

**STATE BOARD OF COMMUNITY COLLEGES**  
**System-Wide Term Contracts**

**Background:** The North Carolina Government Efficiency and Reform (NC GEAR) program was proposed by Governor McCrory in 2013 to develop a strategic transformation plan for state government. The General Assembly formalized the program in legislation that same year, and NC GEAR began the most comprehensive effort to analyze and reform operations of state government in over two decades.

As a result of the NC GEAR study, the Office of State Budget and Management was directed by the General Assembly to work with the Community College System Office as part of this strategic transformation plan to develop system-wide commodity contracts that will generate savings, cost avoidance, enhance customer service and better meet the specific procurement needs of our colleges.

**Proposal:** The System Office, working in collaboration with the Division of Purchase & Contract, recently awarded a new system-side term contract for welding equipment and accessories.

**Method of Procurement:** An Invitation for Bids was used to solicit competition for this procurement.

**Current Status:** On April 21, 2016, the Division of Purchase & Contract awarded a system-wide term contract to Arc3 Gases in the amount of \$6,000,000 for all Miller welding equipment & accessories with 31%-33% discount based on volume. This contract, which expires April 20, 2019, should generate savings of \$1.86M to \$1.98M over the three year term.

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