

## **General COSTARS Program FAQ's**

### **What is "COSTARS"?**

*"COSTARS" is the Commonwealth of Pennsylvania's cooperative purchasing program. The COSTARS approach to cooperative purchasing uses the purchasing power of local entities, to obtain more competitive pricing and choice than individual purchasers might be able to obtain on their own.*

### **How did the COSTARS Program get started?**

*The passage of the Commonwealth Procurement Code ("Procurement Code") permitted local public procurement units (LPPUs) and state-affiliated entities to engage in cooperative purchasing with the Commonwealth. Initially, the Department of General Services (DGS) limited the LPPUs' cooperative purchasing options to certain statewide contracts. In Spring 2004, DGS developed the COSTARS Program to increase the cooperative purchasing options available to its Members.*

*In 2004, the General Assembly passed an amendment to the Procurement Code that expanded DGS's authority, allowing DGS to enter into contracts exclusively for the benefit of LPPUs and state-affiliated entities. DGS estimates that more than 10,000 entities within the Commonwealth of Pennsylvania are eligible to become COSTARS members. Several thousand of these have already registered as COSTARS members, and the list of registered members continues to grow.*

### **Who may purchase from a COSTARS Contract?**

*Any contract that DGS bids as a COSTARS contract is for exclusive use by LPPUs and state-affiliated entities who are registered with DGS as COSTARS members. Commonwealth executive and independent agencies are not eligible to register as COSTARS members and may not make purchases from the COSTARS contracts. Where a statewide DGS contract exists, Commonwealth agencies generally are required to purchase supplies and services through that contract*

### **Are COSTARS members eligible to purchase from any other Commonwealth contracts?**

*Yes, many contracts created by DGS for Commonwealth agency use (statewide agency contracts) are also available to COSTARS members. [Statewide agency contracts](#) are published on the PA eMarketplace. Each contract will specify whether the supplier has agreed to sell to COSTARS members. "Yes" within the COSTARS column means the supplier has agreed to sell to COSTARS members. "No" within the COSTARS column means the contract for a specific supplier is not available to COSTARS members.*

## **What is a "local public procurement unit"?**

*The Procurement Code definition of LPPU includes:*

- *Any political subdivision (local government unit), such as a municipality, school district or commission;*
- *Any public authority (including authorities formed under the Municipality Authorities Act of 1955 or other authorizing legislation, such as the Public Transportation Law or the Aviation Code)*
- *Any tax-exempt, nonprofit educational institution or organization;*
- *Any tax-exempt, nonprofit public health institution or organization;*
- *Any nonprofit fire company, rescue company, or ambulance company; and*
- *Any other entity that spends public funds for the procurement of supplies, services, and construction (such as council of governments or an area government, or an organization that receives public grant funds).*

*DGS reserves the right to review and determine eligible applicants as Local Public Procurement Units on a case-by-case basis.*

## **What is a state-affiliated entity"?**

*A state-affiliated entity is a Commonwealth authority or other Commonwealth entity that is not a Commonwealth agency. The term includes:*

- *Pennsylvania Turnpike Commission*
- *Pennsylvania Housing Finance Agency,*
- *Pennsylvania Municipal Retirement System,*
- *Pennsylvania Infrastructure Investment Authority,*
- *State Public School Building Authority,*
- *Pennsylvania Higher Education Facilities Authority, and State System of Higher Education*

*The COSTARS Program is not available for use by Executive Agencies and Independent Agencies as defined by the Commonwealth Procurement Code, or any agency or entity using funds appropriated to the Department of General Services through Capital Budget Project Itemization legislation for the procurement of furniture, fixtures, and equipment.*