

**WEST VIRGINIA
PURCHASING DIVISION**
WVPURCHASING.GOV



**2021
ANNUAL
REPORT**

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Director's Message



STATE OF WEST VIRGINIA

**DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION**
2019 WASHINGTON STREET, EAST
CHARLESTON, WEST VIRGINIA 25305-0130

ALLAN MCVEY
CABINET SECRETARY

June 30, 2021

W. MICHAEL SHEETS
DIRECTOR

To the Citizens of West Virginia:

When the pandemic began in March 2020, nobody knew what to expect or how it would change business practices. Immediately, people began working from home, vendors began experiencing supply chain issues, and the internet became the platform for everyday business as social distancing became the temporary norm. As challenges from the pandemic continued into Fiscal Year 2021, the Purchasing Division had to assess these challenges and figure out how it could continue to process contracts in a manner that met the needs of state employees and vendors alike. Despite these challenges, the Division realized many successes during the fiscal year.

This year, the Purchasing Division entered into a terms agreement with Amazon Business Prime. Having this agreement in place at the central level allows agencies to purchase needed goods under \$2,500 in a more expeditious manner, as well as provides them with tax-exempt purchasing and free two-day shipping for purchases at all levels. Having this contract in place also allows the Division to more adequately track statewide spend with Amazon.

In July 2020, the Purchasing Division also began accepting electronic proposals for Expressions of Interest. While not directly tied to the pandemic, the move to online processing among agencies and vendors supported the flexibility this change provided. As the pandemic continued, more vendors had expressed an interest in submitting their proposals electronically, and naturally with working from home, agency procurement officers were waiting for bids to be posted to the website before evaluating them. While paper proposals are still accepted, the change to electronic submissions, which transformed the way proposals can be submitted, also removed the vendor's need to provide convenience copies, reducing the cost and paper involved in submitting a proposal.

Finally, a long-time goal of the Purchasing Division became a reality as the Division began posting all new encumbered contract documents to its website as a means of increasing transparency.

To learn more about the successes we realized this year, please read through this Fiscal Year 2021 Annual Report.

Sincerely,

A handwritten signature in black ink, appearing to read "W. Michael Sheets".

W. Michael Sheets, CPPO, Director
West Virginia Purchasing Division

General Information

Contact Information:

Contact information for our staff is available on the West Virginia Purchasing Division's website at WVPurchasing.gov. Biographical information for the senior management team, the division's organizational chart and detailed contact information for staff is accessible at the "Contact Us" button on the home page. The address, telephone and fax number for our agency is noted below:

West Virginia Purchasing Division
2019 Washington Street, East
Charleston, WV 25305

Telephone: (304) 558-2306
FAX: (304) 558-4115

WVPurchasing.gov

Statutory Authority:

The Purchasing Division was created and its duties outlined in the W. Va. Code § 5A-3-1 et seq. According to the Code, *"the Purchasing Division was created for the purpose of establishing centralized offices to provide purchasing and travel services to various state agencies."*

The Purchasing Division operates in adherence to W. Va. 148 C.S.R. 1, which serves as a clarification of operative procedures for the purchase of products and services by the division. It applies to all spending units of state government, except those statutorily exempt.

Mission Statement:

Below is the mission of the Purchasing Division, which stresses the valued services provided to our customers by making sound and effective decisions in accordance with state law:

To provide prudent and fair spending practices in procuring quality goods and services at the lowest cost to state taxpayers by maximizing efficiencies and offering guidance to our customers.

Marketing Strategy:

The Purchasing Division communicates with its state agency partners and vendor community regarding its programs and services through a variety of mediums, including the *West Virginia Purchasing Bulletin*, the listing of state government bid opportunities through the *wvOASIS* Vendor Self Service portal; a monthly online newsletter for state procurement officers, *The Buyers Network*; our quarterly West Virginia State Agency for Surplus Property newsletter, *The Property Connection*; email correspondence to our designated state agency purchasing liaisons; various training programs; and our website (WVPurchasing.gov) and intranet site (<http://intranet.state.wv.us/admin/purchase>), which is only accessible to state employees.

In an effort to provide our customers with the best possible service, the Purchasing Division looks for ways to network effectively with our agency partners.

Customer Service Representative:

The Purchasing Division has a designated customer service representative to serve as the primary contact for all inquiries, suggestions and concerns. Samantha Knapp, Acting Assistant Purchasing Director, serves in this role and may be contacted at (304) 558-7022 or via email at Samantha.S.Knapp@wv.gov.

