

February 13, 2013
Updated: June 10, 2013



Key Efficiency Opportunities Identified:

- The value of joint procurement is both intuitive and supported by literature and best practices in local government.
- Opportunities for joint purchasing exist, but are specific to the needs of Sangamon County's diverse local entities.
- The CEC has developed an educational and advisory report detailing examples of potential shared procurements, and advising local governments on how to create the needed "infrastructure" for shared purchasing.
- The CEC recommends that local government purchasing agents and administrators review opportunities for savings on joint purchasing through a) existing national, state, and local purchasing cooperatives, b) aligning both commodity and capital purchasing schedules through increased communication and an online interface, and c) considering joint bids and procurements of materials the City of Springfield, Sangamon County, or other large organizations.

Citizens' Efficiency Commission Recommendation: Joint Procurement Efforts in Sangamon County Municipalities and Special Districts

Introduction

This report represents a formal recommendation by the Citizens' Efficiency Commission. All information has been compiled, researched, and validated by the CEC and its volunteers. The Commission expresses its hope that relevant local leaders will review the recommendation and take strides toward its implementation.

In light of the research presented below, the CEC recommends that local government¹ purchasing agents and administrators review opportunities for savings on joint purchasing through a) existing national, state, and local purchasing cooperatives, b) aligning both commodity and capital purchasing schedules through increased communication and an online interface, and c) considering joint bids and procurements of materials through the City of Springfield, Sangamon County, or other large organizations.

The Commission stands ready to provide assistance to the greatest extent possible in the review and implementation process. The CEC may be interested in further review of efficiency considerations that develop based on this advisory report, or of other recommendations that may arise.

Background

Based on its preliminary research, including interviews with a number of local officials, the Administrative, Management, and Budget Committee of the CEC brought the following finding to the November 2012 meeting of the full Commission:

The committee finds that local governments currently tend to make purchases based on individual jurisdictional needs. The committee also finds that opportunities may exist for further cooperation in procurement, potentially at a cost savings to local governments. The committee requests the full support of the CEC to research and develop an educational recommendation that identifies existing purchasing cooperatives, clarifies types of purchases that may generate savings if done cooperatively, and provides examples of joint procurement opportunities, as well as potential on-going steps for procurement cooperation.

¹ The CEC understands "local governments" to refer throughout this recommendation to all units of local government, including municipalities, townships, special districts and school districts.



While researching this finding, the CEC engaged numerous conversations and interviews with procurement officers. Meetings and communication on procurement included discussions during summer 2012 with Sangamon County Administration, the City of Springfield's Office of Budget and Management, and the State of Illinois's Department of Central Management Services (CMS), as well as conversations with various village administrators, public works superintendents, and township road commissioners in fall 2012.

In these conversations, the CEC discussed the benefits of joint purchasing powers inherent to joint procurement on the regional level. As an aside, these meetings had the unexpected benefit of fostering a renewed initiative of communication between city mayors, village presidents and other municipal heads with their neighboring communities. The CEC believes that better communication between communities within the region will result in better communities within the region. In keeping with the CEC's *Leaders' Peer Networks Recommendation*², this is one of the guiding purposes behind creating a joint procurement plan for the region as a whole. If communities are spending money together, they should be communicating better as a result.

Recommendation Questions

As it pursued its research, the CEC examined information related to questions such as:

- How do local governments in Sangamon County make purchases?
- What types of purchases occur in Sangamon County?
- Are there opportunities for savings related to purchasing by local entities?
- By what mechanisms might these opportunities be pursued?

Overview of Existing Procurement Mechanisms

*Summary of Major Entities' Purchasing Practices in Sangamon County*³

Sangamon County

Sangamon County has a decentralized purchasing process, since its operations include several elected officials' offices as well as a central county administration function. Most purchasing is done by individual departments, with the County Auditor tracking and recommending some purchasing on a case by case basis. The County generally follows the high-end state requirements for purchasing thresholds above which the bidding process is required. The bulk of the purchasing recommendations/approval process is done in individual County Board committees, with full County Board's final approval as needed. Commodities are purchased individually by departments.

