I MINA'TRENTAL UNUNA LIHESLATURAN GUAHAN The 31<sup>st</sup> Guam Legislature ● senetor@senetorbjcruz.com 155 Hesler Place, Hagatna, Guam 96910 Telephone: (671) 477-2520/1 ● Fax: (671) 477-2522

Ms. Taling Taitano Acting Superintendant P.O. Box DE Hagatna, Guam 96932 Tel: (671) 300-1547

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RE: Use of Cooperative Purchasing for DOE Purchases

Dear Superintendent Taitano,

As you are well aware, the Legislature appropriated \$5 million to the Department of Education for textbooks, supplies and materials, and equipment for the current Fiscal Year. I know you understand, perhaps more than any one that appropriations are only as useful as the cash that is allotted for its expenditure. For this reason and given the current state of the government's finances, every public entity must find creative ways to operate within their respective means.

The Department of Public Health and Social Services and the Attorney General of Guam have both proposed to allow government agencies to enter into cooperative purchase agreements. As such, I have introduced legislation allowing this type of purchasing for the Government of Guam.

Joinder or mutual use contracts are a form of cooperative purchasing. In simple terms, cooperative purchasing involves sharing procurement contracts between governments. Through this approach the Department of Education could realize substantial savings.

I would like to provide you with a fact sheet from the "U.S Communities Government Purchasing Alliance," an organization which also works with many school districts:

- U.S. Communities reduces the cost of purchased goods and services for public agencies by offering access to competitively solicited contracts between suppliers and lead public agencies.
- Over 42,000 agencies ("Participating Public Agencies") are registered for the program.
- U.S. Communities offers 20 contracts with 29 suppliers of a variety of products and services.
- Total aggregated purchases in 2009 exceeded \$1.4 billion, with \$214 million in estimated savings to public agencies that year alone.

As you can see from its high participation rate and significant savings to public entities across the nation, your department and the government as a whole could benefit tremendously by participating in a program such as this. I urge you to look into the feasibility of joining this or a similar alliance to create savings for the Department of Education which can be used however the department sees fit. Thank you for your time and kind attention concerning this matter.

Senseramente,

Benjamin J.