

# THE TORTURED PURCHASING DEPARTMENT

*Special  
"Cooperative  
Purchasing"  
Edition  
in "2026 Galveston  
Beach Glitter Blue"*



Texas City Attorneys Association — 2026 Summer Conference  
Sandy Hellums-Gomez and Courtney White

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## The Track List

*We hereby conduct this post-mortem...*

**01**

### **Mechanics**

*"All Too Well (Ten-Minute Procurement Version)"*

**02**

### **Special Issues & Considerations**

*"I Knew You Were Trouble (Vendor Edition)"*

**03**

### **Hypotheticals**

*"Speak Now (Before You Sign That P.O.)"*

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# "(Cooperative Purchasing is) Better Than Revenge"

...Cooperative Purchasing Has Really, Really Great Benefits

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## Satisfy Legal Requirements

*"The 1 (Statute)"*

Loc. Gov't Code Ch. 271, Subch. F  
and § 252.022(a)(12)(D).

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## Buying Power

*"Bejeweled"*

Pre-negotiated terms and discounts  
that make your budget sparkle.

⌚

## Efficiency

*"Long Story Short"*

Stop wasting time. Use the co-op.

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# "The 1 (Statute)"

*Satisfy Legal Requirements*

**Local Government Code § 252.021** requires advertised bids for purchases above **\$100K**

### Some Exemptions:

- Professional services (like the legal services Taylor used to get her catalog back)
  - Gov't Code Ch. 2254, Loc. Gov't Code § 252.022(a)(4)
- Sole source (rare — like Taylor's friendship with Selena Gomez)
  - Loc. Gov't Code § 252.022(a)(7)
- Emergency (even more rare — like a surprise album drop at midnight)
  - Loc. Gov't Code § 252.022(a)(1)
- Cooperative purchasing ✓ (common — like Taylor's collaborations with Jack Antonoff)
  - State: Local Government Code Ch. 271, Subch. F allows cooperative purchasing program
  - Federal: 2 CFR 200 encourages cooperative purchasing

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# "I Can Do It With a Broken Heart (an Interlocal Agreement)"

*Cooperative Purchasing Using an Interlocal Agreement*

## **Gov't Code § 791.011(j) (City and Ch. 791 Administrative Agency)**

Authorizes interlocal contracts and defines "purchasing cooperative" as group purchasing organization that government entities join as members, managed by an entity that receives fees.

Examples: BuyBoard (State and National), TIPS

## **Loc. Gov't Code § 252.022(a)(12)(C) (City and Regional Planning Commission)**

Permits purchasing through interlocal contracts with a regional planning commission.

Example: HGACBuy

## **Loc. Gov't Code Chapter 271, Subchapter F (City and ????)**

Authorizes and defines "local cooperative organization", an organization of governments that provides local governments access to contracts with vendors.

Example: OMNIA

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# "Don't Blame Me (Blame the Procurement Code)"

*A Caveat for Construction Services*

## **Construction Purchases**

Gov't Code § 791.011(j)

- Over \$50,000 requires certification by architect/engineer
  - No plans needed, OR
  - Plans prepared

## **Architect/Engineer Services**

Gov't Code § 791.011(h)

- No procurement of architect/engineer through co-op.

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# “You’re (Not) Own Your Own, Kid”

*Other Types of Cooperative Purchasing*

## Loc. Gov’t Code Ch. 271, Subch. D

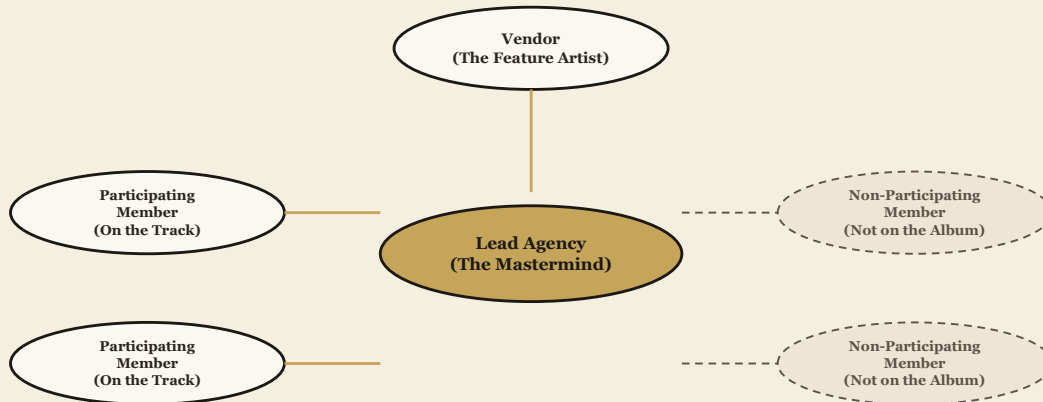
Authorizes local governments to participate in a purchasing co-op created by the Comptroller’s office.  
File resolution with Comptroller’s office.  
Examples: DIR, TxSmartBuy

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# “the last great american dynasty”

