

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 490
PROPOSED COMMITTEE SUBSTITUTE H490-PCS10928-LE-28

Short Title: Purchasing Process for Community Colleges.

(Public)

Sponsors:

Referred to:

March 9, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO GRANT ADDITIONAL PURCHASING FLEXIBILITY TO COMMUNITY
3 COLLEGES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 115D-58.14 reads as rewritten:

6 "**§ 115D-58.14. Purchasing flexibility.**

7 (a) Community colleges may purchase ~~the same~~ supplies, equipment, and materials
8 from noncertified sources ~~as that~~ are available under State term contracts, subject to the
9 following conditions:

10 (1) The purchase price, including the cost of delivery, is less than the cost under
11 the State term contract; ~~and~~

12 (2) The cost of the purchase shall not exceed the bid value benchmark
13 established under ~~G.S. 143-53.1~~ G.S. 143-53.1; and

14 (3) The items are the same or substantially similar in quality, service, and
15 performance as items available under State term contracts.

16 (a1) Notwithstanding the provisions of this section, a community college may purchase,
17 in any lawful manner, an item that is neither available under State term contracts nor
18 substantially similar to an item available under State term contracts.

19 (b) The State Board of Community Colleges and the Department of Administration
20 shall jointly adopt policies and procedures for monitoring the implementation of this
21 section, including without limitation (i) definitions of substantial similarity, (ii) the
22 content and frequency of reports and audits of such purchases, and (iii) a process for identifying
23 any term contract existing as of October 1, 2009, with respect to which the exercise of
24 purchasing flexibility could constitute a breach of that contract.

25 In the formation of each new term contract entered into after October 1, 2009, the
26 Department of Administration shall, in its discretion, either provide in the contract for the
27 purchasing flexibility set out in this section or make the term contract inapplicable to
28 community colleges.

29 (c) The State Board of Community Colleges, in consultation with the Department of
30 Administration, shall review the purchasing process for community colleges and may increase
31 or decrease the purchasing/delegation benchmark for each community college based on the
32 college's overall capabilities, including staff resources, purchasing compliance reviews, and
33 audit reports. The State Board may, in its discretion, reduce a community college's
34 purchasing/delegation benchmark at anytime. The State Board shall not increase a community



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1 college's purchasing/delegation benchmark by more than fifteen percent (15%) in any calendar
2 year without the concurrence of the Department of Administration within 60 days of
3 submission. The maximum purchasing/delegation benchmark for a community college shall be
4 one hundred thousand dollars (\$100,000)."

5 **SECTION 2.** This act becomes effective October 1, 2009.