Organizational Structure:

The Purchasing Division is organizationally structured under the West Virginia Department of Administration within the executive branch of state government. In addition to the Purchasing Director's office, the division has three sections: Acquisitions and Contract Administration, Communication and Technical Services, and Program Services. Additionally, the Purchasing Division maintains a legal office to assist with various legal and legislative issues.

Acquisitions and Contract Administration Section

The Acquisitions and Contract Administration Section is responsible for the procurement of products and services for state agencies expected to exceed \$25,000. It is committed to providing excellent customer service to agencies and vendors by buying quality commodities and services at the lowest cost to taxpayers.

The Contract Management Unit within this section assists with the oversight of contracts and the inspection of purchasing documents to ensure compliance with state laws, regulations and procedures. This section strives to provide quality services in the most efficient manner.

Communication and Training Section

The Communication and Training (CT) Section is responsible for a variety of services offered to state employees, vendors, and the public.

The CT Section is responsible for developing monthly newsletters; maintaining formal publications and documents, including the *Purchasing Division Procedures Handbook* and *Annual Report*; distributing guidance to all designated procurement officers through regular eblasts; maintaining the official Procurement Officer Listing; and much more.

They also oversee the Purchasing Division's complete training program, including in-person workshops and virtual webinars; coordinate the annual Agency Purchasing Conference; manage the State Procurement Certification Program; develop online training modules; oversee compliance with training requirements for designated procurement officers; and more.

Business and Technical Services Section

The Business and Technical Services Section (BTS) maintains the daily operation of the Division's sections and functions using a variety of technology and business resources, ensuring these processes comply with legislative code and rule. BTS manages various web and intranet sites, the hardware and software of the Purchasing Division, as well as all e-procurement initiatives, particularly the need to streamline and improve its statewide purchasing systems and processes.

Other operational functions handled by this section include managing the vendor registration program, SWAM Certification review and approval, delegated purchasing for the Division, imaging and records retention, bid and document receipt, purchase order encumbrance, vendor outreach, bid bond administration, the Division's inventory and fixed assets, the the transparency of public documents and information. This section also is responsible for calculating state spend on contracts related to central procurement and administering the data-reporting needs for the agency, directors, and procurement officers.

Program Services Section

The Program Services Section is responsible for several programs administered by the Purchasing Division. The Travel Management Unit offers guidance to state business travelers and oversees various statewide contracts for travel-related services. This unit communicates with agency travel coordinators on various issues relating to services.

The Fixed Assets Unit maintains the state's inventory of property and ensures the agencies certify their state-owned property on an annual basis.

The Surplus Property Unit manages the state and federal programs for property no longer needed within the respective governments. As part of this program, state property that is not sold to eligible organizations is made available to the public through various mechanisms, including absolute auctions, daily retail sales, online sales and statewide sealed bids.

The Staff of the West Virginia Purchasing Division

The Purchasing Division staff, pictured below in its annual photo, works closely with all state agency designated procurement officers and the many vendors that provide the commodities and services needed to maintain and operate state programs and services. We are here to serve you!



Front row (l-r):

Frank Whittaker, Krista Chadband, Elizabeth Cooper, Melody Waite, Courtney Johnson, Mike Sheets, Lu Anne Cottrill, Linda Harper, Alisha Pettit, and James Meadows

2nd row (l-r):

Leslie Gwinn, Dusty Smith, Crystal Husted, Melissa Pettrey, Jennifer Fields, Diana Doss, David Pauline, and Samantha Knapp

3rd row (l-r):

Jessica Hovanec, Jason Thompson, Teresa Cutlip, Josh Hager, Tara Lyle, and Bob Ross

Pictured back row (l-r):

Greg Clay, Brenda Brown, Mark Totten, Guy Nisbet, Mark Atkins, and John Estep

Missing from photo:

Jessica L. Chambers, Jessica S. Chambers, Shane Hall, Mitzie Howard, Melissa Skiles, Megan Snodgrass, Bev Toler, and Toby Welch

Contact Reference Guide

	<u>Telephone No.</u>	<u>Location</u>
Director's Office		
Mike Sheets, Purchasing Director	(304) 558-0492	Main Office
James Meadows, General Counsel	(304) 558-8806	Main Office
Jennifer Fields, Administrative Secretary	(304) 558-3568	Main Office
Acquisitions and Contract Administration Section		
Frank Whittaker, Assistant Director	(304) 558-2316	Main Office
<i>Acquisitions Unit</i>		
Linda Harper, Buyer Supervisor	(304) 558-0468	Main Office
Tara Lyle, Buyer Supervisor	(304) 558-2544	Main Office
Mark Atkins, Senior Buyer	(304) 558-2307	Main Office
Jessica S. Chambers, Senior Buyer	(304) 558-0246	Main Office
John Estep, Buyer	(304) 558-2566	Main Office
Josh Hager, Senior Buyer	(304) 558-8801	Main Office
Crystal Hustead, Senior Buyer	(304) 558-2402	Main Office
Melissa Pettrey, Senior Buyer	(304) 558-0094	Main Office
David Pauline, Senior Buyer	(304) 558-0067	Main Office
Dusty Smith, Buyer	(304) 558-2063	Main Office
Toby Welch, Buyer	(304) 558-8802	Main Office
<i>Contract Management Unit</i>		
Greg Clay, Contract Manager	(304) 558-5780	Main Office
Shane Hall, Inspector III	(304) 558-8803	Main Office
Melissa Skiles, Inspector I	(304) 558-3488	Main Office
Mitzie Howard, Inspector II	(304) 558-2037	Main Office
Jason Thompson, Inspector II	(304) 558-2538	Main Office
Leslie Gwinn, Inspector I	(304) 558-4317	Main Office
Business and Technical Services Section		
Guy Nisbet, Assistant Director	(304) 558-2596	Main Office
<i>Technical Services Unit</i>		
Mark Totten, Manager	(304) 558-7839	Main Office
Alisha Pettit, Programmer	(304) 558-0247	Main Office
Terra Oliver, Vendor Registration Coordinator	(304) 558-2311	Main Office
Lu Anne Cottrill, Quality Control and Transparency Specialist	(304) 558-3486	Main Office
<i>Support Services</i>		
Beverly Toler, Supervisor	(304) 558-2336	Main Office
Bob Ross, Imaging Operator	(304) 558-2312	Main Office
Communication and Training Section		
Samantha Knapp, Assistant Director	(304) 558-7022	Main Office
<i>Communication and Training Unit</i>		
Courtney Johnson, Manager	(304) 558-4213	Main Office
Jessica L. Chambers, Public Information Specialist	(304) 558-2315	Main Office
Teresa Cutlip, Public Information Specialist	(304) 558-2613	Main Office
Krista Chadband, Office Assistant	(304) 558-2744	Main Office

Program Services Section

Elizabeth Cooper, Assistant Director	(304) 766-2626	Dunbar
<i>Fixed Assets Management Unit</i>		
Sherry Fewell, Fixed Assets Coordinator	(304) 356-2424	Dunbar
<i>Surplus Property Unit</i>		
Elizabeth Cooper, Manager	(304) 766-2626	Dunbar
Doug Elkins, Assistant Manager	(304) 356-2428	Dunbar
<i>Travel Management Unit</i>	(304) 766-2626	Dunbar

Purchasing Division Highlights

Purchasing Division Begins Posting New Contract Awards on Website to Increase Transparency

The Purchasing Division began posting contract awards on its website during Fiscal Year 2021 as part of its efforts to maintain transparency. The unofficial posting of awards of new contracts and change orders, as well as delivery orders from current contracts, allows any party interested in either a particular solicitation or a purchase to access and download the information, including award documentation, within one business day of being encumbered.

Both successful and unsuccessful vendors receive an emailed notification on the day the award is encumbered. The notice contains a link to the award page and cites identifying information for easy reference. Information on the page includes:

- The solicitation number, if known;
- The award document type and unique identifier number;
- The agency for which the award was made;
- A description of the good or service for which the contract or change order was issued;
- The bid opening date for the solicitation that was awarded, along with a link to the applicable bids, if known;
- The encumbrance date; and
- Whether the transaction was a change order or other document type.

While the contract award, change order, and delivery order information is posted on the Purchasing Division's website for 90 days, the scanned copy maintained at the Purchasing Division offices still serves as the official contract file for all solicitations and is available for viewing during normal business hours.

