

Purchasing Consortium Rules of Operation

1) Entrance Requirements for Membership in Consortium

Any PAISBOA member school may apply to join the Purchasing Consortium by sending an application signed by an officer of the school, and submitting a one-time payment equal to \$2 per student to the PAISBOA office.

As a part of the processing the Application, the Business Officer will meet with the Associate Director of PAISBOA and discuss with him the commitments associated with the various agreements then in place, so that there is a general understanding of the expectations for participation before the application is accepted.

2) Exit Requirements for Membership in Consortium

Members may terminate their PAISPC membership at any time provided t they have given sixty (60) days advance notice to the Chairman of the Purchasing Consortium Steering Committee.

It is understood that after the effective date, the school will not be entitled to participation in any PAISPC Agreements and that the enrollment fee will be forfeited.

3) Cost of Entry

The initial cost of entry for PAISPC will continue to be a one-time fee of \$2/student payable at the time of application.

In order to fund the ongoing costs of operation, an administrative fee of from 1- 3 % shall be built into the pricing by vendors and remitted by them to the Treasurer of PAISBOA. Such fees will be taken into consideration in the calculation of the net savings attributed to the pricing determined under the Agreement.

4) Meeting / Attendance Requirements

Representation and/or participation at an Annual Meeting of PAISPC Members, is required in order to stay current with the operations of the Consortium

5) Participation Expectation / Requirements

Member schools agree to support and utilize the Consortium negotiated agreements for goods and services, and, to adhere to the rules and procedures as set forth in this agreement. The Purchasing Consortium pricing information is strictly confidential and is not to be shared with any supplier or anyone else outside your school. Consortium pricing may not be used as a negotiating tool by member schools. Violation of these guidelines severely dilutes the negotiating power and value of collective procurement, which discourages, and (in some cases) drives vendors away. In short, "Compare, don't share."

Generally, PAISPC members are expected to use the PAISPC vendors to the extent possible. Specifically, the expectation regarding member participation shall be determined in connection with every agreement, approved by the Steering Committee and communicated to the membership at the time of implementation. Agreements shall be classified as either required or optional with the following understanding:

Required – Schools should implement the agreement at the first reasonable opportunity.

Each year, the Manager will issue a Saving Report which will reflect participation in each Agreement. In view of the importance of the commitment to consider the products and services offered by PAISPC vendors, after each year's saving report, the Business Manager shall have the opportunity (responsibility) to attend a meeting organized to communicate the value and benefits of Agreements.

Thereafter it shall be the responsibility of the Business Officer, after receiving the Annual Savings Report, to provide information to the PAISBOA's Associate Director and Steering Committee Chairman as to why "required agreements" are not being used as well as comment on those optional vendors not selected during the year. This feedback shall be given within 30 days of receiving the savings report.

Since the revenue for the Association and the accuracy of the savings calculations, it is incumbent for the school Business officers to carefully review the volumes in the savings in the Annual Savings Report, and communicate any material differences to the Consortium Manager.

Optional – If the school has a requirement for the product or service, provided under an optional agreement, it is incumbent on them to at least request and consider a proposal form that vendor.

The Steering Committee reserves the right to meet with the member and review the facts and circumstances to determine if any action regarding membership participation or status is necessary and sign off on the exceptions,

6) Disengagement / Reengagement Rules

- See # 1 and 2 above

7) Steering Committee Responsibilities

The PAISPC Steering Committee shall be composed Business Officers from a representative group of PAISPC participating schools

The PAISPC Steering Committee shall provide oversight and guidance to the operation of PAISPC, including but not limited to:

- The review of initial and subsequent renewal of Vendor Agreements
- The review of the Annual Reports reflecting member participation and the subsequent school comments
- Review and decisions regarding school reports explaining exceptions to required agreements

8) Relationship with Consultant / Brokers

Al Greenough, as Associate Director of PAISBOA, is under contract to manage the operation of the Consortium for which PAISBOA pays him a portion of the fees collected from the vendors.