

Group 40524 – Award 23000 SCHOOL BUSES (STATEWIDE)

HOW TO USE THE CONTRACT

PROCUREMENT INSTRUCTIONS

Authorized Users should follow the following procurement instructions when purchasing School Buses from the Contract(s).

- A. When utilizing the Contract, the Authorized User should be familiar with and follow the terms and conditions governing its use. The Authorized User is accountable and responsible for compliance with the requirements of public procurement processes. The Authorized User, when purchasing from OGS contracts, should hold the Contractor accountable for Contract compliance and meeting the Contract terms, conditions, specifications, and other requirements. Also, in recognition of market fluctuations over time, Authorized Users are encouraged to seek improved pricing whenever possible. Authorized Users have the responsibility to document purchases which should include:
 - A statement of need and associated requirements;
 - Obtaining all necessary prior approvals;
 - A summary of the Contract alternatives considered for the purchase; and
 - The reason(s) supporting the resulting purchase (e.g., show that basis for the selection among multiple Contracts at the time of purchase was the most practical and economical alternative and was in the best interests of the State).
- B. The Contracts under Award 23000 are multiple award for each Item. Authorized Users shall follow their applicable procurement guidelines when making a purchase. Awarded Contractors' Product offerings, Contract and pricing information will be posted to the OGS website at <http://ogs.ny.gov/purchase/spg/awards/4052423000CAN.HTM>.
- C. Authorized Users shall issue Purchase Order(s), as described in Contract Section II.12.1 *Purchase Orders*, directly to the Contractor(s), specifying the School Bus required and shipping/delivery requirements. Authorized users should follow up with Contractor if they do not receive order acknowledgement within five (5) days.
- D. Upon Authorized User acceptance of School Buses itemized on the Purchase Order, Contractor(s) shall invoice the Authorized User for the School Buses, and accordingly, Authorized User shall arrange for payment. Payment shall not be made until a NYS DOT "Regular Certificate of Inspection" (not a short term certificate) has been issued.
- E. The Contractor is advised that Authorized User personnel shall not be authorized to obligate or bind the respective entity to contractual terms and conditions; therefore, there shall be no obligation to execute any Contractor documents that are not set forth in the Contract. See also Contract Appendix B §30 *Purchase Orders*.

FORD FIN CODES

New York State and Ford Motor Company have reached an understanding regarding Ford's FIN Code requirements. For further information, please contact Ford Motor Company Government Account Manager, Donald Cobb by telephone at 203-971-8672 or via email at dcobb@ford.com.

PRICE

Pricing for School Buses to be provided under the Contract shall be subject to the terms and conditions as below:

BASE ITEM, OPTIONAL EQUIPMENT AND ADDITIONAL BODY SECTIONS PRICE

The Base Item, Optional Equipment, and Additional Body Section NYS Contract Prices shall include any OEM fees, all customs duties and charges, all vehicle preparation and clean-up charges, NYS DOT inspection, installation charges,

delivery and all other incidentals normally included with providing the applicable Product under the Contract. Pursuant to Contract Appendix B §33 *Shipping/Receipt of Product*, freight terms are F.O.B. Destination.

The Contractor must offer Base Items, Optional Equipment and Additional Body Sections sold under the Contract at net prices that are equal to the applicable NYS Contract Price that is listed on the Contract Pricelist, or less. The Optional Equipment NYS Contract Price is based on adding to or deleting the Optional Equipment from the Base Item and the applicable Base Item NYS Contract Price. The Additional Body Section NYS Contract Price is based on adding the Additional Body Section to the Base Item and the applicable Base Item NYS Contract Price.

Contractors will be required to deliver School Buses in accordance with Contract Section III.4 *Delivery*, and the Base Item NYS Contract Price shall include the delivery charge. However Authorized Users, at their sole discretion, may pick up School Bus(es) at the Contractor location and shall be given a Pick Up Allowance equal to or greater than the dollar amount listed on the Contract Pricelist for the applicable Item. This Pick Up Allowance shall be included as a separate line item on the Authorized User's invoice.