Purchasing Division Enters into Terms Agreement with Amazon Business Prime on Behalf of West Virginia

After months of working with Amazon to negotiate terms and conditions, the Purchasing Division entered into a terms' agreement with Amazon Business Prime on behalf of the state. The negotiated terms and conditions allow state agencies to use Amazon Business Prime as an option for making purchases for goods that are not otherwise available through the state's mandatory internal sources or statewide contracts. Although competitive bidding procedures are required, a screenshot from Amazon is permitted to serve as a bid for the verbal spend threshold of \$2,500.01 to \$10,000.

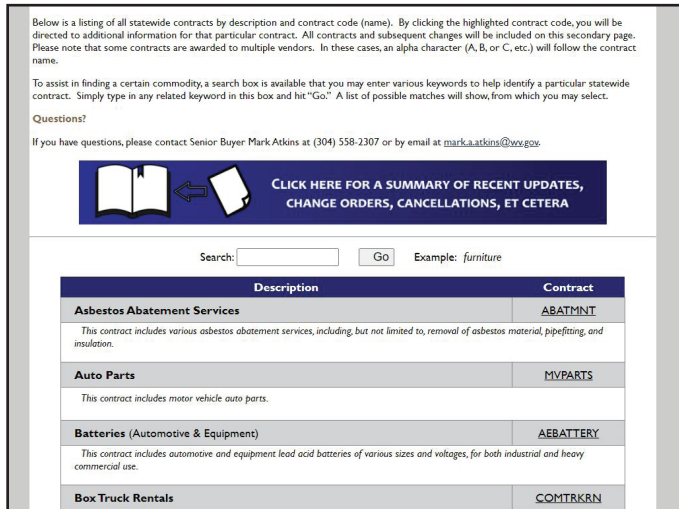


Purchasing through the state's Amazon Business Prime account allows state agencies to make automatic

tax-exempt purchases, receive free two-day shipping on eligible items, obtain business-specific pricing, access a specialized Amazon Business Customer Service team, and more.

During the implementation period in early Fiscal Year 2021, the Purchasing Division hosted two webinars for administrators and requisitioners. Copies of these trainings are available on the Purchasing Division’s website at www.state.wv.us/admin/purchase/SWC/AMAZON.htm.

Redesign Simplifies Statewide Contracts Webpage



The Purchasing Division continuously looks for ways to improve the distribution of and accessibility to important information related to the state purchasing process. In Fiscal Year 2021, this initiative led the Division to make updates to its statewide contracts index webpage. Those updates included rewording some of the names and descriptive language used to identify contracts and expanding the search box feature.

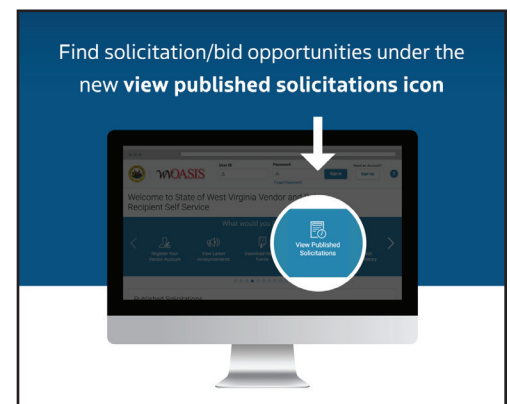
“The Purchasing Division continuously looks for opportunities to improve access to information as well as provide useful tools that help state agencies achieve their goals,” said Business and Technical

Services Manager Guy Nisbet. “As part of that, we listen to agency feedback. One of the comments we saw regularly was that individuals wanted the statewide contracts webpage to be more modern, easier to read/find contracts, and provide more detailed information.”

The project began in late 2020 and was a team effort among each of the Purchasing Division’s sections.

Purchasing Division Continues Operations During Blackout Period for Vendor Self-Service Upgrade

The Vendor Self-Service (VSS) portal on wvOASIS.gov took on a new look during Fiscal Year 2021 following an upgrade to the system. During the upgrade, [wvOASIS](http://wvOASIS.gov) was inaccessible for approximately one week, leaving the Purchasing Division to re-adjust its operations to ensure solicitations continued to move forward. While the Purchasing Bulletin within the VSS was down and access to [wvOASIS](http://wvOASIS.gov) non-existent, the Purchasing Division staff continued to work with agency procurement officers whose bids had opened the previous week to evaluate and prepare for the award phase, as well as worked with agencies to review and revise specifications for new solicitations. As



a result, the impact of the upgrade to agency operations was minimal.

