



2011 CAPA Fall Conference

Cooperative Procurement Opportunities & How it Works



WELCOME

Presenter:

Teresa “Terri” Hudgins, CPPB, VCO

teresa.hudgins@vsp.virginia.gov

804-674-2021



Cooperative Procurement Opportunities & How it Works

- Objectives:
 - What specific laws govern
 - Process and procedures
 - Specific examples of opportunities
 - Discussion



- Who are we:
 - Public Bodies
 - Municipal Governments: county, city or town
 - Authorities
 - State Agencies
 - Institutions of Higher Education



Virginia Public Procurement Act (VPPA)

Portions of section only

§ 2.2-4304. Cooperative procurement. -- A. Any public body may participate in, sponsor, conduct, or administer a cooperative procurement agreement on behalf of or in conjunction with one or more other public bodies, or 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, for the purpose of combining requirements to increase efficiency or reduce administrative expenses in any acquisition of goods and services.

A public body may purchase from another public body's contract even if it did not participate in the request for proposal or invitation to bid, if the request for proposal or invitation to bid specified that the procurement was being conducted on behalf of other public bodies, except for:

- 1. Contracts for architectural or engineering services; or**
- 2. Construction in excess of \$200,000 by a local public body from the contract of another local public body that is more than a straight line distance of 75 miles from the territorial limits of the local public body procuring the construction. The installation of artificial turf or other athletic surfaces shall not be subject to the limitations prescribed in this subdivision. Nothing in this subdivision shall be construed to prohibit sole source or emergency procurements awarded pursuant to subsections E and F of § 2.2-4303.**



Virginia Public Procurement Act (VPPA)

Portions of section only

§ 2.2-4304. Cooperative procurement.

In instances where any authority, department, agency, or institution of the Commonwealth desires to purchase information technology and telecommunications goods and services from another public body's contract and the procurement was conducted on behalf of other public bodies, such purchase **shall be permitted if approved by the Chief Information Officer of the Commonwealth.** Any public body that enters into a cooperative procurement agreement with a county, city, or town whose governing body has adopted alternative policies and procedures pursuant to subdivisions 9 and 10 of § 2.2-4343 shall comply with the alternative policies and procedures adopted by the governing body of such county, city, or town.



Virginia Public Procurement Act (VPPA) Portions of section only

- B.** Subject to the provisions of § § 2.2-1110, 2.2-1111, 2.2-1120 and 2.2-2012, any authority, department, agency, or institution of the Commonwealth may participate in, sponsor, conduct, or administer a cooperative procurement arrangement on behalf of or in conjunction with public bodies, private health or educational institutions or with public bodies . . . **In such instances, deviation from the procurement procedures set forth in this chapter and the administrative policies and procedures established to implement this chapter shall be permitted, if approved by the Director of the Division of Purchases and Supply.**
- C.** As authorized by the United States Congress and consistent with applicable federal regulations, and provided the terms of the contract permit such purchases:
1. . . . may purchase goods and nonprofessional services, other than telecommunications and information technology, from a U.S. General Services Administration contract or a contract awarded by any other agency of the U.S. Government, **upon approval of the director of the Division of Purchases and Supply of the Department of General Services.**



Virginia Public Procurement Act (VPPA)

Portions of section only

§ 2.2-4304. Cooperative procurement

2. . . . may purchase telecommunications and information technology goods and nonprofessional services from a U.S. General Services Administration contract or a contract awarded by any other agency of the U.S. Government, **upon approval of the Chief Information Officer of the Commonwealth; and**

3. **Any county, city, town, or school board may purchase goods and nonprofessional services from a U.S. General Services Administration contract or a contract awarded by any other agency of the U.S. Government.**



- **State Agencies and Institutions** *Note: With Institutions of Higher Education there are four (4) Tier III institutions (UVA, VA Tech, VCU and W&M) that do not follow the VPPA but have a Management Agreement which provides their governing rules. Also, there are Higher Education Institutions that are classified as Virginia Association of State Colleges and University Purchasing Professionals (VASCUPP) institutions and in those circumstances they follow a Higher Education Manual rather than the DPS Agency Procurement and Surplus Property Manual (APSPM).

KNOW Who and What you are Governed by

- **APSPM Chapter 3 General Procurement Policies**
Section 3.7 Cooperative Procurement Among State Agencies
“. . . Additional agencies and institutions not specifically named in the solicitation desiring to purchase from another public body’s contract **may do so if the original solicitation specified that the procurement was being conducted on behalf of other public bodies and the issuing public body modifies the contract in writing with concurrence from the contractor to add the specific agency or institution.**”



APSPM Chapter 3 General Procurement Policies

Section 3.7 Cooperative Procurement Among State Agencies (con't)

Section 3.7. a. addresses Sponsoring a Cooperative Procurement - Can not sponsor, conduct or administer **if expected to exceed their delegated purchasing authority without advanced approval from the Director of the Division of Purchases and Supply.**

Must include “Additional Users” clause. Lead agency shall administer the program in accordance with Chapter 10 of the APSPM. Vendor complaints and disputes will be managed by the ordering entity, but the lead agency should be provided copies of any such complaints or disputes.



