



Cooperative Purchasing

Background: A provision in the House Committee Report on the Fiscal Year 2019 (FY19) Financial Services Appropriations bill, includes language related to the use of cooperative purchasing agreements by federal, state and local agencies. The language is supported by special interest groups representing a narrow focus on design and consulting services who have falsely claimed the General Services Administration (GSA) is failing to enforce existing regulations relating to cooperative purchasing. Cooperative purchasing is an established method of procurement that increases efficiency in government purchasing. Current federal regulations recognize and encourage the use of intergovernmental agreements as a means of achieving greater economy and efficiency in government purchasing. School districts and educational service agencies rely on and appreciate the efficiency, savings, and transparency that cooperative purchasing offers, and we are concerned that the protectionist language represents an unnecessary step that will not only complicate the process of procurement, but ultimately lead to higher project costs. Specific to construction procurement, cooperative purchasing represents an additional tool for governments and schools. Cooperative contracts can reduce the time and expense associated with traditional procurement methods and contract administration and provides access to volume discount pricing and quicker completion schedules. The procurement method does not restrict, eliminate or circumvent the need for any design or review requirements either required by law or elected by public agencies, educational service agencies and schools in developing construction, repair or renovation projects. In fact, the use of cooperative purchasing is recognized as a best practice by the National Institute for Government Procurement.

Ask: We are opposed to the inclusion of this language in the House bill and encourage the Committee to avoid language directing GSA to consider additional mandates related to the use of cooperative purchasing. Such efforts are inconsistent with existing federal regulations and are unnecessary given the open, transparent and competitive nature of public cooperative purchasing contracts. Imposition of any barriers that may increase costs, delay construction projects and add to the already complex environment of existing state and local laws and federal regulation would be a detriment to public schools, educational service agencies and other public agencies.