

## NASPO Contract Status Report

**Contract Title:** **"HELP"** Homeland Equipment and Laboratory Products)

**Products/Services Included** Multi-State Laboratory Supplies/Laboratory Equipment, Homeland Laboratory Products, Rapid HIV Testing Kits

**Lead State:** Arkansas

**Contract Administrator:** Rebecca O'Neal

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Little Rock, AR 72201-4223

**Award Date:** July 1, 2004

**Current Expiration Date:** June 30, 2008 (have utilized one two-year extension)

**Extensions Available:** Two additional two year periods for a consecutive total of six years.

**Process for State Participation:** Completion of a "Facility Application Form" if a cooperative purchasing participant, i.e. city, county, school district, etc. wishes to use the contract. If a State Procurement Office elects to participate, a "Participating Addendum" is executed between the vendors with a copy sent to Arkansas State Procurement.

**Current Using States:** Arkansas, Louisiana, California, Puerto Rico, Virgin isles, Hawaii, Oklahoma, (minimal use in Mississippi) Several additional states are anticipated to sign February or March 2007.

**Authorized Contractors:** VWR International, Fisher Scientific, OraSure Technologies

**Master Price Agreement available?** Yes. Discounts from published price list held firm for twelve months from date of contract price increase.

**If yes, where?** Indicated in the contract under each category (on-line pricing available at time of order entry)

**Contractor Performance to date:** Exceptional especially with devastating events resulting from hurricanes and weather related events in the Gulf region.

## TOTAL SALES VOLUME THROUGH DECEMBER 2006:

(See Pages 3 and 4 for Breakdown by State)

### THERMO/FISHER

#### Total Sales through 2006:

List Prices for Participating States:	\$15,871,949.00
NASPO Discounted Prices:	\$13,237,216.25
Savings for NASPO Participants:	\$2,480,274.51

### VWR INTERNATIONAL

#### Total Sales through 2006:

List Prices for Participating States:	\$3,834,456.31
NASPO Discounted Prices:	\$2,709,924.01
Savings for NASPO Participants:	\$1,124,532.27

**Current Contract Issues:** In 2006 negotiations were conducted with the vendors. The negotiations were to determine if it would be in the best interest to 1) rebid the contract, or 2) possibly look for another joint purchasing venture with an existing multi-state contract. The attempt to negotiate was not only to obtain better discounts/lower prices for the participating states, but to enhance the features of the contract because of recent weather-related events in the Southern region. The two main vendors, Fisher Scientific and VWR International were challenged to offer better discounts, especially on the "frequently used items" as well as other categories denoted in the contract. Due to nationwide fuel cost increases, almost all companies were including charges in their invoicing and stating them as "minimal handling fees" or "transportation costs, and fuel consumption." Vendors were cautioned by the State of Arkansas no additional costs would be permitted to be passed on to NASPO Participating States under the terms of the contract. The contract negotiations resulted in additional rebate pricing from the manufacturers, additional discounts on frequently ordered items and additional manufacturer product lines for the contract vendors.

**Future Contract Plans:** As additional states execute a "Participating Addendum" and join the "**HELP**" contract, the Arkansas Office of State Procurement will continue to negotiate with the contractors for enhancements to the NASPO "**HELP**" contract. Additionally, as purchasing profits increase for the Contractors, those profits must reflect lower pricing for the Participating States. This office will require the Contractors continuously negotiate with their manufacturers for volume purchasing discounts. The contracts will be amended, as changes occur to reflect the better terms and conditions negotiated with the Contractors. Emphasis will continue to be placed on the Contractors to encourage them to aggressively market the NASPO contract to non-participating States and promote its use. It is required they concentrate on bringing in more cooperative purchasing participants and add additional States into the NASPO Multi-state cooperative purchasing program thus increasing sales volume and ultimately lowering prices for all.

