

## STATE CONTRACTS

The Board of Education is authorized by the General Municipal Law §104, to make purchases of materials, supplies or equipment (except printed material), in excess of \$500, through the New York State Office of General Services (OGS) without competitive bidding.

The use of state purchase contracts is generally considered good business practice in view of the lower prices usually available through this method of purchasing. In addition, the Board does not bear the costs for developing bid specifications or advertising and other related purchasing expenses. A further benefit of this method of purchasing is on-going quality control of items by the Division of Standards and Purchase within OGS.

When state contracts are used, it is not necessary for the school district's purchasing agent to obtain informal quotations or formal bids. Purchase orders containing the state contract number and other pertinent information may be issued directly to the vendor. The school district is responsible for audit and inspection of the purchase, as well as payment to the vendor.

OGS periodically publishes "award" sheets containing names of vendors, item descriptions and pricing data. Information about purchasing through state contracts, including the applicable rules, is available from the Purchase Coordinator for State Political Subdivisions, Office of General Services, Standards and Purchase Group, 38th Floor, Corning Tower, Empire State Plaza, Albany, New York 12242.

Section 103(3) of the General Municipal Law also authorizes county governing boards to make provisions for purchases by school districts and other political subdivisions of materials, equipment or supplies under county contracts. As with purchases through the State, these purchases are exempt from the competitive bidding requirements of the law.

No purchase under a State or county contract may be made when a school district has already advertised and received bids on a purchase, unless it can be made upon the same terms, conditions and specifications, but at a lower price through OGS or the county. In either situation, the purchase must be made from a vendor holding a current State or county contract which has been extended to local political subdivisions. The fact that another vendor is offering goods at a price lower than under a State contract does not otherwise exempt the purchase from competitive bidding requirements.

The Board may permit nonpublic elementary and secondary schools within the school district to make purchases in excess of \$500 through OGS, provided the nonpublic school bears the cost of any administrative expenses incurred in connection with the purchase.

Under Correction Law 184, school districts are required to purchase goods manufactured in prisons from the Department of Correctional Services, unless the Commissioner of Corrections certifies that such goods are not available upon requisition. No claim for such types of goods may be audited or paid without a certificate. An application may be made to the Department for a waiver which would permit the purchase to be made from other sources pursuant to normal competitive bidding requirements. The amount of the purchase price may also be appealed on the ground that it unreasonably exceeds the fair market price.

The State Finance Law requires school districts to procure, when available, all suitable products and services, as determined by the Commissioner of General Services, which are manufactured, produced, assembled or provided by the blind or other severely handicapped persons, from approved, qualified charitable, non-profit making agencies. The Commissioner is responsible for determining the prices for such good and services, which are not to exceed in any unwarranted amount, the prevailing market prices for the same or equivalent goods or services.

Purchases of prison-made goods and from agencies for the blind and other severely handicapped persons are not subject to the competitive bidding requirements.

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