ADDITIONAL OPTIONS PRICE

- A. The Contractor must offer all Additional Options sold under the Contract at either the Additional Options NYS Discount listed on the Contract Pricelist, or a greater discount.
- B. The Additional Options NYS Discount shall be applied to the MSRP on the current OEM Data Book or Contractor-Published Pricelist, as applicable, to yield the NYS Contract Price, as follows:
 1. Chassis. The Additional Options NYS Discount shall be applied to the MSRP included on the OEM Data Book. If the Additional Options offered are not offered directly from the OEM, then the Additional Options NYS Discount shall be applied to the MSRP included on the Contractor-Published Pricelist;
 2. Body. The Additional Options NYS Discount shall be applied to the MSRP included on the Contractor-Published Pricelist;
 3. Credits. The Additional Options NYS Discount shall not apply when either an option is being deleted from the Base Item, or when an Additional Option with an MSRP that is a credit (e.g., -\$20.00), is being added to the Base Item. The credit for such features shall be applied to the Base Item NYS Contract Price before applicable discounts are applied; and
 4. Replacement Parts. The discount for replacement parts shall be equal to or greater than the Additional Options NYS Discount, and shall apply to the MSRP on the OEM Data Book or Contractor-Published Pricelist as applicable. See Contract Section III.2.8 *Replacement Parts*.
- C. When an Additional Option is either being added to or deleted from the Base Item specifications, or upon request, Contractors are required to give the Authorized Users a copy of the OEM Data Book or Contractor-Published Pricelist for the applicable Additional Option. Any addition or deletion must be clearly shown on the invoice and clearly show the MSRP, the application of the Additional Options NYS Discount for the Additional Option, and the resultant NYS Contract Price.
- D. The NYS Contract Price for Additional Options offered by the Chassis or Body OEM shall include any and all labor, installation, fittings, connections, etc., that might be needed to attach the Additional Option to the Chassis or Body so that the Additional Option operates to the Additional Option's full design capabilities; there shall be no additional up-charges, fees, etc., for adding Additional Options offered by the Chassis or Body OEM. The Contractor may add normal, published labor rates to install Additional Options that are not offered directly from the OEM, and such labor rates shall not be more than what is charged to the public at large.
- E. If the Contractor sells an Additional Option to the public at large with pricing that is lower than the application of the Additional Options NYS Discount to the MSRP, then the price that is charged to the public at large shall be charged to Authorized Users. This shall be clearly shown on the invoice as a "Special Value" or by some other phrase or identifying designation.

PURCHASE ORDERS AND INVOICING

All Purchase Orders and invoices/vouchers shall include the Contract number and a line by line listing of separate charges. Order confirmation shall mean that the Contractor has received the purchase order, has reviewed it for compatibility with the Product currently on Contract, has resolved any non-compatibility problems with the Authorized User, and has entered the order with the manufacturer and that the manufacturer has accepted the order and assigned an order number and anticipated build and delivery dates.

PURCHASE ORDERS

Purchase orders are to include the following information:

- A. Contract number;
- B. Contractor business name;
- C. Lot and Item designation of the School Bus;
- D. Make, Model and Model Code of the School Bus;
- E. Optional Equipment, Additional Body Sections, and Additional Options, if applicable;
- F. Liquidated damages, if any;
- G. Calculation of NYS Contract Price, including Additional Options NYS Discount; and
- H. Specific designation of special price(s) which may be better than the NYS Contract Price.

INVOICES

Authorized Users are instructed not to process invoices that do not include the required information set forth below. Invoices must be detailed and include in the body of the invoice or an attachment to the invoice **all** of the following items. Failure to comply may result in lengthy payment delays. Invoices shall include, at a minimum, the following information:

- A. Contract number;
- B. NYS Vendor ID;
- C. Purchase Order number;
- D. Lot and Item designation of the School Bus;
- E. Make, Model and Model Code of the School Bus;
- F. Optional Equipment, Additional Body Sections, and Additional Options, if applicable;
- G. Calculation of NYS Contract Price, including Additional Options NYS Discount; and
- H. Breakdown of liquidated damages, if any (see Section V.4.6 *Liquidated Damages*);

CONTRACT PAYMENTS

Payments cannot be processed by Authorized Users until the School Bus been delivered and accepted. Payment shall be based on any invoice used in the Contractor's normal course of business. However, such invoice must contain all requirements in *Purchase Orders and Invoicing*, including description of the School Bus as well as NYS Vendor ID.