APSPM Chapter 10 Contract Administration

Section 10.21 Cooperative Procurement Contract Administration

Overall administration of multi-user contracts (cooperative procurements) shall remain the responsibility of the issuing state agency or institution.

Procedures for contract administration by the issuing agency include:

- a.**
- b.**
- c.**
- d.**
- e.**

Participating agencies should fully administer their portion of the contract without direct administration from the issuing agency. Procedures for contact administration by the using agency include:

- a.**
- b.**
- c.**
- d.**



State Agencies and Institutions

Telecommunications and Information Technology

Virginia Information Technologies Agency (VITA)

IT Procurement Policy Manual: BUY IT

Chapter 1 1.10.3 Cooperative procurement arrangements or approval to purchase IT or telecommunications from another public body's contract

Chapter 20 Cooperative and GSA Contract IT Procurement

Appendix A Cooperative Procurement Quick Facts

Appendix B Steps for Ordering IT Services Utilizing GSA Schedule 70

Note: Negotiate !! GSA pricing is the maximum price.

Appendix C IT Cooperative Procurement Approval Request Form



Localities

Not all jurisdictions allow participation in cooperative contracts. Do your research.

For instance; Fairfax County actively participates in two cooperative purchasing programs:

- **Metropolitan Council of Governments Cooperative Purchasing Program**
They solicit, award and use cooperative contracts in conjunction with the Metropolitan Washington Council of Governments.
 - **Government Purchasing Alliance**
Nationally they solicit, award, and use cooperative contracts in conjunction with US Communities, a governmental entity established and sponsored by the National Association of Counties, the US conference of Mayors, and the National Institute of Governmental Purchasing.
- ** It is my understanding in doing research for this presentation that DGS / DPS and VITA do not allow State Agencies to purchase from US Communities. In general the terms and conditions do not protect state agency's rights.**



Having looked at the different laws, rules and regulations.

It would be my opinion that the **INTENT** of the law was to allow multiple public bodies to combine requirements in order to obtain cost reduction benefits of volume purchases, reduction in administrative expenses, time savings, etc.



That being said; the code allows for the use of Contracts with cooperative procurement language included following approval of the appropriate State or Locality governing entity.

**As the Procurement Professional –
Conduct the necessary Due Diligence**



The Purchasing Professional MUST at a minimum:

- **Do the appropriate research to determine whether the contract and your use is in compliance with all applicable laws.**
- **Does the Contract meet all competitive requirements.**
- **Does the product and / or service, price, terms and conditions, etc. ensure the best value to your entity.**
- **Be sure to get approval of the appropriate governing body pertinent to the goods and / or services you are looking to purchase.**



Example of two (2) opportunities Virginia State Police was able to take advantage of:

- 1) Lynchburg Contract with SyTech Corporation for equipment to allow for Multi Jurisdictional Interoperability Communications between Virginia State Police, other Commonwealth Agencies and Localities. This Contract was also utilized by the Department of Health and VDOT for interoperability needs. Information Technology related – VITA’s purview.**

An Agency Procurement Request (APR) was submitted to VITA requesting the use of the Lynchburg Contract which included a cooperative clause.

VITA requested documentation for their review which included the solicitation, contract, etc. Upon receipt of the approval VSP issued a two party contract referencing the Lynchburg Contract as well as a purchase order for receiving and payment purposes.

Pat Trent was the Procurement and Contract Officer for that endeavor.



2) Chesterfield County Contract for auto parts.

An email request was sent to Linwood Spindle, Assistant Director of DGS/DPS to utilize the Chesterfield contract which included a cooperative clause.

DGS/DPS requested documentation for their review which included the solicitation, contract, etc. The Purchasing Department received an email from the Director of DGS/DPS, Ron Bell to proceed.

If it has not been done, purchase orders are expected to be issued soon.



Discussion

What involvement have you had with cooperative procurements?



What is one of the many benefits our Association provides:

- Allows for networking opportunities, we are all here today to learn from the sessions and from each other.

Support the Association – It Supports YOU !



** We don't want to take advantage of any of our colleagues – do your homework - but we should be here to be of assistance / mentor each other in our purchasing profession.

The Department of General Services, Division of Purchases and Supply AND

The Virginia Information Technologies Agencies are excellent resources for State Agencies.



It is thought that we can have a repository on the CAPA website to have links etc., to some of the cooperative procurement opportunities. That will be a work in progress depending on what is provided by our CAPA and VAGP members.

Contact me with any cooperative procurement information that may be helpful to our members.



Miscellaneous links to areas of interest:

Metropolitan Washington Council of Governments

<http://www.mwcog.org/purchasing>

US Communities

<http://www.uscommunities.org>

VASCUPP Cooperative Procurement Contracts

<http://www.vcu.edu/procurement/coopcon.htm>

Specifically with VASCUPP Contracts, read carefully as all Contracts are not open to all public bodies.



?? Questions ??



Thank you

Have a great weekend !

Teresa “Terri” Hudgins, CPPB, VCO

teresa.hudgins@vsp.virginia.gov

804-674-2021