

**Q: Does Diane have a decision tree or a check list of her process in comparing cooperatives?**

A: From our Buyer Manual:

- For all cooperative purchases, Legal needs to review the underlying contract before the purchase is sent to City Council for approval.
- The vendor must have the opportunity to review and agree with the City of Plano's General Conditions for Cooperative Purchase ("General Conditions") or City's formal contract to be prepared by Legal before the purchase is sent to City Council for approval.
- The purchasing agents are responsible for reviewing the RFP and award process prior to asking for legal review. *(Answer provided by Diane Palmer-Boeck)*

**Q: Does Diane mean 40% of the budget amount?**

A: Yes, our policy is price can be no less than 40% *(Answer provided by Diane Palmer-Boeck)*

**Q: How do we generate revenues with coop purchasing?**

A: Cooperative contracts create value and savings for two key groups: the using agency and the contractor awarded the contract. For the contractor, there is value (and tangible savings) when not having to invest resources in competing for contracts with other agencies who decide to use an existing contract. This includes the cost of responding to the solicitation, the cost of marketing, legal services, etc. Given the lead agency is incurring the expense of managing the cooperative (and potentially marketing that cooperative to other agencies), there is a shared value that should be offset in part by the contractor "saving money" through benefiting from the cooperative contract. That is the basis for the administrative fee. These fees are usually based upon sales, so that there is a reasonable balance to the fees incurred and the sales created (versus a flat fee assessed regardless of what degree the contract is actually productive for the contractor). *(Answer provided by Marcheta Gillespie)*

**Q: How does this strategy typically work in a government agency that has regulation to target a specific group such as Local businesses?**

A: Certainly a consideration in your strategic cooperative strategy. You should consider where large cooperative contracts take away opportunities from various markets, whether local, regional or perhaps even state level. However, you should also consider where there may be partnering opportunities between larger national companies and those more local or regional companies who may provide distributor channels, value-add services, etc. It is a balance of the two. *(Answer provided by Marcheta Gillespie)*

**Q: If a company goes into agreement awarded a coop contract, is it possible they can in fact underbid a coop agreement, or should they be held to the fact that a coop should be the lowest price offer they can provide?**

A: It depends how the underlying contract reads. Many do allow this but there are instances when it is not permitted by the original contract. *(Answer provided by Diane Palmer-Boeck)*

**Q: Would she be willing to share her Procurement Cooperative Toolkit?**

A: Yes, please email her directly at [marcheta.gillespie@tucsonaz.gov](mailto:marcheta.gillespie@tucsonaz.gov) and she is happy to send those out directly. *(Answer provided by Marcheta Gillespie)*

**Q: Where is the Best Practices that she mentions located? Just on Google?**

A: