

POLICY**3323.1 STATE CONTRACT/COOPERATIVE PURCHASING****Cooperative Purchasing**

The Board of Education recognizes that centralized, cooperative purchasing tends to maximize the value received for each dollar spent. The Administration is encouraged to seek savings that may accrue to this district by means of joint agreements for the purchase of goods or services with the governing body of the municipality or the county within whose boundaries the school district is wholly or partly located, or by means of contracts entered into by the New Jersey State Treasury Department, Division of Purchase and Property.

A cooperative pricing system is a purchasing system in which the lead agency advertises for bids, awards a master contract to the vendor providing for its own needs and for the prices to be extended to registered members, and notifies them of the bid prices awarded. The registered members then contract directly with the vendor for their own needs, subject to the specifications in the master contract.

A joint purchasing system is a cooperative purchasing system in which the lead agency has complete purchasing responsibility for the registered members, and the only contractual relationship is between the lead agency and the vendor.

A cooperative purchasing system is either a joint purchasing or cooperative pricing system.

When the lead agency is a Board of Education or Educational Service Commission and the entire membership of the cooperative purchasing system established and properly registered with the New Jersey Division of Local Government Services are Boards of Education, the purchase of work, materials or supplies shall be conducted pursuant to the Public Schools Contract Law (N.J.S.A. 18A:18A-11 et seq.).

The School Business Administrator/Board Secretary is hereby authorized to negotiate such joint agreements for goods and services which the Board may determine to be required and which the Board may otherwise lawfully purchase for itself with such approved contracting units as may be appropriate in accordance with State law, the policies of this Board, and the dictates of sound purchasing procedures.

No cooperative or joint purchase may be entered without Board approval of an agreement that specifies the categories of work, materials and supplies to be purchased; the manner of advertising for bids and the awarding of contracts; the method by which payment will be made by each participating Board of Education, municipality or county, and such other terms deemed necessary to carry out the purposes of the agreement. Agreements for cooperative and joint purchasing will be subject to all bidding requirements imposed by law. Purchases made through the State Treasury Department may be made without bid.

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Each participant's share of expenditures for purchases under any such agreement shall be appropriated and paid in the manner set forth in the agreement and in the manner as for other expenses of the participant.

The Board may by contract or lease provide electronic data processing services for the Board of Education of another school district; and may undertake with such other Board, the joint operation of electronic data processing of their official records and other information relative to their official activities, services and responsibilities. The records and other information originating with any Board participating in such contract or lease may be combined, compiled, and conjoined with the records and other information of any and all participating local units for the purposes of such electronic data processing; and any provisions of law requiring such records to be kept confidential or to be retained by any Board or any officer or agency thereof shall be deemed to be isolated thereby.

A contract or lease to provide electronic data processing services shall set forth the charge for all services provided, or in the case of a joint undertaking the proportion of the cost each party thereto shall assume and specify all the details of the management of the joint undertaking, and any other matters that may be deemed necessary for insertion therein, and may be amended from time to time by the contracting parties.

Any party to a contract for joint operation of electronic data processing services may act as agent for any or all parties in acquiring, by lease, purchase or otherwise, any property, facilities or services, in appointing such officers and employees as may be necessary and directing its activities, to the same extent as a Board of Education is authorized to do separately.

In the event that any controversy or dispute shall arise among the parties (except a municipality or a county) to any such agreement, the same shall be referred to the County Superintendent of the county in which the districts are situated for determination and the determination shall be binding, subject to appeal to the Commissioner of Education and the State Board of Education pursuant to law. In the event the districts are in more than one county, the controversy or dispute shall be referred to the County Superintendents of the counties for joint determination, and if they shall be unable to agree upon a joint determination within thirty days, the controversy or dispute shall be referred to the Commissioner of Education for determination.

In a cooperative purchasing system established and properly registered with the New Jersey Division of Local Government Services where the lead agency is a Board of Education or Educational Service Commission and the membership of the system is Boards of Education and local contracting units as defined in N.J.S.A. 40A:11-2(1), the purchase of any work, materials or supplies shall be conducted pursuant to the Local Public Contracts Law (N.J.S.A. 40A:11-1 et seq.) and N.J.A.C. 5:34-7.

POLICY**Multiple Year Contracts**

The Board of Education will enter a multiple year contract for goods and services permitted by law whenever the extended contract will serve the needs of the district and yield greater return for the expenditure.

The School Business Administrator/Board Secretary is directed to investigate the advantage to the district of multiple year contracts. Investigation should include, but need not be limited to, a comparison of the costs of multiple year and single year contracts, an analysis of trends in the costs and availability of the goods or services to be provided, the projected needs of the district, and an inquiry into the reliability and stability of the vendor.

Except for those contracts exempted from the requirement by law, all multiple year contracts will contain a cancellation clause or a clause conditioning annual extension of the contract on the appropriation of sufficient funds to meet the Board's obligation.

All multiple year contracts must be approved by the Board. When the estimated annual cost of a multiple year contract exceeds the bid threshold established by law and the subject of the contract is not exempt from bidding, the contract shall be advertised in accordance with law and the bidding procedures of this district.

N.J.S.A. 18A:18A-42; 18A:18A-42.1; 18A:39-3

N.J.A.C. 6:20-8.2

N.J.S.A. 18A:18A-10 through 14 et seq.

N.J.S.A. 40A:11-1 et seq.

N.J.A.C. 5:34-7

N.J.A.C. 6:20-8.7

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