FISHER SCIENTIFIC COMPANY				
Quarter	State	List	NASPO	Savings
3rd 2004	Arkansas	\$67,183.38	\$46,959.89	\$20,223.49
<b>3rd 2004</b>	<b>Total</b>	<b>\$67,183.38</b>	<b>\$46,959.89</b>	<b>\$20,223.49</b>
4th 2004	Arkansas	\$169,925.04	\$134,380.93	\$33,544.11
4th 2004	Oklahoma	\$9,636.94	\$8,909.04	\$2,727.90
<b>4th 2004</b>	<b>Total</b>	<b>\$179,561.98</b>	<b>\$143,289.97</b>	<b>\$36,272.01</b>
1st 2005	Arkansas	\$168,356.33	\$122,517.69	\$45,838.64
1st 2005	Louisiana	\$54,991.05	\$43,060.23	\$11,930.82
1st 2005	Oklahoma	\$131,170.75	\$108,203.73	\$22,967.02
<b>1st 2005</b>	<b>Total</b>	<b>\$354,518.13</b>	<b>\$273,781.65</b>	<b>\$80,736.48</b>
2nd 2005	Arkansas	\$180,200.23	\$134,137.05	\$46,063.18
2nd 2005	Louisiana	\$265,431.09	\$217,016.24	\$48,414.85
<b>2nd 2005</b>	<b>Total</b>	<b>\$445,631.32</b>	<b>\$351,153.29</b>	<b>\$94,478.03</b>
3rd 2005	Arkansas	\$205,928.40	\$165,941.74	\$39,496.02
3rd 2005	Hawaii	\$510,708.03	\$435,736.23	\$74,971.80
3rd 2005	Louisiana *	\$819,280.78	\$606,476.70	\$58,836.02
<b>3rd 2005</b>	<b>Total</b>	<b>\$1,535,917.21</b>	<b>\$1,208,154.67</b>	<b>\$173,303.84</b>
4th 2005	Arkansas	\$201,690.42	\$144,470.59	\$57,219.83
4th 2005	Louisiana *	\$2,309,280.82	\$1,823,353.45	\$427,091.35
<b>4th 2005</b>	<b>Total</b>	<b>\$2,510,971.24</b>	<b>\$1,967,824.04</b>	<b>\$543,147.20</b>
1st 2006	Arkansas	\$277,365.82	\$211,674.91	\$65,690.91
1st 2006	California	\$62.65	\$53.48	\$9.17
1st 2006	Hawaii	\$1,208,041.95	\$1,016,697.69	\$191,344.26
1st 2006	Louisiana *	\$405,495.17	\$234,627.26	\$170,867.91
1st 2006	Oklahoma	\$72,699.64	\$62,159.75	\$10,539.89
<b>1st 2006</b>	<b>Total</b>	<b>\$1,963,665.23</b>	<b>\$1,525,213.09</b>	<b>\$438,452.14</b>
2nd 2006	Arkansas	\$323,766.18	\$244,722.80	\$79,143.38
2nd 2006	California	\$317.50	\$317.50	\$0.00
2nd 2006	Hawaii	\$2,005,545.73	\$1,914,551.04	\$90,994.69
2nd 2006	Louisiana *	\$826,741.67	\$578,101.69	\$248,639.98
2nd 2006	Oklahoma	\$11,000.75	\$6,286.68	\$4,614.07
2nd 2006	Pennsylvania	\$11,194.64	\$6,410.64	\$4,784.00
<b>2nd 2006</b>	<b>Total</b>	<b>\$3,178,566.47</b>	<b>\$2,750,390.35</b>	<b>\$428,176.12</b>
3rd 2006	Arkansas	\$ 354,240.59	\$ 274,633.54	\$ 79,607.05
3rd 2006	California	\$ 987,853.09	\$ 692,906.02	\$ 294,947.07
3rd 2006	Hawaii	\$3,251,869.38	\$ 3,194,539.55	\$ 57,329.83
3rd 2006	Louisiana *	\$1,014,536.13	\$ 791,216.20	\$ 223,319.93

3rd 2006	Oklahoma	\$ 26,506.69	\$ 16,457.57	\$ 10,049.12
3rd 2006	Pennsylvania	\$ 928.62	\$ 696.42	\$ 232.20
		<b>\$5,635,934.50</b>	<b>\$4,970,449.30</b>	<b>\$665,485.20</b>
<b>Overall Contract Totals</b>		<b>\$15,871,949.46</b>	<b>\$13,237,216.25</b>	<b>\$2,480,274.51</b>

#### Added U.S. Virgin Islands in October 2006

\* Increased sales volume due to Hurricane Katrina in August/September of 2005 total savings for the State of Louisiana are higher and will continue to be higher due to the rebuilding efforts.

VWR INTERNATIONAL				
YEAR	STATE	LIST	NASPO	SAVINGS
2004	AR	\$522,880.93	\$399,773.93	\$123,107.00
	LA	\$207,205.46	\$136,418.10	\$70,787.36
2005	AR	\$621,828.94	\$468,069.81	\$153,759.13
	LA	\$114,444.49	\$97,787.86	\$16,656.63
	MS	\$2,481.47	\$2,183.47	\$298.00
2006	AR	\$2,351,072.40	\$1,592,717.65	\$758,354.75
	LA	\$14,422.62	\$12,851.99	\$1,570.63
	MS	\$120.00	\$121.23	-\$1.23

Contract State Totals				
	STATE	LIST	NASPO	SAVINGS
	AR	\$3,495,782.27	\$2,460,561.39	\$1,035,220.88
	LA	\$336,072.57	\$247,057.95	\$89,014.62
	MS	\$2,601.47	\$2,304.70	\$296.77
<b>Total</b>		<b>\$3,834,456.31</b>	<b>\$2,709,924.04</b>	<b>\$1,124,532.27</b>

Administrative Fees to NASPO 1/10 of 1%		
Year	Quarter	Amount
2004		\$188.00
2005	1st	\$85.00
	2nd	\$94.00
	3rd	\$65.00
	4th	\$65.00
2006	1st	\$703.19
	2nd	\$946.26
	3rd	\$482.72
	<b>Total</b>	<b>\$2,629.17</b>