The Sheriff's and the Circuit Clerk's Departments have different Information Technology systems due to their highly specialized needs, but the rest of the County entities share a

² Available at: <http://www.co.sangamon.il.us/Departments/RegionalPlanning/documents/CEC/Leaders%20Peer%20Networks%20Full%20Recommendation.pdf>.

³ Information derived through personal communications with Sangamon County Administrator Mr. Brian McFadden, City of Springfield Budget Director Mr. William McCarty, and State of Illinois Department of Central Management Services (CMS) Joint Purchasing Coordinator Mr. Dennis Smith, and detailed in report entitled "Joint Purchasing/Procurement Opportunities Status Report June 11, 2012" compiled by Citizens' Efficiency Commissioner Ms. Drinda O'Connor.



system. The County does purchase some commodities/equipment through the State of Illinois's Joint Purchasing Program. The County Administrator is the final gatekeeper over the entire purchasing process.

City of Springfield

The City of Springfield utilizes a centralized purchasing process. CWLP and Public Works are the two primary purchasing users but administration is all handled centrally. City Council approval is required for purchases greater than \$100,000. Differing levels of approval are required on other purchases, based on cost thresholds. Purchases of \$15,000 or more are bid out and require the City Budget Director's signature. Purchases of less than \$15,000 are approved by city department heads. With the exception of constant use commodities such as coal for the power plant, procurement generally does not occur on a set schedule.

Due to storage space constraints, the City does not order or store large quantities of any commodity, the exception to this is rock salt. However, it does order some commodities in larger quantities and receive deliveries in numerous installations. As an example, the City may order envelopes, have 25% delivered immediately, and schedule other deliveries for the remainder of the purchased goods throughout the year. Current city contract language does not allow for shared purchasing with other governmental entities, but Budget Director McCarty indicated that the City would be willing to include such language in future contracts if other units of local government were interested.

State of Illinois/Central Management Services

CMS has more than 90 joint purchasing contracts in place to cover every conceivable item a local government entity might need to purchase. These range from cars to food, furniture to toilet paper, and rock salt to stop signs. Currently there are 3,500 units of local government enrolled in the state's Joint Purchasing Program. The program has been in existence for 40 years and now publishes an online newsletter that reaches more than 5,000 individuals per month. Units of local government are able to work directly with vendors and receive the CMS negotiated contract pricing on all purchases. As an example, in 2011, more than 700 units of local government participated in the rock salt joint purchase agreement.

Because local governments work directly with the vendors, CMS does not have statistics available as to total purchasing volume. However, CMS reports that according to a 2010 survey, the average cost savings are 27.5% off retail sales on average for all purchases. CMS does not charge any administrative fees for participation in the Joint Purchasing Program.

They indicate that in addition to the cost savings of participating in the program, local governments do not have to go out for bids on purchases and thereby save significant time and staffing costs. In conversations with the CEC, CMS indicated that local governments often do not update their email address lists for the Joint Purchasing Program Newsletter. As local elected officials and staff change the new staff needs to update their email address with CMS, so these newsletters make it to the appropriate staff.



Current Local Government Purchasing Practices

Apart from the major entities listed above, the CEC interviewed a number of representatives from smaller municipalities or townships. In the case of smaller villages' commodities purchases, the CEC learned that local governments tend to make purchases on an as-needed basis from vendors in their communities or the City of Springfield. On larger capital purchases, some villages suggested that they attempt to utilize the State's CMS bid list, but can find better or comparable pricing elsewhere.⁴ Other villages suggested that on larger purchases such as equipment, they resort to finding used equipment at reduced costs due to scarce resources.⁵ While most local governments have a threshold for bidding purchases, there seemed to be little concerted attempt to undertake bulk purchases, due to smaller volumes of commodities needed by smaller units of local government.

