



City of Houston



Cooperative
Purchasing



Purchasing Vehicles:	General Services Administration (GSA) Texas Department of Information Resources (DIR) NASPO Value Point National IPA US Communities
Purpose:	To approve annual spending authority for routine technology-related purchases up to \$300,000 per purchase order.
Spend Authority:	\$22,426,000.00
What is the benefit:	Cooperative purchasing leverages volume discounts obtained by state and federal purchasing organizations, and streamlines procurement time.
Department Utilization:	All City Departments
Term:	1 year
MWBE Goal:	Will comply with current City purchasing guidelines

History of Cooperative Purchasing between \$50,000 and \$300,000

Vendor	Term	Spending Authority	Spend
DIR, TPC, GTSI (U.S. Communities)	4/2005 – 4/2010	\$125,000,000	\$109,426,287
DIR, U.S. Communities	12/2009-12/2014	\$ 83,000,000 (\$75M – DIR & \$8M US Communities)	As of 5/31/12 approximate spend \$74,688,000
DIR	6/2012 – 6/2015*	\$120,000,000	As of 7/16/18 approximate spend \$117,041,124.70
DIR, U.S. Communities, GSA, National IPA, NASPO Value Point	1 year	\$22,426,000	Proposed Spending

* Spend was anticipated to only carry departments to end of FY14

Department
Historical
Spend
and
Proposed
Allocations

Department	Fiscal Year		2018	Grand Total	% to Total	DIR	Other Coops (Each)
	2016	2017				Distribution of \$14.4M	Distribution of \$2M
ARA	\$ 38,603.20	\$ 38,243.08	\$ 26,365.28	\$ 103,211.56	0.26%	\$ 31,200.00	\$ 5,200.00
CNL	\$ 6,687.75	\$ 10,411.17		\$ 17,098.92	0.04%	\$ 4,800.00	\$ 800.00
CTR	\$ 85,706.22	\$ 21,152.00		\$ 106,858.22	0.27%	\$ 32,400.00	\$ 5,400.00
DON	\$ 6,148.26		\$ 339.30	\$ 6,487.56	0.02%	\$ 2,400.00	\$ 400.00
FIN	\$ 5,593.00	\$ 123.75	\$ 8,348.20	\$ 14,064.95	0.03%	\$ 3,600.00	\$ 600.00
FMD	\$ 65,293.90	\$ 25,567.11	\$ 49,491.40	\$ 140,352.41	0.35%	\$ 42,000.00	\$ 7,000.00
GSD	\$ 301,031.43	\$ 62,220.06	\$ 55,884.87	\$ 419,136.36	1.04%	\$ 124,800.00	\$ 20,800.00
HAS	\$ 3,180,786.46	\$ 1,753,020.51	\$ 27,784.80	\$ 4,961,591.77	12.32%	\$ 1,478,400.00	\$ 246,400.00
HCD	\$ 223,182.80	\$ 107,926.19	\$ 350,535.94	\$ 681,644.93	1.69%	\$ 202,800.00	\$ 33,800.00
HEC	\$ 10,512.97	\$ 434,062.77	\$ 20,727.82	\$ 465,303.56	1.15%	\$ 138,000.00	\$ 23,000.00
HFD	\$ 397,633.37	\$ 118,785.44	\$ 132,821.94	\$ 649,240.75	1.61%	\$ 193,200.00	\$ 32,200.00
HHD	\$ 522,046.40	\$ 389,827.53	\$ 55,595.52	\$ 967,469.45	2.40%	\$ 288,000.00	\$ 48,000.00
HITS	\$ 6,406,992.21	\$ 3,195,411.29	\$ 3,112,106.47	\$ 12,714,509.97	31.56%	\$ 3,787,200.00	\$ 631,200.00
HPD	\$ 5,156,680.26	\$ 2,925,017.76	\$ 1,673,080.60	\$ 9,754,778.62	24.21%	\$ 2,905,200.00	\$ 484,200.00
HPL	\$ 411,936.30	\$ 598,934.09	\$ 63,003.36	\$ 1,073,873.75	2.67%	\$ 320,400.00	\$ 53,400.00
HPW	\$ 3,103,991.31	\$ 1,568,533.50	\$ 1,326,497.72	\$ 5,999,022.53	14.89%	\$ 1,786,800.00	\$ 297,800.00
HR	\$ 425,399.19	\$ 263,591.64	\$ 108,407.66	\$ 797,398.49	1.98%	\$ 237,600.00	\$ 39,600.00
LGL	\$ 42,889.00	\$ 30,337.50	\$ 5,412.37	\$ 78,638.87	0.20%	\$ 24,000.00	\$ 4,000.00
MCD	\$ 115,667.77	\$ 10,608.99	\$ 21,189.65	\$ 147,466.41	0.37%	\$ 44,400.00	\$ 7,400.00
MYR	\$ 301,418.92	\$ 145,442.00	\$ 584,969.19	\$ 1,031,830.11	2.56%	\$ 307,200.00	\$ 51,200.00
OBO	\$ 14,323.00	\$ 14,323.00	\$ 14,893.00	\$ 43,539.00	0.11%	\$ 13,200.00	\$ 2,200.00
OHS*	\$ 2,897,588.71	\$ 2,609,059.77	\$ 1,771,065.16	\$ 7,277,713.64		\$ 2,426,000.00	
PD	\$ 877.32	\$ 9,056.50	\$ 7,713.00	\$ 17,646.82	0.04%	\$ 4,800.00	\$ 800.00
PRD	\$ 2,160.00		\$ 35,890.00	\$ 38,050.00	0.09%	\$ 10,800.00	\$ 1,800.00
SWD	\$ 34,468.92	\$ 11,993.16	\$ 10,900.79	\$ 57,362.87	0.14%	\$ 16,800.00	\$ 2,800.00
Grand Total	\$ 20,860,029.96	\$ 11,734,589.04	\$ 7,691,958.88	\$ 40,286,577.88	100.00%	\$ 14,426,000.00	\$ 2,000,000.00

In 2009, the Administration enacted new processes for DIR purchases

1. All DIR purchases route via SPD
2. All material groups pertaining to technology require HITS approval in SAP
3. All purchases over \$100,000 are to obtain MWBE participation or waiver
4. Quarterly reports on purchases between \$50,000 and \$300,000
5. SPD initiated the Cooperative Purchasing Justification form
6. SPD began bidding statements of work between DIR vendors

What are we proposing?

- Spending Authority will be requested annually instead of multi-year
- A **New Executive Order** specifically for cooperative purchasing
 - Monthly reports will be posted via City of Houston intranet
 - Staff augmentation via cooperative purchasing will require additional documentation and CPO approval
- Expanding purchasing vehicle to leverage multiple federal and state cooperative contracts instead of just TX DIR
- All cooperative purchases route via SPD
- All material groups pertaining to technology require HITS approval in SAP
- All purchases over \$100,000 are to obtain MWBE participation or waiver
- Cooperative Purchasing Justification form required for each purchase

Questions?