Kean University Operating Rules & Procedures for the use of State Contracts, GSA Schedules, State Cooperatives, and National Cooperatives
Applies: University-Wide
Issuing Authority: Chief Financial Officer
Responsible Officer: Associate Vice President for University Procurement & Business Services
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1. Purpose

To the maximum extent possible, the procurement of goods and services for Kean University will be conducted in an open and competitive environment to ensure that prices paid by Kean for those goods and services are fair and reasonable, and that procurements for Kean follow best in class ethical business practices. Pursuant to New Jersey law, Kean University may utilize State Contracts, GSA Schedules, State Cooperatives, and National Cooperatives for the procurement of goods and services for Kean University. These Operating Rules & Procedures shall replace prior procedures on this topic.

2. Accountability

At the direction of the Chief Financial Officer (CFO), the Associate Vice President of UPBS shall implement these rules and procedures and the deans, department chairs, department directors and users of the purchasing system.

3. Applicability

These rules and procedures apply to all authorized University departments and personnel who accept responsibility for using the purchasing system, which may only be used in accordance with the rules and procedures described below.

3.1. Resources & Relevant Kean Policies

- Kean University Operating Rules and Procedures for Procurement
- Kean University Operating Rules and Procedures for Contracts

4. Definitions

- Cooperative Pricing System: A purchasing system in which a local contracting unit advertises for bids and awards a master contract to a successful vendor for its own quantities and the estimated quantities submitted by the individual registered members.
- Cooperative Purchasing Agreement: A written contract procured for the benefit of two or more governmental entities to make purchases of goods or services.
- Nationally Recognized and Accepted Cooperative: Cooperative Purchasing Agreement available nationally and approved by the Director of the Division of Purchase and Property in the New Jersey Department for the purchase of goods and services.

- Bid Threshold: Bid threshold means the dollar limit placed on Kean University pursuant to N.J.S.A 18A:64O-9 to establish when public advertisement of bids is required. Kean Board of Trustee Resolution #22-03-07-26367 the bid threshold to $100,000.00.
- Cooperative: a type of cooperative arrangement, among public entities, to agree to aggregate demand to get lower prices from selected suppliers. It is often used by government agencies to reduce costs of procurement.
- Contracts: Contracts or agreements, or those interactions both written and verbal containing those elements that result in a contractual obligation to the University for the performance of work or the furnishing or hiring of services, materials or supplies, as distinguished from contracts of employment.
- Goods & Services: Any work, labor, commodities,equipment, materials, or supplies of any tangible or intangible nature, except real property or any interest therein, provided or performed through a contract.
- Public works: Building, altering, repairing, improving or demolishing any public structure or facility constructed or acquired by a contracting unit to house local government functions or provide water, waste disposal, power, transportation, and other public infrastructures.
- Purchase Order: After all the processes have been completed through the requisition process, the document known as the purchase order is then sent electronically to the requisitioner in order for them to forward it to their selected vendor. The purchase order is a formal document detailing specifically what is to be purchased, the terms, the supplier, ship to information, and all necessary data to complete ordering instructions to the vendor. Purchase Orders should be done for tangible goods, advertising, services, and construction.
- Quotation: The offering of a price for goods or services being sought by the University. A quote must be written and may be rescinded by the vendor before acceptance of a contract. Requesting quotations is a less formal procedure than a request for bids. An email may act as a written quote.

5. Rules and Procedures

UPBS is under the supervision of the CFO. The CFO has designated immediate supervision to the Associate Vice President of University Procurement & Business Services, who has day-to-day responsibility for all University purchasing and contracting and supervision of UPBS.

5.1. Pursuant to the *Kean University Operating Rules and Procedures for Procurement* and N.J.S.A. § 18A:64O-9, Kean University, with certain exceptions, is required to publicly advertise bidding opportunities for purchase in excess of the University Bid Threshold. P.L. 2021, c. 417 provides for a bid threshold of $100,000.00.

5.2. The University, without advertising for bids, or after having rejected publicly advertised bids, may purchase any materials, supplies, goods, services or equipment utilizing contract or contracts entered into on behalf of the following entities:

a. Contracts for goods and services entered into on behalf of the State by the Division of Purchase and Property. These are commonly referred to as “State Contracts”.

b. Contracts for goods and services entered into on behalf of any municipality or county in the State of New Jersey.
c. Federal Supply Schedules of the General Services Administration or schedules from other federal procurement programs.
d. Cooperative pricing system established pursuant to the laws of New Jersey.
e. A nationally recognized and accepted cooperative purchasing agreement approved by the New Jersey Department of Treasury.

5.3. All University purchasing will comply with State and Federal applicable laws and regulations in effect at the time of the purchase.

6. **State Contracts**

Departments may use without public bidding contracts for goods and services entered into on behalf of the State by the Division of Purchase and Property. These are commonly referred to as "State Contracts".

6.1. Procedure. Obtain a quote from a desired NJ State supplier referencing the NJ State Contract Number. The contract can be verified at https://www.njstart.gov/bso/external/advsearch/advancedSearch.sdo . Suppliers must provide W-9 and proof of New Jersey Business Registration. All documents must accompany the Department's requisition.

7. **Municipal & County Contracts**

Departments may use without public bidding contracts for goods and services entered into on behalf of any municipality or county in the State of New Jersey.