Purchasing Alliances and Cooperatives

Joint procurement can take place at the national, state, or local government level. Purchasing firms can offer nationwide services by combining orders from all over the country, and local governments can work together contracting services such as snow removal within their jurisdictions. Joint procurement offers many benefits to individual municipalities including the following:⁶

- **Lower prices** – Combining purchasing activities leads to economies of scale. This is likely to lead to more attractive offers from suppliers. Particularly for small contracting authorities these advantages can be quite significant.
- **Administrative cost savings** – The total administrative work for the group of authorities involved in preparing and carrying out one rather than several accounts can be substantially reduced.
- **Skills and expertise** – Joining the procurement actions of several authorities also enables the pooling of different skills and expertise between the authorities. Procurement (and other) skills are scarce and not every contracting authority can develop high quality skills across the full range of its functions. Smaller authorities in particular can benefit from the capacities of staff in larger authorities. This is particularly useful when procuring innovative products and services. Investigating new products/services can be time-consuming. However, if skills from different authorities are combined, the workload can be shared.

Existing procurement agencies vary in scope from regional to nationwide bodies. Major purchasers in Sangamon County, such as the City of Springfield, are already a part of some of the larger purchasing entities. Examples of purchasing entities that communities or districts may wish to consider joining include the National Joint Powers Alliance, the U.S. Communities- Government Purchasing Alliance, the National Association of Educational Procurement, and others.

These alliances are general purpose bodies that can be joined with minimal or no fees, but which allow villages and districts to cut down on the administrative costs of bidding

⁴ Personal communication from Mr. Dale Laningham, Administrator, Village of Rochester (May 23, 2012).

⁵ Personal communication from Mr. Brian Cuffle, President, Village of Spaulding (May 31, 2012).

⁶ The European Commission on Green Public Procurement. 2008. "Joint Procurement Fact Sheet." International Council for Local Environmental Initiatives, Local Governments for Sustainability.



out larger items. Some of the local governments of Sangamon County may, however, purchase in quantities too small to experience savings benefits from being a part of these alliances.

The Illinois School Purchasing Network provides an example of the operation of these purchasing alliances that is specific to school districts. In the summer of 2005, then Illinois state superintendent of education, Dr. Randy J. Dunn, introduced the ISPN as an initiative of the State Board of Education. The ISPN is a partnership with the Board and the organization U.S. Communities, a nonprofit purchasing cooperative available to government entities and nonprofits nationwide. In a letter to both school and district leaders, Dr. Dunn reported that the test district for the cooperative purchasing network was Plainfield Community Consolidated School District 202, located near Chicago, and that district enjoyed savings of about \$6,000 a month. In addition to the monetary savings, districts participating in the network also enjoy next-day delivery on office product purchases.⁷

It should be noted that proponents and opponents of using purchasing consortia alike indicate that their pricing should be reviewed periodically to ensure that they still offer the most competitive option for local governments. Some consortia include overhead costs, which can counter-balance the benefits of purchasing specialist expertise and time and effort savings that they offer. Another best practice the CEC encountered was using purchasing cooperative pricing as a benchmark for local pricing.⁸

In addition to these purchasing alliances, there are a number of vendors providing inventory management services for everything from office supplies to vehicle parts. Local governments may want to consider taking part in an arrangement with one of these vendors or inventory management providers. Benefits of inventory management systems can include same-day supply, reduced necessity for storage space, increased administrative efficiency, reduced obsolete parts, and reduced inventory loss and waste.⁹

Research Findings

Perceived Opportunities for Joint Procurement

In the course of meeting with local officials and purchasing agents as described above, the CEC worked to develop an understanding of opportunities for joint procurement that may be of benefit to smaller communities in Sangamon County. Several types of procurements surfaced in these conversations, which the CEC has attempted to list and classify, in an effort to encourage cooperative activity or spark interest in increasing procurement communication and cooperation among local districts. While the table below is not comprehensive, it details some procurement ideas the CEC has heard from local officials.

Rather than a comprehensive listing of opportunities for shared procurement, these ideas represent a limited sampling which could provide a foundation for joint procurement

⁷ Dr. Randy J. Dunn. 2005. "ISPN a Letter from State Superintendent." Available at: <http://www.isbe.state.il.us/savings/letter.pdf>.

⁸ The European Commission on Green Public Procurement. 2008. "Joint Procurement Fact Sheet." International Council for Local Environmental Initiatives, Local Governments for Sustainability.

