

PROCEDURE

Effective Date: March 20, 2015

Approved by:
Chief Procurement Officer

Authority: [LAC34: XIII.U525.C](#)

See Also:
[POL-U501](#) (*Methods & Thresholds for Procuring Goods & Services*)

PRO-U525.C COOPERATIVE PURCHASING

This procedure applies to the use of cooperative purchasing agreements, when it has been determined by the CPO that use of a competitively procured cooperative or buying organization is in the best interest of the University and is the most cost-effective method of procurement, considering the competitiveness of the solicitation and award process.

The University's practice for use of cooperative contracts is to establish contracts that have significant spend and large volume commodities that can be consolidated to one or few suppliers and provide leveraged savings to all departments across the University. One-time utilization of cooperative contracts is not preferred.

Definitions:

CPO – Chief Purchasing Officer

Cooperative Purchasing – competitive procurement conducted by or on behalf of more than one public procurement units or by a public procurement unit with an external procurement activity or by a private procurement unit.

Cooperative Buying Organization (CBO) – a public or private organization that offers goods or services to subscribing public or private procurement units from vendors located in the United States who have agreed to uniform terms, conditions and pricing in accordance with an agreement entered into by the participants pursuant to a competitive award process.

If the use of a cooperative contract is deemed appropriate then the following process will be followed:

Action by:

Purchasing Agent
(User Department) AND/
OR Procurement Buyer
(Procurement Department)

Procurement Buyer
(Procurement Department)

Action:

1. **Receives** a request to utilize a Cooperative Contract as a University Master/Preferred Contract for goods/services.
2. **Reviews** the Public Notice for bids, to ensure a competitive audience was reached with the method of public notice.
3. **Reviews** the BID Solicitation, to ensure specifications were written to create a competitive bid from multiple vendors.

4. **Reviews** any Addendums to the BID, to ensure clarification was provided through the Bid process.
5. **Reviews** all Bids and Proposals received during the BID.
 - a. Dependent on the cooperative entity, some will maintain a record of all proposals received for any given BID.
 - b. Other entities will only have a record of the actual bid for the awarded contract vendor. (To ensure the bid was competitive, the other bids must be reviewed.)
6. **Reviews** the Scoring Matrix of the BID, to ensure the scoring of each proposal was fair with no bias during the evaluation process by any or all individuals on the bid evaluation team.
7. **Reviews** the Process Letter to ensure a vendor was awarded the contract, and review to verify if the vendor awarded the contract is the sole winner or if the award is shared with another vendor.
8. **Reviews** the Protest Documentation If there was a protest during the BID process, pre or post award, obtain the written documentation to review for clarification and evaluation before proceeding.
9. **Reviews** the Master Agreement to ensure there are no terms or conditions that would conflict with an ongoing agreement and that use of the agreement would be in the best interest of the university.
10. **Reviews** the Pricing used to determine the BID award.
11. **Obtains** all documentation from the cooperative.
12. **Verifies** the terms or conditions in the awarded cooperative contract(s) that allow for customer specific pricing or additional pricing discounts or other terms.
13. **Reviews** the competitor(s) contract(s) awarded through any cooperative(s) by repeating the eleven (11) initial steps to verify the utilization of the awarded contract.
14. **Determines** if the cooperative contract is in the best interest of the University and makes **Recommendation** to the CPO to enter into contract discussions with cooperative entity and the supplier.
15. **Engages** discussions with cooperative entity and supplier to develop a Contractual Participation Agreement to the cooperative contract and University specific pricing schedule and terms.
16. **Evaluates** the Pricing Schedule (“core” and “hot list”) created by the supplier for the University. The pricing schedule is created using two (2) fiscal years of data for that commodity and creating the list based on items most often procured by the University.

Strategic Sourcing Analyst
(Procurement Department)

Strategic Sourcing Analyst
and/or Procurement Buyer
(Procurement Department)

17. **Meets** with stakeholders from across the University to review the contract. Stakeholders are given an overview of the commodity, highlights of the new contract, the pricing analysis that was performed, and the overall value to the University.

Chief Procurement Officer

18. **Agrees** to terms and pricing with the supplier and routes the contractual participation agreement for signature by the CPO.

Strategic Sourcing Analyst
(Procurement Department)

19. **Receives** fully executed contractual participation agreement from supplier and sends a scanned copy of fully executed contractual participation agreement to the cooperative entity to maintain in the University file.

Procurement Buyer
(Procurement Department)

20. **References** exemption from Louisiana Administrative Code (LAC 34:XIII.525.C) on correspondence (requisition/purchase order) pertaining to this cooperative-related acquisition of goods/services.