

HOUSE JOINT RESOLUTION NO. 60

Directing the Joint Legislative Audit and Review Commission to study the feasibility and effectiveness of requiring local school divisions to contract collectively in certain areas of procurement. Report.

Agreed to by the House of Delegates, March 4, 2010

Agreed to by the Senate, March 2, 2010

WHEREAS, the current economic conditions on both a statewide and a local scale have put added financial pressures on local school division budgets; and

WHEREAS, as corporate bodies, local school boards are empowered to make contracts pursuant to § 22.1-71 of the Code of Virginia and may enter into contracts for both goods and services; and

WHEREAS, pursuant to § 2.2-4304 of the Code of Virginia, any public body is authorized to participate in, sponsor, conduct, or administer a cooperative procurement agreement on behalf of, or in conjunction with one or more other public bodies, public agencies or institutions or localities of the several states, of the United States or its territories, the District of Columbia, or the U.S. General Services Administration, to increase efficiency or reduce administrative expenses in any acquisition of goods and services; and

WHEREAS, the Department of General Services has demonstrated the power of leveraged buying through several programs used by agencies, institutions, and some local governments and school systems, such as the Virginia Partners in Procurement and Statewide Leveraged Contracts, the Virginia Distribution Center, and the eVA-Electronic Procurement Programs; and

WHEREAS, there may be school divisions in the Commonwealth already utilizing the approach authorized by § 2.2-4304 of the Code of Virginia; and

WHEREAS, collective procurement or "cooperative purchasing" may allow local school divisions to leverage their purchasing power, thereby using taxpayer dollars more effectively; and

WHEREAS, the various legal, economic, and policy issues regarding effective collective procurement merit study to ensure that the Commonwealth's system of free public schools operates in the most cost-effective manner while delivering the highest quality education; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Legislative Audit and Review Commission be directed to study the feasibility and effectiveness of requiring local school divisions to contract collectively in certain areas of procurement.

In conducting its study, the Joint Legislative Audit and Review Commission (Commission) shall examine (i) current procurement practices of local school divisions; (ii) the success of any school divisions already utilizing a cooperative procurement approach; (iii) certain areas of procurement that would benefit from either a statewide contract or multiple division contract, including health care; (iv) cost savings to local school divisions from such a requirement; (v) the appropriateness of mandating certain collective procurement contracts with local governments; (vi) the potential impact of authorizing school divisions to retain any savings realized by such a mandate; and (vii) such other issues as it deems appropriate.

All agencies of the Commonwealth shall provide assistance to the Commission for this study, upon request.

The Joint Legislative Audit and Review Commission shall complete its meetings for the first year by November 30, 2010, and for the second year by November 30, 2011, and the chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the next Regular Session of the General Assembly for each year. Each executive summary shall state whether the Joint Legislative Audit and Review Commission intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summaries and reports shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.