As part of the upgrade, vendors interested in doing business with the state of West Virginia can now more easily navigate the VSS site to view solicitations, access vendor forms, create watch lists, view grant opportunities, and more. Additionally, there is no longer a public access button. Instead, vendors will immediately see a carousel at the top of the main page with various options. After a vendor either creates an account or claims an existing account, they can pay the vendor registration fee online. Vendors can then view their home page with an account summary, a financial balance overview, a watch list for bid opportunities and commodity codes, financial inquiries (award and payment activity), and the Purchasing Bulletin with links to open solicitations. There are also tabs for announcements, vendor forms, agency contacts, and important links.

“The VSS upgrade to 4.0 provides vendors and grant sub-recipients a more streamlined way to search for bid and grant opportunities available from the state,” said WV OASIS Finance TEAM Business Analyst Lisa Comer. “For example, the number of steps required to access the main menu, as well as creating or claiming an account, has been reduced. The new version of VSS also allows more flexibility for users to sort and display results when searching for opportunities.”

Completion of Dome Renovation Celebrated as Part of West Virginia Day After Multi-Year Project Ends

In January 2018, work began on a project to repair water leaks where the Capitol’s blue and gold dome meet the limestone. The multi-year project was solicited by the Purchasing Division on behalf of the General



Services Division after cracks were discovered in 2016, showing the dome was in danger of further deterioration. During Fiscal Year 2021, following the completion of the project, the dome was specially presented during a West Virginia Day celebration by Dept. of Administration Cabinet Secretary Allan McVey and Gov. Jim Justice.

As part of the project, scaffolding was put up inside and outside the dome, and other support walls and structures were created to prevent the dome from falling as the work was completed. A weather cover on the outside scaffolding blocked the view of the monumental gold dome for more than a year.

With the project completed, the dome is now structurally sound and has new gold leaf, paint, and tiles. The chandelier in the rotunda was also completely restored as part of the project.

The historic dome project, solicited by the Purchasing Division on behalf of the General Services Division and completed in early 2021, was presented during a special West Virginia Day ceremony by Gov. Jim Justice and Dept. of Administration Cabinet Secretary Allan McVey. The project spanned multiple years, and the dome was covered with weather proofing for much of that time.

“We owe it to our citizens to make sure the whole Capitol complex is in good condition,” McVey said. “We now have good preventative maintenance plans in place, not only for the dome, but for all our buildings. We feel that is the responsible thing to do for our citizens.”

Purchasing Division Undergoes Organizational Restructuring to Better Distinguish Responsibilities

The Purchasing Division organizational structure underwent a reorganization during Fiscal Year 2021 to better address the needs of the division and establish more clearly the distinct roles and responsibilities among them. The former Communication and Technical Services section was divided into two new sections: the Communication and Training (CT) section and the Business and Technical Services (BTS) section.

As part of the reorganization, the Communication and Training Section, which previously

oversaw all operations related to communication, training, technical, and administrative functions of the division, will solely focus on the abundant communication and training needs of the division, including but not limited to the development of a monthly newsletter; maintaining formal publications and documents, including the *Purchasing Division Procedures Handbook*; preparing and distributing eblasts to designated procurement officers; and managing the comprehensive training program, including webinars, annual conferences, the State Procurement Certification Program, and more.

The new Business and Technical Services Section will maintain the Division’s technology equipment and manage the web and intranet sites as well as all e-procurement initiatives. Other related administrative functions handled by this section will include managing the vendor registration program, delegated purchasing for the Division, imaging and records retention, bid receipt, and purchase order encumbrance.

“While these two sections have been one for many years, we saw an opportunity to grow and increase our services by dividing the teams,” said Purchasing Director Mike Sheets. “This will allow us to pursue more projects.”

With the development of these new sections, two Purchasing Division employees transitioned into assistant director roles. Samantha Knapp became the assistant director over the CT section while Guy Nisbet became the assistant director over BTS.



March Named Purchasing Month in West Virginia

Transparency is one of the leading values of West Virginia state government, especially when it comes to spending state taxpayer dollars. During Fiscal Year 2021, Gov. Jim Justice recognized the complexity of the state purchasing process and the integrity, efficacy, and competence it requires to get the job

done right.

For the fifth consecutive year, Gov. Justice proclaimed March as “Purchasing Month” throughout the state of West Virginia. This declaration has been made every year in West Virginia since 2011 and honors the honesty and professionalism of all state purchasers who are entrusted with the spending of tax dollars.

