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## New Jersey Schools Insurance Group

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### Board of Trustees Meeting of March 15, 2017

#### Action Item

#### Second Policy Reading

#### Contracting Policies and Procedures Policy 6171

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As a public entity insurance group, NJSIG is required under N.J.A.C. 11:15-4.4 to comply with the Public School Contracts Law, N.J.S.A. 18A:18A-1, et seq. During the first reading of this contracting policy, discussion was raised as to whether the policy as originally introduced was too complex. To this end, NJSIG has developed a streamlined policy and a procurement manual to aid in complying with the PSCL. Thus, it is proposed that the Board adopt this contracting policy.

**Recommended Resolution:** Approve the Contracting Policies and Procedures Policy 6171 as a second reading.

*William Mayo*

William Mayo, CPCU, ARM  
Executive Director

# NJSIG Policies

Adopted: 03/17

Index #: 6171

Amended:

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Reviewed: 11/16

## CONTRACTING POLICIES AND PROCEDURES

- 1. Purpose: The purpose of the following policies and procedures are to ensure that contracts for goods and services with the New Jersey Schools Insurance Group ("NJSIG") are awarded on the basis of quality, price, and service in compliance with the Public School Contracts Law, N.J.S.A. 18A:18A-1, et seq.**
- 2. Policy: All NJSIG employees shall comply with the Public School Contracts Law, N.J.S.A. 18A:18A-1, et seq., and the NJSIG procurement and contracting manual. NJSIG procedures related to procurement and contracting shall be set forth in the NJSIG procurement and contracting manual, which may be amended at the discretion of the Executive Director.**
- 3. Effective date: These contracting policies and procedures shall take effect on March 15, 2017.**

~~**1. Purpose: The purpose of the following procedures is to ensure that third party contracts for goods and services with the New Jersey Schools Insurance Group ("NJSIG") are awarded on the basis of quality, price, and service. All contracts pursuant to these policies and procedures must be in writing in a form acceptable to NJSIG.**~~

### ~~**2. Definitions:**~~

~~**2.1.1. "Bid threshold" means an amount prescribed and published by the New Jersey Department of Local Government Services from time to time in accordance with N.J.S.A. 18A:18A-3.**~~

~~**2.1.1.1. If the NJSIG purchasing agent possesses a qualified purchasing agent certificate pursuant to N.J.S.A. 40A:11-9, the bid threshold means the dollar amount set in N.J.S.A. 18A:18A-3, above which NJSIG shall advertise for and receive sealed bids in accordance with procedures set forth in N.J.S.A. 18A:18A-1, et seq.**~~

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~~2.1.2. "Competitive contracting" is a process in which NJSIG contracts for specialized goods and services in which formal proposals are solicited from vendors; formal proposals are evaluated in conjunction with counsel as needed; and the NJSIG awards a contract to a vendor or vendors from among the formal proposals received.~~

~~2.1.3. "Professional services" means such services as defined in N.J.S.A. 18A:18A-5.~~

~~2.1.4. "Emergency contract" means a contract required to alleviate an emergency requiring the immediate delivery of goods or the performance of services, as defined in N.J.S.A. 18A:18A-1.~~

~~2.1.5. "Extraordinary unspecifiable services" means services which are specialized and qualitative in nature requiring expertise, extensive training and proven reputation in the field of endeavor, as set forth in N.J.S.A. 18A:18A-5.~~

~~2.1.6. "Concession" means the granting of a license or right to act for or on behalf of the NJSIG, or to provide a service requiring the approval or endorsement of the NJSIG, and which may or may not involve a payment or exchange, or provision of services by or to the NJSIG, provided that the term concession shall not include vending machines.~~

### ~~3. Threshold Amount; Professional Services:~~

~~3.1 Contracts Less than or equal to the Threshold Amount. Any contract, including concession contracts, to be awarded by NJSIG, other than a contract for professional services, for which the price or cost is less than or equal to the bid threshold, may be so awarded with the authorization of NJSIG without the solicitation of proposals.~~

