



STATE OF ARKANSAS
**Department of Finance
and Administration**

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Memorandum

To: State Agencies, Boards and Commissions, Colleges and Universities
Co-op Purchasing Program Participants

ATTN: Chief Fiscal Officers, Purchasing Agents and Agency Purchasing Officials

From: Joseph A. Giddis

Date: February 15, 2006

Subject: **Office Supplies Contract**

Effective March 15, 2006 the Office Supply Contract will become mandatory for all state agencies, boards and commissions and colleges and universities. Public Schools districts that are part of the State Cooperative Purchasing program are encouraged to participate. Those State entities which have existing office supply contracts with other vendors will transition to the State Office supply contract as their current contracts expire. A specific exemption is granted for those State agencies which use minority vendors certified by the Arkansas Department of Economic Development for the purpose of meeting Executive Order goals for minority purchases. MBE certification may be verified at:

http://www.1800arkansas.com/small_business/

Changes to the state-wide office supply contract, terms and conditions will provide participating agencies, board and commissions and colleges and universities the opportunity to participate in an annual rebate program based on purchases and additional rebates based on "e-commerce" or "on-line" purchases. The new contract will also provide an expanded list of high use items and a overall increase in discounts from manufacturer's list prices, in addition to the rebate program.

Additional benefits are:

- 450 high use office supply items discounted up to 85% off list price

- Everyday Office Essentials Catalogue (over 4,000 items) discounted up to 70% off manufacturer's list price

- Remainder of the BSD Catalog up to 45% off manufacturer's list price

- Aggressive discounts for in-store reproduction, binding and laminating services

- Special classroom supplies and arts and crafts core list of 850 items for K-12 schools only

Applying the new pricing structure in the contract for sales Oct 2004 through Sep 2005, the State would have had total savings and rebates of \$596K. Rebates will be distributed back to the agency annually.

In accordance with Section 19-11-223 of the State Procurement Law, Colleges and Universities may request exemption from the contract by providing substantial economic justification to OSP.

The new office supply contract will be available March 15, 2006 on the Office of State Procurement website: http://www.arkansas.gov/dfa/procurement/pro_contracts.html

The OSP point of contact is Reba.Sims@dfa.state.ar.us. The Office Depot point of contact is michelle.oliver@officedepot.com

OFFICE DEPOT OFFICE SUPPLY CONTRACT NUMBER 42595

The Office of State Procurement has established a mandatory State-wide office supply contract through US Communities, with Office Depot being the supplier. **The new contract number is 42595. The AASIS material item number to use for all items purchased with Office Depot is 10124381. Office Depot's vendor account number is 10082444.**

To place orders, go directly into **Office Depot's website** link. Agencies and Corporative Purchasing participants must be registered with Office Depot in order to receive the contract pricing. If you have not registered please contact Reba Sims or Michelle Oliver, Office Depot Account Manager.

U.S. Communities website address is: www.uscommunities.org.

Exempt Minority Procurements

Agencies may purchase from minority vendors any of the items available on this contract. No wavier or other form of prior authorization is required unless otherwise noted. Agencies will, however, need to follow limitations established by the State Procurement Law for purchases that exceed \$5,000, and will need to document that purchases were in fact made from a minority provider as defined by § 15-4-313 (5) "Minority". Agencies that fail to maintain adequate records may be required to obtain authorization from OSP prior to making further purchases using this exemption.

Line Item Exemption

This agreement includes an exemption that authorizes an agency to seek competitive bids on any single line item when the dollar amount of that item either: a) exceeds \$5,000 when the contract unit price per each is less than \$5.00 or b) exceeds \$10,000 when the contract unit price is equal to or greater than \$5.00. Requests for quotations must specify the exact line item from the Office Depot contract, but may include "or equal" language. Opportunity to bid must be afforded to the current office supply contract holder. Any resulting award must be made to the lowest responsible, responsive bidder, but in no case may such award be made when the cost exceeds the unit price available on the current State Office Supply contract.

Restricted Item Purchases

The new office supply contract consists primarily of items available from Office Depot's merchandise catalog. Some of the items such as envelopes, paper and computer accessories are also available from other mandatory state contracts currently in existence. State agencies are advised to check existing mandatory contracts first and to purchase items from those contracts before purchasing like items from this agreement.