Taking Your Cooperative Strategy to the Next Level

COOPERATIVE TRACK
Cooperative Procurement: Today’s Contracting Tool / Tomorrow’s Contracting Strategy
# Top Agency Challenges in Procurement

1. **Budget/Funding Issues**
2. **Cumbersome Bureaucratic Processes**
3. **Workload/staffing limitations**
4. **Getting vendor participation**
5. **Regulatory requirements**
6. **Pre-bid research and planning**

Source: GovWin’s Survey of Government Procurement Professionals 2019
Why Use Cooperatives?

• Limited Staff Resources
• Priorities/Limited Time
• Pricing Advantages by Leveraging Spend
• Proven and Already Solicited Contracts

Other Key Reasons

• Gap Fillers
• Job Order Contracting & Services
• Emergencies
• Specific Vendor Selections
Why Do Buyers Choose Cooperative?

Saving time, money & hassle helps them do their jobs

Source: GovWin’s Survey of Government Contractor Sales Expectations, GovWin’s Survey of Government Procurement Professionals
Cooperative purchasing is mainstream among agencies, with growing adoption by vendors.

Adoption of Cooperative Purchasing

- **Vendor Selling**
  - 2016: 46.9%
  - 2017: 52.9%
  - 2018: 58.9%

- **Agencies Buying**
  - 2016: 89.3%
  - 2017: 88.0%
  - 2018: 86.7%

Source: GovWin’s Survey of Government Contractor Sales Expectations, GovWin’s Survey of Government Procurement Professionals
And then COVID-19...

Paradigm shifts in working from home

Reworking Policies & Procedures

Warehousing & Vendor Partnerships

Cooperative Purchasing – growing use!
For Your Consideration…

• What % of your current spend goes toward co-op contracting?
• Most important consideration when choosing a cooperative?
• Contracts expire every week – how do you decide to go out to bid or not?
• Do you research by cooperative, commodity, need?
• What is a current “pinch point” for you?
• Who do you still need to “sell” on concept?
RONNIE BARNES
HGAC BUY

DUFF ERHOLTZ
Sourcewell

ALLAN McCOMBS
OMNIA Partners

IAN ROBBINS
E&I Cooperative Svcs

NIGP FORUM 2020
Before You Get Started...

- What are your Agency’s rules or policies?
- Is Your Legal Counsel familiar with the concept?
- Does Your Board or Council have to approve?
- Have you considered specific criteria such as local preference, social goals and political landscape?
- What new paradigm shifts are happening – how do you respond?
Analysis of Cooperative Selection

• What type of competitive process was used? Does it adhere to public procurement rules?
• Do you have to register as a member to use the contract? Is there a fee?
• Can you obtain a copy of all solicitation documents – RFP, evaluation, awarded contract
• What is their level of customer service?
Contract Review

- Does the contract have the specific solution?
- Award Date? Expiration?
- Does supplier have capacity to serve your Agency?
- How is pricing addressed?
- Can Terms and Conditions be amended to meet your needs?
- How is contract use monitored? Are reports available? Is there a rebate? How is it paid?
Bake-Off

Comparing one cooperative contract with another for the same vendor

OR

Comparing one cooperative contract with another for different vendors for the same commodity or service
Justification for Selection of Cooperative Contract

Time and Resources for traditional bid process:
(personnel hours & length of process)

Pricing of Existing Contract
(if available)

Any benefits or concerns?

Time and Resources for cooperative procurement process:
(personnel hours & length of process)

Pricing of Existing Contract (if available)

Pricing or Savings

List of other Agencies using this particular contract (list those of comparable size or within the same region – to demonstrate that is already a proven contract)
Taking the Next Step...

- Expiring Contracts
- Research
- Emergencies Contracts
- Vendor Selections
- Education and Collaboration with Decision-Makers
First 3 people to email
Tammy.Rimes@NCPPAssociation.org

Get Your t-shirt - Let’s Just Cooperate!
NCPPPAssociation.org

To support all stakeholders in leveraging and utilizing a cooperative procurement strategy to best serve the public good