it shall be conducted pursuant to the provisions of ABOR Policy 3-809E and F, except that a Protester may waive his right to a hearing in favor of a review by the hearing officer based solely on the documentation available to the CPO.

h. Remedies

If the appeal is sustained in whole or in part, and a determination is made that a Solicitation, proposed Award, or Award does not comply with this Code or University Policies or Procedures, an appropriate remedy shall be implemented pursuant to the provisions of ABOR Policy 3-809.B.3.e.
C. Contract Claims and Controversies

1. Application. This ABOR Policy 3-809 governs all contract claims and controversies arising out of a Contract or Procurement, regardless of whether they are initiated by a University or a Contractor.

2. Delegation of Authority

   a. Initial review and efforts to resolve or settle a Contract Claim or Controversy shall be conducted by the CPO, except that any settlement of a Contract Claim or Controversy in excess of one hundred thousand ($100,000) requires the prior written approval of the president or a designee other than the CPO.

   b. Final decision on an appeal to the president shall be made by the president or a designee other than the CPO. Any hearing on appeal shall be conducted by the official with authority to make a final decision, or by a hearing officer appointed by the official with authority to make a final decision.

3. Initiation of a Contract Claim or Controversy

   a. A Contract Claim or Controversy initiated by a University shall be made in writing to the Contractor by the University’s CPO.

   b. A Contract Claim or Controversy initiated by a Contractor shall be filed in writing with the CPO within 180 days after the claim arises.

   c. The CPO may require that the work or performance under the Contract proceed under a reservation of rights so as not to waive the right of any party in the matter.

September 2019
d. The Contract Claim or Controversy shall include the following information:

(1) The name, address and telephone number of the Contractor;

(2) The signature of the Contractor or its representative, or the University’s representative if the Claim or Controversy is initiated by the University;

(3) Identification of the University and the Contract number;

(4) A detailed statement of the legal and factual grounds of the Contract Claim or Controversy including copies of relevant documents; and

(5) The form of relief requested.

4. Attempt to Resolve by Mutual Agreement

a. If a Contract Claim or Controversy initiated by the University is not resolved by mutual agreement, the CPO shall promptly refer the matter to the president for a hearing following the procedure for appeal of CPO decisions specified in ABOR Policy 3-809C.6, below.

b. If a Contract Claim or Controversy initiated by a Contractor cannot be resolved by mutual agreement, the CPO shall issue a final decision pursuant to ABOR Policy 3-809C.5, below.

5. CPO’s Decision

If a Contract Claim or Controversy cannot be resolved by mutual agreement the CPO shall issue a decision no more than one hundred and twenty (120) Days after receipt of the Contract Claim or Controversy by the non-initiating party. Before issuing a final decision,
decision, the CPO shall review the facts pertinent to the Contract Claim or Controversy and secure any necessary assistance from legal, fiscal, and other advisors.

a. Where the Contract Claim or Controversy exceeds one hundred thousand dollars ($100,000), the time limit for a final decision may be extended for a reasonable time not to exceed thirty (30) Days. The CPO shall notify the Contractor in writing that the time for the issuance of a decision has been extended and the date by which a decision shall be issued.

b. The time limit for a decision involving a Contract Claim or Controversy amounting to one hundred thousand dollars ($100,000) or less may not be extended.

c. If the CPO fails to issue a decision within the permitted time period, the Contractor may proceed as if the CPO had issued an adverse decision and may appeal pursuant to ABOR Policy 3-809C.6.

d. The CPO shall furnish a copy of the decision to the Contractor by certified mail, return receipt requested, or by any other method that provides evidence of receipt. The decision shall include:

(1) A description of the Contract Claim or Controversy;

(2) A reference to the pertinent Contract provisions;

(3) A statement of the factual areas of agreement or disagreement;

(4) A statement of the CPO's decision, with supporting rationale;

(5) A paragraph substantially as follows:
This is the final decision of the CPO. This decision may be appealed to the president of the university or board, as applicable. A Contractor shall mail or otherwise furnish written notice of appeal to the president within fifteen (15) Days from the date of receipt of this decision.

6. Hearing on Appeal to the President

   a. A written notice of appeal from a final decision of a CPO on a Contract Claim or Controversy must be filed with the university president within fifteen (15) Days of the receipt of the decision.

   b. Final decision on an appeal to the president shall be made by the president or a designee appointed by the president. The president may not designate the CPO or any Procurement Officer to make the final decision, but may designate that the hearing officer do so.

   c. Hearings on appeals of decisions related to Contract Claims or Controversies shall be conducted in accordance with the provisions of ABOR Policy 3-809E and F. Any hearing on appeal shall be conducted by the official with authority to make a final decision, or by a hearing officer appointed by that official.

D. Debarment or Suspension

1. Delegation of Authority

   a. A CPO or other designee of the university president has authority pursuant to ABOR Policy 3-809D.2 to propose action to suspend or debar a Person, or affected Affiliate, from Procurement activity with any University.

   b. A final decision to debar or suspend a Person or an affected Affiliate from participating in Procurements shall be made by
the president or designee.

2. Grounds for Suspension or Debarment. A Person or Affiliate may be suspended or debarred where reasonable grounds are found to exist. A Suspension shall not exceed six (6) months, and a Debarment shall not exceed three (3) years.

   a. Reasonable grounds for Suspension or Debarment include the following:

      (1) Conviction of any Person or Affiliate for commission of a criminal offense arising out of obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract.

      (2) Conviction of any Person or Affiliate under any statute of the federal government, this state or any other state for embezzlement, theft, fraudulent schemes and artifices, fraudulent schemes and practices, bid rigging, perjury, forgery, bribery, falsification or destruction of records, receiving stolen property or any other offense indicating a lack of business integrity or business honesty which affects responsibility as a public contractor.

      (3) Conviction or civil judgment finding a violation by any Person or Affiliate under state or federal antitrust statutes.

      (4) Violations of Contract provisions of a character which are deemed to be so serious as to justify Debarment action, such as any of the following:

         (a) Knowingly fails without good cause to perform in accordance with the specifications or within the time limit provided in the Contract.

September 2019
(b) Failure to perform or unsatisfactory performance in accordance with the terms of one or more Contracts, except that failure to perform or unsatisfactory performance caused by acts beyond the control of the Contractor shall not be considered to be a basis for Debarment.

(c) Any other cause deemed to affect responsibility as a public contractor, including Suspension or Debarment of such Person or Affiliate by another governmental entity.

3. Imputed Knowledge

a. Improper conduct, as set forth in ABOR Policy 3-809D.42 above, may be imputed to an Affiliate for purposes of Suspension or Debarment where the impropriety occurred in connection with the Affiliate's duties for or on behalf of, or with the knowledge, approval, or acquiescence of, the Person.

b. Improper conduct, as set forth in ABOR Policy 3-809D.42 above, of a Person or Affiliate having a contract with a Contractor may be imputed to the Contractor for purposes of Debarment where the impropriety occurred in connection with the Person's duties for or on behalf of, or with the knowledge, approval, or acquiescence of, the Contractor.

4. Debarment

a. Initiation of Debarment action. Upon receipt of information concerning a possible cause for Debarment, the CPO shall investigate or have investigated the possible cause. If the CPO has a reasonable basis to believe that a cause for Debarment exists, the CPO may propose Debarment proceedings by filing a proposal for Debarment with the president or designee.

September 2019
b. Notice. If Debarment is proposed, the CPO shall notify the Person and affected Affiliates in writing within seven (7) Days by certified mail, return receipt requested, or any other method that provides evidence of receipt. The notice shall state that the person and affected Affiliates have the right to a hearing to contest the proposed Debarment.

c. Request for Hearing. The Person proposed for Debarment and any affected affiliates shall file a written request for a hearing within ten (10) Days of receipt of the CPO's notice of proposed Debarment.

d. Hearing. The hearing shall be conducted as set forth in ABOR Policy 3-809E and F.

5. Suspension and Debarment. Except as provided in ABOR Policy 3-809D.5.b below, if Suspension or Debarment is proposed, the CPO shall notify the Person and affected Affiliates in writing within seven (7) Days by certified mail, return receipt requested, of the proposed Suspension or Debarment. The notice of Suspension or Debarment shall state:

(1) The basis for Suspension or Debarment;

(2) The period, including dates, of the Suspension or Debarment;

(3) That Offers received from the person will not be considered; and

(4) That the Person is entitled to a hearing on the Suspension or Debarment if the person files a written request for a hearing with the CPO within thirty (30) Days after receipt of the notice.