⁹ Personal communication from Mr. Mike Picardi, NAPA/Integrated Business Solutions (July 9, 2012).



brainstorming efforts. Local officials and procurement agents should review these suggestions and develop further ideas for shared procurement.

Procurement Opportunity Category	Potential Purposes	Potential Jurisdictions and Agencies Involved	Suggested Actions
School-based purchases	Paper and other office supplies	Springfield District 186, other local school districts, private/parochial schools	School districts should expand existing cooperatives, such as Sangamon Area Purchasing Cooperative, to include other districts. Schools have a great deal of purchasing power and often utilize standard equipment. Food purchases could also be considered in cooperation with the Sangamon County jail.
	Food/ Milk Purchases		
Road Maintenance Purchases	Village special equipment	Various villages and townships on a regional basis	Examine dynamic equipment inventory before purchasing special equipment, such as street sweepers, and attempt to borrow from peer jurisdictions
	Village and township oil and chip bids		Collectively bid oil and chip from a single contractor each year in order to reduce costs
	Village materials-cinders, sand, salt	Various villages on a regional basis and Sangamon County	Allow for villages to purchase materials through Sangamon county Highway Department, as townships currently do
	Village street signs	Various villages, City of Springfield	City of Springfield, which produces its own signs at lower costs, should produce street signs for villages for a low-cost fee. See "Local Best Practices" section below for an example of this practice in numerous villages.
Miscellaneous Environmental Purchases	Recycling Bins	Townships and small villages; City of Springfield/ CWLP	Local jurisdictions should consider emulating the program in Jerome and Woodside Township, in which the villages purchased recycling bins collectively at a reduced rate. ¹⁰ The same practice could be applied for rain barrels or other environmentally-friendly purchases the villages wish to subsidize on behalf of residents.
	Rain Barrels		

¹⁰ CEC Interview with Mr. Harry Stirmell, President, Village of Jerome (May 31, 2012).

Back office, Information technologies, or other Systems Purchases	Payroll Management Software	County, Various Villages	Entities with larger payroll systems should examine the possibility of utilizing existing accounting software for multiple jurisdictions. This could reduce payroll management and software costs in smaller villages.
	Public Building Security Cameras	Various villages	Some local municipalities have expressed interest in sharing a security camera monitoring system for public properties. Interested villages should consider sharing these costs and services.
Capital Purchases	Energy Efficiency Retrofits	School districts, villages, townships	Although individual districts may not have the up-front capital to retrofit HVAC systems, streetlights, etc., they could potentially combine matching funds for grant applications to leverage more grant funding for projects across localities. See the CEC's "Energy Efficiency Programs" educational recommendation, pending, for more information.
	Radio-read water meters	Villages with utility systems	The Village of Rochester generated substantial time savings by updating its water meters. ¹¹ Other jurisdictions should explore this opportunity if they are not already in place. Because installing such technology can be cost prohibitive, jurisdictions may benefit from working together to bid out more meters than they would individually.
Personnel Contracting	Grant Administrator	Various Villages	The CEC has found that smaller villages with only part time volunteer officials may benefit from increased staff resources. Villages should consider jointly hiring a staff person to handle grant management and other village managerial tasks once the Mayors' Peer Network recommended by the CEC is in place.
	Village Manager		

Local Best Practices

A number of local municipalities already work together to collaborate on procurement. For example, many township highway commissioners purchase rock salt and other road materials through the County Highway Department.¹² The CEC recognizes this effort as a best practice due to lower costs for materials acquired through a joint bidding process, and encourages expansion of such efforts.

¹¹ CEC Interview with Mr. Darrel Maxheimer, Public Works Superintendent, Village of Rochester (August 27, 2012).

¹² CEC Interview with Mr. Tim Zahn, Sangamon County Engineer (May 7, 2012).



One additional example of the benefits of joint procurement occurred locally with cooperative efforts by a number of villages to respond to the Federal Highway Department's street sign retroreflectivity mandate. Upon learning that street signs would be required to be retrofitted for greater reflectivity by 2015, a number of villages worked cooperatively to contract for a sign inventory. The Springfield-Sangamon County Regional Planning Commission (SSCRPC) facilitated this cooperative action, which ultimately allowed local villages to have the inventory conducted at reduced cost.

