

NEW JERSEY PROCUREMENT CODE

Fiscal Year End: June 30

1. **Prequalifications:** Some ITBs are designated as a set-aside, in which case, only prequalified vendors can bid.
 - a. **NJPS 52:32-25** → When a contract or portion thereof has been designated as a set-aside, invitations for bids shall be confined to businesses designated by the department as appropriate for the set-aside and bids from other bidders shall be rejected. The purchase, contract or expenditure of funds shall be awarded among the businesses, considering formality with specifications and terms, in accordance with the statutes and rules governing purchases by the contracting agency. The award shall be made with reasonable promptness by the contracting agency with written notice to the department
2. **Auto-drop:** None.
3. **Life Cycle Costing (LCC):** LCC will be included in ITBs as an evaluation criteria “whenever practicable”.
 - a. **NJPS 52:34-12.7.a** → Whenever advertising is required: (a) specifications and invitations for bids shall permit such full and free competition as is consistent with the procurement of supplies and services necessary to meet the requirements of the using agency and shall, wherever practicable, include such factors as life-cycle costs, sliding percentage preference scales, or other similar analysis as shall be deemed effective by the Director of the Division of Purchase and Property...
4. **Piggybacking:** Allowed.
 - a. **NJPS 52:34-6.2.7.a** → ...the Director of the Division of Purchase and Property in the Department of the Treasury may enter into cooperative purchasing agreements with one or more other states, or political subdivisions thereof, for the purchase of goods and services. A cooperative purchasing agreement shall allow the jurisdictions which are parties thereto to standardize and combine their requirements for the purchase of a particular good or service into a single contract solicitation which shall be competitively bid and awarded by one of the jurisdictions on behalf of jurisdictions participating in the contract.
 - b. **NJPS 52:34-6.2.7.b.1** → The director may elect to purchase goods or services through a contract awarded pursuant to a cooperative purchasing agreement whenever the director determines this to be the most cost-effective method of procurement. Prior to entering into any contract to be awarded or already awarded through a cooperative purchasing agreement, the director shall review and approve the specifications and proposed terms and conditions of the contract.
5. **Recycle Preferences:** Recycled goods preferred when competitive in quality and price
 - a. **NJPS 52:34-23** → In purchasing items which are made both with and without the use of any recycled materials, the Division of Purchase and Property, whenever the price is reasonably competitive and the quality adequate for the purpose intended, shall give preference to those items which are made in whole or in part from recycled materials.

6. **Minority/Small/Disadvantaged Business Enterprise preferences:** Goal to have 15% of contracts for small businesses, 7% for minority & 3% for female. 25% of state procurement to go to SBE, MBE, WBE.
- a. **NJPS 52:32-21.a** → There are established the goals that contracting agencies award at least 15% of their contracts for small businesses, at least 7% of their contracts for minority businesses and at least 3% of their contracts for female businesses. These goals may, where appropriate, be attained by the direct designation of prime contracts for small business, minority business or female business or, in the case of a prime contract not directly designated for small business, minority business or female business, by requiring that a portion of such a prime contract be subcontracted to a small business, minority business or female business. Each contracting agency shall make a good faith effort to attain the goals established in this section
 - b. **NJPS 52:32-21.b** → The goals established in subsection a. of this section shall be attained independently of each other, and any given contract may be counted for purposes of attaining the small business goal, the minority business goal, or the female business goal, but not towards more than one goal. Pursuant to the goals established by this act, a total of at least 25% of the State's procurement contracts shall be awarded to small businesses, minority businesses, and female businesses.

7. **Cooperative Purchasing**

National IPA

The City of Tucson, AZ has awarded a national cooperative purchasing agreement available to agencies through National Intergovernmental Purchasing Alliance (National IPA). Visit the National IPA website for state specific information <http://www.nationalipa.org/statutes.html>

National Joint Powers Alliance (NJPA)

NJPA currently supports over 100 national contracts for products and services that are available to local governmental agencies and other not for profit entities. Additional information can be found by visiting NJPA's State Procurement Resources web site.

<http://www.njpacoop.org/national-cooperative-contract-solutions/legal-authority/>

***NJ Permanent Statutes Database: http://lis.njleg.state.nj.us/cgi-bin/om_isapi.dll?clientID=82811&depth=2&expandheadings=off&headingswithhits=on&infobase=statutes.nfo&softpage=TOC_Frame_Pg42

To search for the text of a certain statute, type in the statute reference in quotations. (example: to find the text for LCC, type “52:34-12” into the search box).