## GRANTEE GROUP PURCHASING PROGRAM

Powered by PurchasingPoint<sup>sm</sup>

The Bill & Melinda Gates Foundation is pleased to offer our grantee partners access to a group purchasing program that enables nonprofits to purchase a variety of goods and services at substantial discounts.

**Target audience:** Purchasing and procurement managers, especially in operations, IT, travel, and office or facilities management, will gain the most from enrolling in this program. Operations managers, COOs, CFOs, and CAOs may also find the cost savings potential of interest. *Participation in the program is completely voluntary and will in no way affect any current or future grants.* 

About PurchasingPoint: PurchasingPoint is the web portal that supports this program. It was developed by the National Human Services Assembly, a 90-year old association of national nonprofits, and HealthTrust Purchasing Group (HPG), a large purchasing consortium. The PurchasingPoint portal currently leverages HPG's \$17 billion in purchasing power to give nonprofits of all sizes access to pricing generally only available to the very largest organizations. Cost savings of 20 to 30 percent are typical based on National Assembly analyses of member invoices. While the savings potential varies by category and depends on a number of factors, we believe PurchasingPoint offers a tremendous opportunity for many nonprofits to lower operating costs and direct more money toward mission-related work. There is no cost to participate in the program.

**Products and services:** A full list of participating vendors is available on the PurchasingPoint portal. The following is a partial list of the types of products and services available:

Building materials Car rental Copiers and toner Document services Employee screening Ethics reporting Facilities maintenance Financial services Express delivery Food and food equipment

IT equipment and services Janitorial and laundry services Medical supplies and equipment Moving and storage Office furniture and supplies Postage equipment and supplies Telecommunications services Travel Web and audio conferencing **Grantee travel services:** In response to requests for costsaving travel options, we have partnered with Carlson Wagonlit Travel, a leading provider of travel management services, to offer you a full-service travel solution with the potential to save money on a broad array of travel needs, including airfare, hotel, and car rental. Whether booking online or by phone/email with an agent, you can take advantage of special discounted rates negotiated by the foundation and Carlson Wagonlit Travel. This pilot program is an addition to the core PurchasingPoint vendor lineup and only available to foundation grantees.

**How to enroll:** To get started, please register on the PurchasingPoint portal:

- Visit <u>http://gatesfoundation.purchasingpoint.org</u>
- Enter the invitation code **"Equity**" in the blue box
- Provide your contact info, create a personal password, and accept the terms of participation

The entire registration process takes less than 5 minutes. The portal will then provide additional information about the program including how to sign up with vendors.

Once the enrollment process is completed for your organization (usually 1–3 weeks after initial registration on the portal), you will receive a confirmation email containing your organization's group purchasing ID (aka "GPO ID"). This number will also appear on the home page of the portal. Vendors will need your GPO ID to verify your eligibility for the program's pricing, so we encourage you to register today to get the enrollment process started.

Adoption best practices: Recognizing that staff time is typically committed to mission-oriented activities and that organizations rarely relish changing vendors, you may want to consider adopting the program incrementally, beginning with vendors you are already using. Once you gain experience with the program and start to realize savings, it will become easier to justify investing additional time to pursue greater savings. To help you get the most out of the program, the PurchasingPoint portal provides an easy-to-use implementation guide and access to <u>customer service</u> support. You can also contact us at <u>grouppurchasing@gatesfoundation.org</u> with any questions.

### Frequently Asked Questions (FAQ)

### Q: Is participation in the purchasing program required?

A: No. Participation in the program is completely optional.

### **Q:** Is there any cost to participate in the program? A: No.

# **Q:** Will participation (or non-participation) in the program have an impact on our current grant(s) and/or any applications in process for future grants?

A: No. Participating (or not participating) in the program will in no way affect your grants or applications. Participating in the program, however, should help your organization do more with available resources.

### Q: How much can we expect to save through the program?

A: The National Assembly estimates PurchasingPoint savings in the range of 20 to 30 percent versus current costs based on its analyses of member invoices. Savings may be greater for smaller organizations that currently lack the volume needed to negotiate their own discounts or lower for large organizations already receiving favorable vendor pricing. But even very large organizations like the American Red Cross save millions of dollars each year through PurchasingPoint, so we believe most organizations can realize value, regardless of size.

#### Q: Do we need to coordinate our purchases with others?

A: No. You just sign up with vendors that are of interest to your organization and order directly from those vendors. The "group purchasing" aspect of this program comes from the fact that participants leverage the same pool of pre-negotiated contracts to benefit from the collective purchasing power of the program.

### Q: If we enroll in the program, are we obligated to use the program's vendors?

A: No. Enrolling in the program does not obligate you to sign up with any vendor. It simply gives you access to vendor information that you can use to decide how to proceed. While there is no requirement to purchase through the program, the long-term success of any cooperative purchasing arrangement relies in large part on usage of the shared contracts, because more volume means more collective negotiating power, which means better pricing for everyone. If you ever feel that a participating vendor does not provide your organization with the cost savings benefits you expect, please let us know so that we can work with our partners to improve the program.

### Q: Is the program pricing applicable only to purchases funded by Bill & Melinda Gates Foundation grants, or can we use this program for all of our purchases?

A: With the exception of airfare purchased through the travel program (see next question), you can use the program's vendors and pricing for all of your purchases, regardless of the source of your funding. You can also continue to use the PurchasingPoint portal and benefit from program discounts after your current project(s) with us have concluded.

### Q: What are the travel program requirements?

A: You may use the travel program for all of your business travel; however, due to contractual requirements with participating air carriers, we are currently only allowed to extend the program's negotiated discounts on airfare for travel related to foundation business. For travel not related to foundation business, you will still receive special rates on hotels, cars, and other services. You will also receive market rates for airfare (just not the negotiated discounts).

### Q: Can we use the PurchasingPoint portal if we are currently participating in another group purchasing program (e.g., a buying cooperative, GPO, etc.)?

A: Generally, no. If the products or services available through your current program overlap those offered by PurchasingPoint, then you can only use one of the programs. This exclusivity requirement is imposed by HPG, the purchasing consortium that negotiates the contracts supporting PurchasingPoint, to protect the integrity of those contracts. If your current program poses a conflict, you must choose one program or the other you cannot use both. (You can, however, still participate in the travel program on a stand-alone basis.) Also, you may not use discount and pricing information from the program to negotiate other vendor agreements.

### **Q:** My organization is headquartered outside the United States. Can we still participate?

A: The PurchasingPoint portal is not designed for organizations located outside the United States; however, your U.S. offices are welcome to participate provided they maintain nonprofit status.

### For more information:

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Guided by the belief that every life has equal value, the Bill & Melinda Gates Foundation works to help all people lead healthy, productive lives. In developing countries, it focuses on improving people's health and giving them the chance to lift themselves out of hunger and extreme poverty. In the United States, it seeks to ensure that all people—especially those with the fewest resources—have access to the opportunities they need to succeed in school and life. Based in Seattle, Washington, the foundation is led by CEO Jeff Raikes and Co-chair William H. Gates Sr., under the direction of Bill and Melinda Gates and Warren Buffett.

For additional information on the Bill & Melinda Gates Foundation, please visit our website: www.gatesfoundation.org.

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