Following this initial success, the villages expressed a desire to continue to work together in relation to the retroreflectivity mandate. Through the Springfield Area Transportation Study (SATS), the transportation planning body for the region, the communities collectively applied for and received Federal Highway Safety Improvement (HSIP) through the Illinois Department of Transportation (IDOT). Working collectively helped the communities to reduce administrative costs. Moreover, requirements for Federal Highway Safety Improvement Fund approval include a crash data threshold for the demonstrated safety need of the project. By applying cooperatively, communities were able to leverage Federal funding with a reduced per-community match.¹³

The cooperating municipalities in these efforts have included the Villages of Curran, Grandview, Jerome, Riverton, Rochester, Sherman, Southern View, and Spaulding, and the City of Leland Grove.

Nation-wide Best Practices

El Paso County, CO has utilized a progressive credit card ("p-card") program, which has been in place since 2008 and resulted in major rebates. In 2008 the county received a \$6,000 rebate on \$802,000 of purchases. In 2010 the county doubled down on their credit program and made \$11.3 million in purchases on the card program, which resulted in a rebate of \$150,000 for that year.¹⁴

In Minnesota, there is a joint purchasing body known as the National Joint Purchasing Alliance. This body was created by state statutes and deploys part of its services to five-local counties in the heart of Minnesota. However, they have authority under Minnesota state statutes to assist other government entities and school districts across the country. Currently, the alliance boasts a 48,000 member base.¹⁵

Multiple studies show the benefits of joint procurement. One such study conducted by the European Union found that local procurement relationships existed across municipal lines where autonomous entities worked together on diverse projects within non-permanent agreements of understanding. Such groups, without legal status or common assets tend to work according to agreed protocols with a different lead local authority taking responsibility for sourcing markets, tendering and arranging contractual documentation for specific procurements all in consultation with other members of the

¹³ Personal communication from Ms. Linda Wheeland, Senior Planner, Transportation Planning, Springfield-Sangamon County Regional Planning Commission (November 26, 2012).

¹⁴ National Association of Counties. 2011. "Achievement Awards: Smart Governance Best Practices." Available at: <http://www.naco.org/programs/recognition/Pages/AchievementAwards.aspx>.

¹⁵ National Joint Powers Alliance. "Contract Purchasing." For more information, see <http://www.njpacoop.org>.



group. One group, operating in London, reported on average annual savings of €3.3 million due to the partnership.¹⁶

The CEC observes that, in all successful examples of on-going shared procurement, the agencies involved developed some sort of infrastructure or platform through which shared procurements could be implemented.

Alternatives

Alternatives for the CEC's recommendation include:

1. Maintain the status quo.
2. Participate in joint procurement on a purchase-by-purchase basis as opportunities exist.
3. Participate in joint procurement on a purchase-by-purchase basis through a regional partnership system that includes an informal database of procurement opportunities.
4. Develop a more formal purchasing alliance through a shared purchasing agent, a "p-card" alliance as described above, or some other method.

Alternative 1—maintain the status quo—suggests that villages, school districts, townships, and other bodies in Sangamon County would continue to make purchases on an individualized basis.

Under the current arrangement, a limited number of individual units of government in the region are part of a co-op procurement agency, such as the NJPA. In order to achieve greater economies of scale by partnering with local governments nationwide, individual governments could consider joining these alliances while still functioning largely within the status quo.

Alternative 2—participate in joint procurement on a by-purchase basis as opportunity exists—would rely heavily on existing social contacts among local units of government. Local municipalities already engaged in joint or consolidated business practices would more readily take part in consolidated purchases. However, these cooperative efforts would most likely occur independent of each other due to lack of a formalized venue for region-wide communication.