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~~**3.2. Professional Service Contracts Greater than the Threshold Amount. Any contract, including concession contracts, to be awarded by NJSIG for which the price or cost is greater than the bid threshold, and which is a contract for (i) professional services, (ii) extraordinary unspecifiable services, or (iii) any other service described in N.J.S.A. 18A:18A-5, shall be subject to the policies and procedures contained in this policy, unless such contract is deemed by the NJSIG to be an emergency contract.**~~

~~**3.3. Contracts Greater than the Threshold Amount. Any contract, including concession contracts, to be awarded by NJSIG for which the price or cost is greater than the bid threshold, but is not a contract for (i) professional services, (ii) extraordinary unspecifiable services, or (iii) any other service described in N.J.S.A. 18A:18A-5, shall be subject to the public bidding requirements as prescribed under N.J.S.A. 18A:18A-1, et seq., unless such contract is deemed by the NJSIG to be an emergency contract.**~~

### ~~**4. Competitive Contracting:**~~

~~**4.1. Term. Any contract awarded by NJSIG may be for a period of 24 consecutive months, except that a contract for professional services may be awarded for a period not exceeding 12 consecutive months, or as otherwise provided by N.J.S.A. 18A:18A-1, et seq.**~~

~~**4.2. Requests for Proposals Requirements. The competitive contracting process shall utilize a request for proposals ("RFP") documentation in accordance with the following:**~~

~~**4.2.1. An RFP document shall be prepared which shall state the requirements deemed appropriate and necessary to allow for full and free competition between vendors; information necessary for potential vendors to submit a proposal; and a methodology by which NJSIG will evaluate and rank proposals received from vendors.**~~

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~~4.2.2. Awards shall be based on an evaluation and ranking, which shall include technical, management, and cost related criteria, all of which must be developed to meet the specific needs of NJSIG, but which may not illegally discriminate against otherwise capable vendors. The weight given to each evaluation category shall be set by NJSIG and may be disclosed to potential vendors in the discretion of NJSIG. No additional information may be provided to any vendor which could confer an unfair advantage over other vendors in the process.~~

~~4.3. Requests for Proposals Process. RFPs shall be solicited in accordance with the following:~~

~~4.3.1. An advertisement stating the availability of RFP documentation shall be published in a newspaper selected by NJSIG and posted on the NJSIG website at least 20 days prior to the date on which such proposals are due. RFP documentation shall be provided to any vendor who requests the same.~~

~~4.3.2. Each vendor shall submit a proposal which shall include all information required by the RFP. Failure to meet the RFP requirements may result in disqualification of such vendor from further consideration in the sole discretion of NJSIG.~~

~~4.3.3. NJSIG shall evaluate all submitted proposals in accordance with the methodology described in the RFP. A report shall be prepared evaluating the proposals and recommending the award of the contract. The report shall summarize all of the proposals submitted and rank each vendor per the evaluation. The report shall also provide a clear explanation as to why the selected vendor or vendors have~~

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~~been chosen and the specific terms that are to be incorporated into the contract.~~

~~4.3.4. NJSIG reserves the right to reject all proposals submitted for any reason in its sole discretion.~~

~~4.3.5. If the contract is to be awarded, NJSIG shall make said award within such time as provided in the RFP. The award shall be made to the vendor whose response is most advantageous to NJSIG, price and other factors considered.~~

~~4.3.6. Once awarded, the contract shall be signed by all parties within the time limit set forth in the specifications, unless an extension is agreed to by NJSIG and the successful bidder.~~

~~4.4. All contracts that are in the aggregate less than 15 percent of the bid threshold may be awarded by the purchasing agent without soliciting competitive quotations.~~

~~5. Reporting: By July 1 of each school year, the Executive Director shall submit a written report to the board on NJSIG contracts. The report shall include: a list of all NJSIG contracts that will be awarded, subject to renewal, or expire during the school year; and an explanation of all applicable federal and State laws, rules, and regulations relating to those contracts.~~

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~~**6. Official Newspaper: The official newspaper of NJSIG for the publication of notices related to this policy is the Burlington County Times, or such other newspaper of general circulation as may be determined annually by the board of NJSIG.**~~

~~**7. Effective date: These contracting policies and procedures shall take effect on January 1, 2017; provided however that NJSIG is authorized to take such anticipatory action prior to the effective date as it deems appropriate.**~~