7.1. Procedure. Obtain a quote from a desired NJ State supplier referencing the municipal or county contract. Supplier must provide a copy of the contract, which should include a provision allowing the University to utilize the contract. Suppliers must provide W-9 and proof of New Jersey Business Registration. All documents must accompany the Department's requisition.

8. Federal Supply Schedules of the General Services Administration

Departments may use contracts entered into as part of the Federal Supply Schedules of the General Services Administration (GSA) or schedules from other federal procurement programs subject to the following conditions:

(1)the price of the goods or services being procured is no greater than the price offered to federal agencies;
(2)the University must receive the benefit of federally mandated price reductions during the term of the contract and is protected from price increases during that time; and
(3)the price of the goods or services being procured is no greater than the price of the same or equivalent goods or services under any State Contract, unless the University determines that because of factors other than price, selection of a vendor from the Federal Supply Schedules would be more advantageous to the University.

8.1. Procedure. Quote from selected GSA supplier referencing the GSA contract number. Department must provide a memo documenting the GSA schedule in fact complies with the University rules and procedures. Suppliers must provide W-9 and Proof of New Jersey Business Registration. All documents must accompany the Department's requisition.

9. **New Jersey State Cooperative**

Departments may use without public bidding contracts Cooperative pricing system established pursuant to the laws of New Jersey.

9.1. State Cooperative Membership. Kean University is a member of the following state cooperatives:

- Educational Data Services
- Educational Services Commission of New Jersey
- Hunterdon County Educational Services Commission
- Middlesex County Cooperative Bid
- NJEDGE

9.2. Procedure. Obtain a quote from a desired supplier referencing the New Jersey State Cooperative Contract Number. Suppliers must provide W-9 and Proof of New Jersey Business Registration. All documents must accompany the Department's requisition.

10. **National Cooperative Agreements**

Departments may use without public bidding contracts entered into on behalf of Nationally Recognized and Accepted Cooperative. These cooperatives are approved by the State by the Division of Purchase and Property. These are commonly referred to as "National Cooperatives". These contracts may only be used for the purchase of goods and services. Departments may not use National Cooperatives for Public Works Projects.

10.1. National Cooperative Membership. Kean University is a member of the following national cooperatives:

- BuyBoard
- E & I Cooperative Services
- NASPO ValuePoint
- National Cooperative Purchasing Alliance
- OMNIA Partners
- PEPPM
- Sourcewell
- The Interlocal Purchasing System (TIPS/TAPS)
- 1Government Procurement Alliance (1GPA)

10.2. Public Works Projects Prohibited. The use of national cooperative contracts is limited to contracts for the purchase of goods and services. National cooperative contracts may not be

used in “public works” or construction contracts. Under New Jersey law, “public works" means building, altering, repairing, improving or demolishing any public structure or facility constructed or acquired by a contracting unit to house University functions or provide water, waste disposal, power, transportation, and other public infrastructures.

There are several national cooperative contracts offering time and material contracts for work that fall under New Jersey public works or construction laws. For example, the University often undertakes projects to construct or install turf and synthetic turf fields, masonry, fencing, roofing, or indoor carpet flooring projects. The University may purchase materials from national cooperatives. However, the use of the national cooperative contract for installation, construction, and other custom build projects are likely prohibited. Prior to signing any such contract, the Department must submit the proposal for review of the project to be sure the work is not covered under New Jersey’s public works contracting laws.

10.3. Documenting Cost Savings is Required. If a Department requests to use a National Cooperative, the requesting Department must provide a memo demonstrating National Cooperative is the most advantageous purchasing option for the University. The memo must include one or more of the following justifications:

1. The national cooperative contract price is lower than current State contract pricing that will afford material cost savings;

2. The national cooperative contract price is lower than pricing for comparable goods or services of other State or public entity contracts;

3. Expanded product or service availability;

4. The ability to avoid the cost and time of a State procurement;

5. A record of satisfactory vendor performance;

6. The national cooperative contract price has lower minimum purchase requirements;

7. A comparatively better quality or goods or services; and

8. Administrative cost factors required to participate in national cooperative agreements.

10.4. Procedure. Obtain a quote from a desired National Cooperative supplier referencing the Cooperative Contract Number. Suppliers must provide W-9 and Proof of New Jersey Business Registration. All documents must accompany the Department’s requisition.

11. Notification of the State Comptroller. All purchases made under these rules and procedures are subject to N.J.S.A 52:15C-10(a). The Associate Vice President of University Procurement & Business Service shall notify the Office of the State Comptroller of contracts that meet or exceed the below thresholds as follows:

1)For contracts involving consideration or an expenditure of more than $2,500,000 but less than $12,500,000, no later than 20 business days after the contract award;

2)For contracts involving consideration or an expenditure of $12,500,000 or more, not less than 30 days prior to public advertisement or other public or private solicitation; and

3)For contracts issued pursuant to an emergency or public exigency involving consideration or an expenditure of more than $2,500,000, no later than 30 business days after the award of a contract.

12. Rule and Procedure Review and Distribution

These rules and procedures shall take effect immediately upon adoption by theCFO and shall be posted on the University Procurement & Business Services website. They shall be reviewed and amended as necessary.