This 2021 proclamation was part of an annual nationwide recognition initiated by the National Institute of Governmental Purchasing. The Purchasing Month proclamation highlighted the initiatives which develop, support and promote public procurement practitioners through their educational and research programs.



Purchasing Division Receives National Procurement Award as Part of Program’s 25th Year Celebration

The National Procurement Institute (NPI) celebrated the 25th year of its annual *Achievement of Excellence in Procurement*® (AEP) award, a recognition once again earned by the West Virginia Purchasing Division. The AEP award, which is the national program used to benchmark organizational excellence in procurement, is earned by public and nonprofit organizations that obtain a high application score based on standardized criteria designed to measure best procurement practices. This is the eighth consecutive year the Division has earned this honor.

“The Purchasing Division’s attention to the details of purchasing and procurement continue to save money for the state’s taxpayers while ensuring that state agencies have the tools, supplies, and equipment they need to provide excellent service to the public,” said Dept. of Administration Cabinet Secretary Allan McVey. “The Division’s staff members are leading examples of a competent and engaged workforce that promotes efficient and effective practices.”

The AEP is awarded annually to recognize innovation, professionalism, e-procurement, productivity, and leadership in the procurement function and encourages the development of excellence as well as continued organizational improvement. The West Virginia Purchasing Division is the only governmental agency in West Virginia and one of only five state agencies in the United States and Canada to receive this award this year.



“We continue to prove that our procurement process upholds the highest of standards in public administration,” said Purchasing Director Mike Sheets.

Purchasing Division Welcomes Returning Interns through Governor’s Internship Program

The Purchasing Division hosted two returning summer interns through the Governor’s Internship Program during Fiscal Year 2021. Braden Phillips served as the marketing intern for the West Virginia State Agency for Surplus Property (WVSASP), which falls under the Program Services section of the Division, and Zach Wynn served as the technical intern working with the Business and Technical Services section.

Phillips is pursuing a marketing degree from West Virginia University. As the marketing intern for the WVSASP, he assisted in the promotion of the daily public sales and federal surplus property programs and increased outreach to eligible organizations to promote WVSASP’s programs and services. A second-year intern, Phillips said he hoped to improve his professional communication skills regarding marketing.



The Purchasing Division welcomed back two interns during Fiscal Year 2021 as part of the Governor’s Internship Program. Braden Phillips (left) served as the marketing intern while Zach Wynn (right) served as the technical intern.

Wynn, the Purchasing Division’s technical intern for the fourth year, studies computer science and mathematics at Marshall University. As part of his responsibilities, Wynn assisted the Division with various technical projects, including those related to building upgrades and maintenance, the website, and bid openings. He said he hoped to gain a better understanding of the workplace and state government in general through his time with the Purchasing Division.

Purchasing Division Compares Pricing of Statewide Contract Items to Those on NASPO Contracts

Unlike statewide contracts bid and awarded by the Purchasing Division, the cooperative contracting process often foregoes the rigors of a competitive process and instead follows an “award-to-all” model. While that model is certainly convenient for the agency and maximizes the revenue for the cooperative entity, it does little to ensure that the state of West Virginia is obtaining the best value for its dollar, or the best price. In fact, this fiscal year, the Purchasing Division compared commodities from several NASPO contracts to those competitively bid by the state and found that those contracts competitively bid generated better pricing.

In late September 2020, the Purchasing Division made the following comparisons:

- A Dell computer product cost \$525 on the IP19 statewide contract; the same item cost \$1,262.28 on a NASPO contract.
- A 27-inch monitor was \$199 on the IP19 contract but \$352.74 on the NASPO contract.
- KOMAX’s Bizhub C-3350i copier was listed on the DIGCOP17A statewide contract at a price of \$1,277.12 but the same item was \$1,984.50 on a NASPO contract.
- The price on the CANLINE18 statewide contract for a case of 39-gallon trash can liners (100 per case)

was \$13.46, compared to the NASPO price of \$40.25.

The cooperative model can also fall short when it comes to allowing a wide range of local and regional vendors to receive notice of, and an opportunity to compete for, state business.

Purchasing Division Conducts One-on-One Training with Veterans Assistance as Part of Education Efforts

As part of its education efforts, the Purchasing Division meets with agencies from time to time, upon request, to discuss the state purchasing process, answer questions, and discuss specific issues and solutions. During Fiscal Year 2021, the Department of Veterans Assistance (including its subsidiaries of the Veterans Nursing Facility and Veterans Home) was one such agency to benefit from this one-on-one outreach.