*Interlocal: Group Cooperative Map*



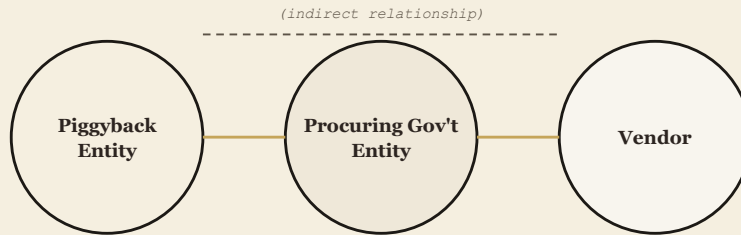
Participating member = member purchasing from this vendor | Non-participating member = member but not purchasing from this vendor

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# “imgonnagetyou(piggy)back”

Interlocal: “Piggybacking” Map



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# “Wi\$h Li\$t (for Valid Interlocal Contracts)”

Interlocal Agreement Requirements

**I**

## Current funds and fair compensation

Gov't Code § 791.011(d)(3), (e).

**II**

## Council approval

Gov't Code § 791.011(d)(1).

**III**

## Renewable or for term of years

Gov't Code § 791.011(f), (i).

**IV**

## Purpose, terms, rights, and duties of the parties

Gov't Code § 791.011(c), (d)(2).

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## "You Need to Calm Down (and Check These Boxes)"

*Co-op Procurement Tips*

**I**

### **Own Your Compliance (It's Never Not Your "Champagne Problem")**

City is responsible for its own legal compliance.

**II**

### **Get the Board On Board**

Council approval of interlocal agreement required (Gov't Code § 791.011(d)(1)).

**III**

### **Verify Every Purchase**

Ensure sufficiency of each individual procurement.

**IV**

### **"I Knew You Were Trouble" — Beware of Vendor Assurances**

If a vendor tells you everything is fine, verify it yourself.

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## "Look What You Made Me Do (Sign)"

*Co-op Contracting Tips*

**What is a contract?** (*Asking for a friend — who just signed a P.O.*)

**Which contract documents control?** (*Spoiler: not always what the vendor says*)

**Beware of vendor attempts to override cooperative terms.** (*They will try. They always try.*)

**Be sure to have all essential terms.** Supplement co-op contract if needed.

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# “Who’s Afraid of Little Old Me [the Feds]?”

*Federal Funds*

Federal fund purchases are governed by 2 CFR § 200.

EDGAR encourages use of co-ops when doing so fosters economy and efficiency.

Some co-ops take steps to comply with EDGAR — but your entity remains responsible for ensuring compliance.

⚠ Some EDGAR requirements cannot be satisfied by the co-op (e.g., cost-price analysis).

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## The Vault Tracks — Odds and Ends

*(The stuff that gets released on TVs and special editions)*

### **Purchasing contract through a co-op?**

- Must document the amount, purpose, and disposition of any contract-related fee (including management fee).
- Council approval of co-op membership.

### **Tariffs and prices that aren’t firm?**

**How do distributors fit in?**

*This is why we can’t have nice things...*

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## "Speak Now (Or Forever Hold Your P.O.)"

*Hypo — Computer Software Purchase*

*A tale of urgency, trust, and a purchase order that raises more questions than it answers.*

Your IT Chief needs a computer learning platform for a department. The purchase exceeds \$100K. One company seems to be the best fit.

Your purchasing department: "No time for an advertised bid."

The vendor's rep: "We're an approved vendor through an interlocal contract co-op" — and hands you a P.O. referencing that co-op.

**The Question: Do you have enough information to make this purchase?**

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## "Speak Now, Part II — The Plot Thickens"

*Hypo — Computer Software Purchase (cont'd)*

**Good news:** The interlocal co-op did procure the correct product and the contract term is still current.

**Bad news:** Your entity has never entered into an interlocal contract with the co-op's lead agency.

*Your City Manager: "This purchase needs to happen in two weeks."*

**The Question: What steps must occur? Is there time?**

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## "Plot Twist" — The DIR Plot Twist

*Hypo — Computer Software Purchase (cont'd)*

You are a month out from your next council meeting.

Your Mayor does not want to call a special meeting just for this purchase.

However — after further research — you learn that the vendor is listed on DIR's website for various software and technology products.

**The Question: Does this solve your problem?**

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## "Look What You Made Me Do (Click)"

*Hypo — The P.O. That Referenced a Website*

DIR has a contract for the specific product. ✓

The city budget includes the purchase. ✓

The administration has delegated purchasing authority. ✓

The sales rep sends a new P.O. referencing the DIR contract number. ✓

**But wait.**

The P.O. also references the company's website terms and conditions — and states those terms control over any others.

**The Question: Can you proceed?**

*"I don't trust nobody and nobody trusts me" — your procurement attorney, re: vendor website T&Cs.*

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## "Anti-Hero" — Federal Funding Finds You

*Hypo — Computer Software Purchase (cont'd)*

You have everything in order — but now find out that a federal grant may be a potential funding source.

**The Question: What additional steps must be taken?**

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## “thank you aIMee (TCAA)”

### **The Chairwomen of the Tortured Purchasing Department**

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*All's fair in love and purchasing.*

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