



(Frequently Asked Questions Relating to Procurement, continued from page 6)

Q3: I am a newly appointed Chief Procurement Officer for my town. I am somewhat confused by the differences between cooperative and collective agreements. Are they intended to mean the same thing? Can you explain the differences between these types of agreements?

A3: Cooperative and collective agreements are not the same. In Massachusetts, cooperative and collective contracts are different procurement mechanisms, but both are available under Massachusetts law for certain purchases.

Section 22 of Chapter 30B allows local jurisdictions to purchase supplies using a contract already procured by in-state or out-of-state “public procurement units” if the contract terms state that the contract is open to Massachusetts governmental bodies. In addition, the contract must be the result of an open and fair competition. A “public procurement unit” could consist of the federal government, another state, or a political subdivision (a city, town, district, regional school district, county, or agency, board, commission, authority, department or instrumentality thereof) of the Commonwealth or any other state. It is also important to note that this section limits the use of cooperatives to the procurement of *supplies* only. A local jurisdiction cannot use a cooperative agreement to procure services. In any event, before using a cooperative agreement, the Office urges cities and towns to perform due diligence and background research to ensure it was procured through a fair and open competitive process.

Section 1(c) of Chapter 30B authorizes “collective” procurements (also commonly known as “collaborative” procurements). This section authorizes two or more local jurisdictions to solicit bids for supplies or services as a group. In a collective procurement, one local jurisdiction serves as the “lead jurisdiction” and acts on behalf of the other local jurisdictions to solicit and award a contract for the benefit of that designated group. The lead jurisdiction undertakes the bid process in full compliance with Chapter 30B and each participating local jurisdiction must accept sole responsibility for paying for any purchases that it elects to make under the contract and for complying with all of the contract terms. It is important to note that a local jurisdiction must be a member of the group before the contract solicitation. Local jurisdictions cannot “piggyback” onto a collective contract that already exists.



Section 1(c) also authorizes local jurisdictions to procure supplies from the Operational Services Division’s (OSD) contracts as long as the awarding authority and the vendor follow all of the contract terms and conditions. OSD’s website contains “Contract User Guides” and information on each state contract. Please refer to www.mass.gov/osd for further details.

For more general information on cooperative and collective agreements, see Chapter 2 of the Office’s *Chapter 30B Manual*, which is available at www.mass.gov/ig.