



To: City of Jacksonville
From: Eileen Youens, JD
Shannon Schelin, PhD
Date: May 2, 2008
Re: City of Jacksonville Cisco Convenience Contract

The UNC School of Government has been asked to render an opinion about the validity and legality of the use of the North Carolina Local Government Information Systems Association (“NCLGISA”) as a competitive bidding group purchasing program under North Carolina General Statute 143-129(e)(3) for purposes of the City of Jacksonville’s Cisco Convenience Contract (“the Contract”). The following opinion is not a recommendation for or endorsement of the products or services sold pursuant to the Contract, the Contract itself, or NCLGISA. It is simply an interpretation of how the competitive bidding group purchasing program exception applies to NCLGISA.

Under North Carolina law, when a local government subject to Article 8, Chapter 143 of the North Carolina General Statutes decides to purchase apparatus, supplies, materials, or equipment involving the expenditure of \$30,000 or more, that local government must follow certain statutory bidding procedures, unless an exception applies. G.S. 143-129 contains several exceptions to these bidding requirements. One of these exceptions, found in G.S. 143-129(e)(3), allows local governments to purchase apparatus, supplies, materials, or equipment through a “competitive bidding group purchasing program” instead of following the bidding requirements in Article 8. G.S. 143-129(e)(3) defines “competitive bidding group purchasing program” as “a formally organized program that offers competitively obtained purchasing services at discount prices to two or more public agencies.” NCLGISA appears to be a competitive bidding group purchasing program as defined in G.S. 143-129(e)(3).

Accordingly, local governments subject to Article 8, Chapter 143 of the North Carolina General Statutes have the authority to purchase apparatus, supplies, materials, or equipment through NCLGISA under the competitive bidding group purchasing program exception in G.S. 143-129(e)(3), unless such purchases are inconsistent with local policies or procedures.