

CHAPTER 12**PURCHASE BUREAU****Authority**

N.J.S.A. 52:18A-30(d), 52:25, 52:34-6 et seq., 52:32-17 et seq., 52:27H-6(f), 52:34-12(d), 10:5-36(k) and (o), 52:34-13; Executive Orders No. 34(1976) and No. 189(1988).

Source and Effective Date

R.1995 d.18, effective December 9, 1994.
See: 26 N.J.R. 3248(a), 26 N.J.R. 4166(a), 27 N.J.R. 128(b).

Executive Order No. 66(1978) Expiration Date

Chapter 12, Purchase Bureau, expires on December 9, 1999.

Chapter Historical Note

Chapter 12, Purchase Bureau, was filed and became effective prior to September 1, 1969. Subchapter 7, Debarment, Suspension and Disqualification of a Person(s), was filed on November 30, 1976 as R.1976 d.378 to become effective on December 1, 1976. See: 8 N.J.R. 490(a), 9 N.J.R. 47(b). Subchapter 6 was amended by R.1977 d.169, effective May 16, 1977, and Subchapter 2 was amended by R.1977 d.170, effective June 1, 1977. See: 9 N.J.R. 192(a) and (b), 9 N.J.R. 295(d) and (e). Chapter 12 was repealed and new rules were adopted as R.1979 d.132, effective March 30, 1979. See: 11 N.J.R. 95(a), 11 N.J.R. 264(a). Pursuant to Executive Order No. 66(1978), Chapter 12 was readopted as R.1984 d.328, effective August 6, 1984. See: 16 N.J.R. 867(a), 16 N.J.R. 2152(a).

Pursuant to N.J.S.A. 52:14B-4(c), Chapter 12 was readopted as Emergency R.1989 d.481, effective August 14, 1989 (expired October 13, 1989), and Subchapter 6, Contracts for Small Businesses, Female Businesses and Minority Businesses, was recodified at N.J.A.C. 17:13 as "Goods and Services Contracts for Small Businesses, Urban Development Enterprises and Micro Businesses". Subchapter 7, Debarment, Suspension and Disqualification of a Person(s), was recodified to Subchapter 6. A concurrent readoption of Chapter 12 was filed on October 13, 1989 as R.1989 d.554. See: 21 N.J.R. 2810(a), 21 N.J.R. 3545(b).

Pursuant to gubernatorial waiver, the Executive Order No. 66(1978) expiration date of Chapter 12 was extended from October 13, 1994 to February 28, 1995. See: 26 N.J.R. 4421(b). Pursuant to Executive Order No. 66(1978), Chapter 12 was readopted as R.1995 d.18. See: Source and Effective Date.

Law Review and Journal Commentaries

Battle for state contracts: What process is due in a challenge to a state contract award? Patrick D. Kennedy & Maeve E. Cannon, 180 N.J.Law. 16 (Mag.) (Oct./Nov. 1996).

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SUBCHAPTER 1. PURCHASE BUREAU DESCRIPTION OF ORGANIZATION**17:12-1.1 General course and method of operation**

(a) The official title of the Purchase Bureau is as follows: Department of the Treasury, Division of Purchase and Property, Purchase Bureau.

(b) The Purchase Bureau is under the direct supervision of the Director of the Division of Purchase and Property,

who is charged with the responsibility of making contracts or agreements and writing orders, the price of which is to be paid with or out of State funds. If the aggregate amount involved does not exceed the threshold established pursuant to N.J.S.A. 52:34-7, any purchase contract or agreement may be made, negotiated or awarded by the Director without advertising in any manner which he may deem effective and practicable to permit full and free competition.

(c) When the aggregate amount exceeds the threshold established pursuant to N.J.S.A. 52:34-7, 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. Any such purchase, contract or agreement where the cost or contract price exceeds the threshold referenced above may, with the written approval of the State Treasurer, be made, negotiated or awarded by the Director of the Division of Purchase and Property without advertising when the subject matter thereon is that described in N.J.S.A. 52:34-9 and 52:34-10.

(d) The director may authorize the signing of purchase orders on his behalf for such amounts as he may establish from time to time.

(e) When deemed to be in the best interest of the State, the Director may authorize the award of contracts on the following basis:

1. Line item;
2. Term contract;
3. Multi source contract; or
4. Waiver of Advertising.

As amended, R.1980 d.142, effective April 7, 1980.

See: 12 N.J.R. 158(a), 12 N.J.R. 293(a).

Emergency amendment, R.1989 d.481, effective August 14, 1989 (expired October 13, 1989).

See: 21 N.J.R. 2810(a).

In (b) and (c), aggregate amount of \$2,500 changed to threshold established by N.J.S.A. 52:34-7. Subsection (e) added.

Adopted concurrent proposal, R.1989 d.554, effective October 13, 1989.

See: 21 N.J.R. 2810(a), 21 N.J.R. 3545(b).

Provisions of emergency amendment R.1989 d.481 readopted without change.

17:12-1.2 Source for public information

(a) The public may receive information concerning the State purchase program and invitations to bid by contacting the Director of the Division of Purchase and Property, 135 West Hanover Street, Room 112, Trenton, New Jersey 08625.

(b) Subsequent to bid opening, all bid documents are considered public information, notwithstanding any other disclaimers submitted by the bidder to the contrary.

Emergency amendment, R.1989 d.481, effective August 14, 1989 (expired October 13, 1989).

See: 21 N.J.R. 2810(a).

In (a), address changed. Subsection (b) added.

Adopted concurrent proposal, R.1989 d.554, effective October 13, 1989.

See: 21 N.J.R. 2810(a), 21 N.J.R. 3545(b).

Provisions of emergency amendment R.1989 d.481 readopted without change.

17:12-1.3 Definitions

These words and terms, when used in this subchapter, shall have the following meanings unless the context clearly indicates otherwise.

“Bid security” means a guarantee, in the form of a bond or deposit, that the bidder, if selected, will accept the contract as bid; otherwise, the bidder (in the case of a deposit) or the bidder or his guarantor (in the case of a bond) will be liable for the amount of the loss suffered by the State, which loss may be partially or completely recovered by the State in exercising its rights against the deposit or bond.

“Day” means working day unless specifically noted otherwise.

“Line item” means a procurement item specified in the invitation for bids for which the bidder is asked to give individual pricing information and which, under the terms of the invitation, is usually susceptible to a separate contract award.

“Multi source contracts” means a commodity or service awarded to two or more bidders required to meet the needs of agencies in accordance with the provisions of N.J.S.A. 52:34-12.1. The Director shall take into consideration such factors as delivery and pickup locations, quantities, compatibility and cost, etc.

“Performance security” means a guarantee, executed subsequent to award, in the form of a bond or deposit, that the successful bidder will complete the contract as agreed and that the State will be protected from loss in the event the contractor fails to complete the contract as agreed.

“Term contract” means a contract in which a source or sources of supply are established for a specified period of time, usually characterized by an estimated or definite minimum quantity, with the possibility of additional requirements beyond the minimum, all at a predetermined unit price.

“Waiver of advertising” means a contract awarded without public advertisement pursuant to the provisions of N.J.S.A. 52:34-9 and 52:34-10.

Emergency amendment, R.1989 d.481, effective August 14, 1989 (expired October 13, 1989).

See: 21 N.J.R. 2810(a).

Definitions for “Day”, “Multi source contracts”, and “Waiver of advertising” added.

Adopted concurrent proposal, R.1989 d.554, effective October 13, 1989.

See: 21 N.J.R. 2810(a), 21 N.J.R. 3545(b).

Provisions of emergency amendment R.1989 d.481 readopted without change.