Alternative 3—participate in joint procurement on a purchase-by-purchase basis through a regional partnership system that includes an informal database of procurement opportunities—begins to build an "infrastructure" for cooperation. In this scenario, regional government bodies would set up on-going informal partnerships to communicate best practices and schedule procurements as a matter of standing procedure. Regional governments can build on their existing knowledge by including other communities in their procurement process through an online database. Additionally, this venue from procurement schedule sharing could allow local

¹⁶ Department for Communities and Local Government, United Kingdom. "Local Authority Procurement: A Research Report." Available at: <http://webarchive.nationalarchives.gov.uk/20120919132719/http://www.communities.gov.uk/documents/localgovernment/pdf/325222.pdf>.



governments to transfer knowledge of procurement “deals” from specific vendors or bidders.¹⁷

Alternative 4—develop a more formal purchasing alliance through a shared purchasing agent, a “p-card” alliance as described in the nation wide best practices example above, or some other method—would likely prove the most difficult to implement, and would require formal restructuring and shift in local control of procurement. However, the benefits of such an arrangement could be numerous. For instance, consolidating all entities onto a “p-card” system would have the effect of consolidating purchases onto one ledger, thereby making “deals” more visible to all entities involved.

Many formal purchasing arrangements discussed in this educational recommendation would put one office in control of purchases for the region. If no existing entity were to take on this task, communities could contract for the service. In this way, Alternative 4 would allow all the benefits from Alternatives 2 and 3, with the added bonus of rebates through account purchases and communication between regional municipalities. In this alternative, communities have the best incentive to share knowledge and work together, because money is a shared resource. However, Alternative 4 might generate administrative costs for the units involved. While these costs could be alleviated through savings in the long term, they may create difficulties in the early stages of program implementation.

Another mechanism potential available to local governments as an extension of Alternative 4 would be the creation of a consolidated purchasing alliance. In theory, a regional purchasing alliance structure created in the region could become self-sustaining or even revenue-generating in the future, since a local alliance could ultimately charge for services to other non-local municipalities.

Recommendation

In light of this research, the CEC recommends that local government purchasing agents and administrators review opportunities for savings on joint purchasing through a) existing national, state, and local purchasing cooperatives, b) aligning both commodity and capital purchasing schedules through increased communication and an online interface, and c) considering joint bids and procurements of materials through the City of Springfield, Sangamon County, or other large organizations.

The benefits of implementing the CEC's recommendation include the following:

- Potential cost reductions due to shared and combined purchases.
- Increased information sharing and educational opportunities related to best procurement practices across community lines.
- Improved efforts at capital planning among smaller local units of government.
- Growing culture of inter-jurisdictional communication, particularly through use of web-based technologies.
- Better purchasing data over time, as communities record purchases in shared database/calendar.

¹⁷ BDO, LLP. 2010. “Smarter Public Sector Procurement: Achieving value for money.” Available at: www.bdo.uk.com/library/smarter-public-sector-procurement.



Drawbacks

One drawback associated with sharing procurement authority is reduced local control over purchasing decisions. The CEC has endeavored to minimize these challenges for local governments by recommending a voluntary cooperative purchasing effort.

To achieve economies of scale, many purchases may have to extend beyond the present use of products being procured. In such cases, storage could become an issue, depending upon the type of purchase or number of entities involved in the contract. The CEC notes that bodies associated in regional partnerships for procurement could also informally have decentralized storage of excess goods.

Steps toward Implementation

In order to implement this recommendation, the CEC recommends that the following course of action would be beneficial:

- Identify the purchasing agent or procurement point of contact for each municipality, township, or other district.
- Select an entity to lead effort of database set-up and management. The CEC suggests that this effort could be undertaken by the mayors' peer network as it becomes a functional body,¹⁸ with the assistance of the SSCRPC.
- Develop a shared purchasing database/calendar.
- Enable electronic notifications of scheduled purchases to purchasing agents, so that villages can share in commodity purchases as desired.
- Work to bring the City of Springfield and Sangamon County into cooperation on this database.
- Continue to build on shared procurement efforts, potentially increasing formality of joint procurement with time.

Pursuant to its bylaws and establishing resolution, the Citizens' Efficiency Commission offers its support for these implementation efforts. If the CEC can provide any further assistance in facilitating efforts toward cooperation, it would be pleased to do so.

In researching each of its recommendations, the CEC draws upon its experiences to develop broad themes for improving Sangamon County's many local governments. For example, the CEC has observed over the last year that increased communication would lead to more pragmatic governance choices by local units of government. Tracking and sharing purchases made by local governments can help build this culture of communication, as well as provide data for future performance measurement on procurement costs and savings.