It is imperative that Authorized Users make every effort to process invoices for payment within a reasonable period of time. However, if there are any problems that will delay payment, the contractor should be notified.

The following payment terms and conditions for School Buses shall apply to Contract purchases.

1. School buses shall be inspected by the NYS DOT Passenger Carrier Safety Bureau, or an authorized representative thereof, and shall have a "Regular Certificate of Inspection" prior to delivery by the Contractor. When predetermined by a Contractor-purchaser documented agreement predating the delivery, the School Bus may be delivered without this certificate, but the "Regular Certificate" shall be provided within two (2) weeks after delivery by the contractor.

2. Except as predetermined by a Contractor-purchaser agreement prior to placement of the order and/or delivery, the payment shall be made immediately after inspection for a School Bus delivered without its regular certificate, when the regular certificate is issued by the NYS DOT Passenger Carrier Safety Bureau, or an authorized representative thereof.
3. When a School Bus is delivered the Authorized User may process the invoice for the full amount of the NYS Contract Price if, in its opinion, the School Bus is in compliance with the specifications. However, if poor workmanship and/or minor deviations exist, the Authorized User may withhold up to twenty percent (20%) of the NYS Contract Price upon delivery and delay payment of the balance until the Contractor has made all necessary corrections. The Authorized User may withhold the full amount of the NYS Contract Price if, in its opinion, the School Bus contains major deviations from specification. However, Contractor must be notified, in writing, of the reasons for delay of payment.
4. **Payment shall be made upon delivery (except as predetermined by a Contractor-purchaser agreement at time of placement of the order) when a regular certificate (not a short term certificate) has been issued.**

"OGS OR LESS" GUIDELINES APPLY

Purchases of the products included in this Contract are subject to the "OGS or Less" provisions of New York State Finance Law § 163(3)(a)(v). This means that State agencies can purchase products from sources other than the Contractor provided that such products are substantially similar in form, function or utility to the products herein and are:

1. Lower in price
-And/Or-
2. Available under terms which are more economically efficient to the State agency (e.g. delivery terms, warranty terms, etc.).

State agencies are reminded that they must provide the Contractor an opportunity to match the non-contract savings at least two Business Days prior to purchase. In addition, purchases made under "OGS or Less" flexibility must meet all requirements of law including, but not limited to, advertising in the New York State Contract Reporter, prior approval of the Comptroller's Office and competitive bidding of requirements exceeding the discretionary bid limit.

NON-STATE AGENCIES PARTICIPATION IN CENTRALIZED CONTRACTS

New York State political subdivisions and others authorized by New York State law may participate in centralized contracts. These include, but are not limited to local governments, public authorities, public school and fire districts, public and nonprofit libraries, and certain other nonpublic/nonprofit organizations. See Contract Appendix B §25 *Participation in Centralized Contracts*. For Purchase Orders issued by the Port Authority of New York and New Jersey (or any other authorized entity that may have delivery locations adjacent to New York State), the terms of Contract Section III.1 *Price* shall be modified to include delivery to locations adjacent to New York State.

Upon request, all eligible non-State agencies must furnish Contractors with the proper tax exemption certificates and documentation certifying eligibility to use State contracts. Questions regarding an organization's eligibility to purchase from New York State Contracts may also be directed to Procurement Services Customer Services at 518-474-6717.

POOR PERFORMANCE

Authorized Users should notify Procurement Services Customer Services promptly if the Contractor fails to meet the requirements of the Contract. Performance which does not comply with requirements or is otherwise unsatisfactory to the Authorized User should also be reported to Customer Services:

Office of General Services
Procurement Services
Customer Services
38th Floor Corning Tower
Empire State Plaza
Albany, NY 12242

Tel: 518-474-4163
Email: matthew.jones@ogs.ny.gov