a. Except as provided in ABOR Policy 3-809D.5.b below, if Suspension or Debarment of an Affiliate is also proposed in
the notice of Suspension or Debarment, the Affiliate shall have a right to appear in any hearing on the proposed Suspension or Debarment to show mitigating circumstances. The Affiliate must advise the CPO in writing, within thirty (30) Days of receipt of the notice, of its intention to participate in the Suspension or Debarment process. Failure to provide written notice of participation within this period shall be a waiver of the right to participate.

b. The CPO, upon notice, may suspend or debar a Person or Affiliate under Suspension or Debarment by the State or any federal procurement agency who has had a prior opportunity for hearing in connection with the Suspension or Debarment by the State or any federal procurement agency. The period of such Suspension or Debarment from Procurement with the University shall run concurrently with the Suspension or Debarment by the State or federal procurement agency.

6. Reinstatement After Debarment

a. A request for reinstatement shall not be considered until at least one (1) year after the effective date of the Debarment. At that time, the CPO may reinstate a debarred Person or Affiliate or rescind the Debarment upon a determination that the cause upon which the Debarment is based no longer exists or has been substantially mitigated.

b. Any debarred Person or Affiliate may request reinstatement by submitting a petition to the CPO supported by documentary evidence showing that the cause for Debarment no longer exists or has been substantially mitigated.

c. The CPO may require a hearing on the request for reinstatement.

d. The CPO shall make a written decision on reinstatement within thirty (30) Days after the request is filed and specify...
the factors on which it is based.

e. Decisions on reinstatement requests are not subject to appeal.

7. Limited Participation

(1) A University may allow a debarred Person or Affiliate to participate in Contracts with the University on a limited basis during the Debarment period upon a written determination that participation is advantageous to the University. The determination shall specify the factors on which it is based and define the extent of the limits imposed.

8. Hearing Procedure

(1) Hearings required or permitted under this ABOR Policy 3-809 shall be conducted pursuant to the provisions of ABOR Policy 3-809.E below.

E. Authority of Hearing Officer or Official Conducting Hearing

1. Any hearing required or permitted under this ABOR Policy 3-809 shall be conducted by the official with authority to make a final decision, or by a hearing officer appointed by that official.

2. A decision by a hearing officer or by the official with authority to make a final decision shall be based on the evidence presented at hearing and shall include findings of fact and conclusions of law. If the hearing officer does not have authority to make a final decision, the hearing officer’s decision and findings of fact and conclusions of law will be in the form of a recommendation to the official with authority to make the final decision.

3. A decision by a hearing officer shall only constitute a recommendation to be submitted to the official with authority to make a final decision unless the president, when appointing the
hearing officer, also authorizes the hearing officer to make a final decision.

4. A hearing officer or other official conducting any hearing under this Code shall have such powers and duties as are set forth in this ABOR Policy 3-809 and shall have all other powers and authority that an administrative law judge possesses under A.R.S. 41-1092.07

F. General Hearing Procedures

1. All hearings required or permitted under these rules shall be conducted as contested cases pursuant to these rules and the provisions of A.R.S. 41-1092 et seq.

2. It is the intention of this ABOR Policy 3-809.F to implement a hearing process substantially equivalent to that provided in A.R.S. 41-1092, et seq., and the regulations adopted thereunder, for hearings conducted by the Office of Administrative Hearings. If a procedure or process is not provided by this ABOR Policy 3-809F, the Prehearing and Hearing Procedures used by the Office of Administrative Hearings may be consulted for guidance and the hearing officer shall have the authority to use those Prehearing or Hearing Procedures in the hearing on the Contract Claim or Controversy.

3. Proper and adequate written notice of the time, date and place of hearings shall be made by the hearing officer.

4. All hearings shall be recorded manually or by a recording device. A transcribed record of the hearing shall be made available at cost to the requesting party.

5. The hearings shall be conducted in an informal manner without formal rules of evidence or procedure.

6. The hearing officer may:

September 2019
a. Hold pre-hearing conferences to settle, simplify, or identify the issues in the proceeding, or to consider other matters that may aid in the expeditious disposition of the proceeding;

b. Require parties to state their positions concerning the various issues in the proceedings;

c. Require parties to produce for examination those relevant witnesses and documents under their control.

d. Issue subpoenas to compel the production of testimony and documents.

e. Rule on motions, and other procedural items pending before such officer;

f. Regulate the course of the hearing and conduct of participants;

g. Establish time limits for submission of motions or memoranda;

h. Impose appropriate sanctions against any Person failing to obey an order under these procedures, which may include:

   (1) Refusing to allow the Person to assert or oppose designated claims or defenses, or prohibiting that person from introducing designated matters in evidence.