Finally, the CEC notes that local governments can often benefit the regional economy by buying from local businesses as much as possible. Local governments should consider developing increased awareness of local private sector entities who can meet their vendor specifications. Throughout its research process, the CEC has become aware that

¹⁸ For more information, see Citizens' Efficiency Commission recommendation at: <http://www.co.sangamon.il.us/Departments/RegionalPlanning/documents/CEC/Leaders%20Peer%20Networks%20Full%20Recommendation.pdf>.



other groups such as the Greater Springfield Chamber of Commerce's Q5 Partnership group has a new initiative, "Source Sangamon". They are focused on efforts to prevent leakage, or dollars leaving the local economy, through "Buy and Build Local" connections. Their research and coordinating efforts are specifically intended to help local businesses source their products locally. Moreover, an area "Local First" group continues to educate consumers about the economic benefits of supporting local businesses.

At the time of the CEC's recommendation, a Leadership Springfield study group had also selected a CEC proposal to further develop a guidebook and web portal to assist public sector entities with local sourcing. In May of 2013, the Leadership Springfield Group completed this project, providing a guidebook and report for local businesses on an illustrative sampling of local public sector procurement processes. The group also assisted in raising awareness of the Greater Springfield Chamber of Commerce's RFP Center, which is available to assist local governments in their procurement process at http://www.gsc.org/membership/Member_RFP_Center.aspx.

Local governments, local businesses, and residents of the community all play a role in efficiency efforts related to regional procurement. The CEC encourages all those involved in procurement to consider its efforts as part of a larger regional procurement strategy.

Respectfully submitted,

Hon. Karen Hasara, Chair
on behalf of the
Citizens' Efficiency Commission
for Sangamon County



Appendix A: Reference List for Existing Purchasing Alliances

This list provides a brief description and a reference for additional information for each purchasing alliance discussed in the CEC's recommendation.

National Cooperative Examples		
National Joint Powers Alliance	A public, member-driven service cooperative that serves over 48,000 members. Originally created to handle joint procurement locally in Minnesota, NJPA offers a multitude of contracted products, equipment and service opportunities to education, government and other non-profit entities	http://www.njpacoop.org
National Association of Educational Procurement	A member-focused association providing progressive knowledge management in strategic sourcing, supply chain, materials and logistics for procurement professionals	http://www.naepnet.org/imis15_prod/NAEPPub/Home/NAEPPub/Home.aspx
U.S. Communities	A cooperative that provides procurement resources and solutions to local and state government agencies, school districts (K-12), higher education, and nonprofits	http://www.uscommunities.org
Statewide Cooperative Examples		
Illinois Department of Central Management Services	State agency that provides human resources and employee benefits, information technology and telecommunications, property and facilities management, procurement and business diversity, vehicle fleet management, and media and marketing solutions a broad range of programs and services to other state and local agencies and the public	https://www2.illinois.gov/cms/Pages/default.aspx
Illinois School Purchasing Network	A sub-organization of U.S. Communities that provides school district purchasing contracts with no spending minimums	http://www.isbe.state.il.us/savings/default.htm
Local Cooperative Example		
Sangamon Area Purchasing Cooperative (SAPCO)	Local school purchasing cooperative whose primary goal is to provide best pricing on food and supplies for the cafeterias of the member school districts. Interested districts can request to join. There is an initial fee to join based upon their annual purchases and annual dues. Each member district orders and pays for the food they purchase, utilizing the cooperative's vendor that has been awarded the bid	Colleen Cooksey, R. D., L.D.N. Bid Coordinator, SAPCO ccooksey@mchsi.com



Corporate Cooperative and Inventory Management Examples		
NAPA/Integrated Business Solutions	An example corporate inventory management firm which handles NAPA and non-NAPA automotive parts, office supplies, safety materials, tires, bulk fluids and other supplies	http://www.napa-ibs.com/
Neopart	An example inventory management entity primarily dealing in transportation supply chain for aftermarket parts	http://www.neopart.com/

While this reference list provides a sampling of existing cooperatives, it is likely that others exist and merit consideration from local governments.