   (2) Excluding all testimony of an unresponsive or evasive witness; and

   (3) Expelling any person from further participation in the hearing.

i. Take official notice of any material fact not appearing in evidence in the record, if the fact is among the traditional
matters of judicial notice;

j. Administer oaths or affirmations; and

k. Take such other actions and exercise such other powers and authority as may be necessary for a fair, expeditious, and complete hearing.

7. Unless the hearing officer has been authorized to make a final decision, in accordance with this Code, the recommendation of the hearing officer shall be transmitted to the official with authority to make a final decision. The official may affirm, modify or reject the recommendation and order further appropriate proceedings. The recommendation, when affirmed or modified, signed by the official with authority to make a final decision, and filed, shall constitute the decision on the matter, which shall be final.

8. The decision shall be sent to all parties by certified mail, return receipt requested. The decision shall state that a party aggrieved by the decision may within ten (10) Days of mailing request a rehearing.

G. Rehearing or Review of Final Decision

1. Any party who is aggrieved by a final decision of the official with authority to make a final decision may file with the official, not later than ten (10) Days after mailing of the decision, a written request for rehearing of the decision specifying the particular grounds. A supporting affidavit shall accompany the request and shall provide the factual basis of the cause on which rehearing exists.

2. Parties to the hearing shall be notified of the request. A response may be filed by any Party to the hearing within five (5) Days after receipt of the notice. The official with authority to make a final decision may require the filing of written briefs and may provide for oral argument.

3. A rehearing of the decision may be granted for any of the following

September 2019
causes, when such causes have materially affected the requesting party's rights:

a. Irregularity in the proceedings or any order or abuse of discretion, whereby the requesting party was deprived of a fair hearing;

b. Misconduct of the official with authority to make a final decision, the hearing officer, or any party;

c. Accident or surprise that could not have been prevented by ordinary prudence;

d. Newly discovered material evidence that could not with reasonable diligence have been discovered and produced at the original hearing;

e. Excessive or insufficient penalties or remedies;

f. Abuse of discretion in the admission or rejection of evidence or other error of law occurring;

g. A showing that the decision is not justified by the evidence or is contrary to law.

4. A decision concerning a request for rehearing shall be in writing and state the basis for the decision. A decision granting a rehearing shall specify with particularity the basis on which the rehearing is granted, and the rehearing shall cover only those matters so specified.

5. The official with authority to make a final decision, within the time for filing a motion for rehearing under this ABOR Policy 3-809.G, may on his own initiative order a rehearing or review of the decision for any reason for which he might have granted a rehearing on motion of a party.

H. Master List

September 2019
1. The board shall maintain a master list of Debarments and Suspensions under this ABOR Policy 3-809. The master list shall show the following:

2. The names of those Persons and Affiliates whom the Universities or the board have debarred or suspended under this ABOR Policy 3-809.

3. The period of Debarment or Suspension, including the expiration date;

4. The basis for the Debarment or Suspension; and

5. A separate section listing Persons or Affiliates voluntarily excluded from participation in University Procurements.

I. Miscellaneous

1. Notwithstanding any law to the contrary, including the provisions of A.R.S. §§ 12-820, et seq., this ABOR Policy 3-809 and the procedures provided by this section shall be the exclusive procedures for asserting a claim against a University arising out of or in relation to any Procurement conducted or Contract awarded under this Code.

2. Any final decision of an official with authority to make a final decision in a matter referred to in this ABOR Policy 3-809 is subject to judicial review pursuant to A.R.S.§ 12-904 by any party to the proceedings before that official, including the University or Procurement Officer.

3. Any complaint seeking judicial review of a final decision shall be served upon the board within the time prescribed pursuant to A.R.S. 12-904.

4. The applicable procedures set forth in this ABOR Policy 3-809, including the procedure on rehearing set forth in ABOR Policy 3-
809G, if grounds for a rehearing exist, is a jurisdictional prerequisite to obtaining a final decision for which judicial review may be sought. The failure to complete any applicable procedure shall constitute a failure to exhaust administrative remedies.