As part of the meeting, Purchasing Division staff focused on the role of procurement officers within the agency, internal workflow procedures and how other agency employees fit into that workflow, tracking and reporting of purchases, processing procedures, and more. The purpose of the training was to help the agency understand how to organize the procurement function within the organizations, both individually and as a department, and how the Purchasing Division can support the agency in its effort to improve the efficiency of its operations.

As part of the meeting, State Contracts Manager Greg Clay focused heavily on reporting within Business Intelligence and *WV*OASIS and how those resources can be used to ensure agencies remain in compliance with the various state purchasing requirements, as well as understanding aggregate spend and how that dictates the spending threshold for each agency purchase.

He spoke on the utilization of mandatory internal sources and statewide contracts, and how not doing so can negatively impact an agency's inspection grade. Proper planning for procurements was also discussed.

"It is the Purchasing Division's goal to provide assistance to our agencies when possible, in whatever form we can," said Assistant Purchasing Director Samantha Knapp. "Despite all of the tools and resources available to our agency partners online and as part of our training program, we just as strongly encourage agencies to reach out to us to schedule one-on-one meetings to discuss their agency's specific needs."

[From Welding Simulators to Historic Rail Line Repairs...](#)

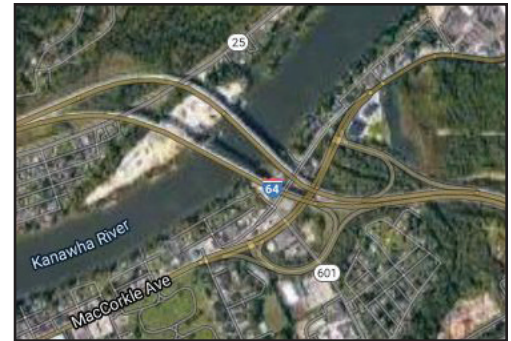
A Variety of Unique Purchases Make Their Way through the West Virginia Purchasing Division

The Purchasing Division is responsible for procuring goods and services on behalf of all state agencies in accordance with W. Va. Code § 5A-3, but some of those purchases are as unique as the programs and services that the agencies administer. Below are some examples of contracts issued during Fiscal Year 2021 that were a little different from the norm. Due to the unusual and complex characteristics of the solicitations, the Purchasing Division buyers worked closely with agency procurement officers to ensure the specifications were written competitively to allow for adequate vendor bids.

Boating Access Improvements Made Along Kanawha River Thanks to Assistance from the Purchasing Division

The Kanawha River is a popular destination for both boaters and fishermen trying to reel in bass, catfish, musky, and various other species of fish, and also offers canoeing and kayaking opportunities. During Fiscal Year 2021, the West Virginia Division of Natural Resources (DNR), with assistance from the Purchasing Division, solicited bids for a project that would make it easier for boats to access the river in South Charleston. As part of the project, the winning vendor studied, designed, and prepared construction contract plans, as well as specifications for the construction portion of the project.

The winning vendor also provided quality assurance and control during construction, which involved the creation of parking areas, signage, and the boating access ramp itself.



The Division of Natural Resources, with assistance from the Purchasing Division, solicited bids for a project to increase boat accessibility to the Kanawha River in Charleston, W. Va.

West Virginia's History Preserved with Specialized Repairs to Historic Rail Line

Steps to preserve a piece of one of West Virginia's historic rail lines were taken this fiscal year, thanks to a joint effort by the West Virginia State Rail Authority and the Purchasing Division and patience from the vendor community. During Fiscal Year 2021, the State Rail Authority sought vendors for a project involving partial replacement of timbers and bridge repair on the South Branch Valley Railroad Bridge 6.50 (over WV Route 28).

"The COVID-19 pandemic held up the mandatory pre-bid meeting so there was a hold on the CRFQ [solicitation] until restrictions were lifted," said Buyer Supervisor Linda Harper. "With this job being extremely costly and large, a mandatory pre-bid meeting was absolutely necessary, and they finally got it done."

Work began on the project in September 2020 and took approximately one year to complete.

The rail line provides freight and passenger service to the state's Eastern Panhandle. It had formerly operated as the South Branch line of the Chessie System's Baltimore and Ohio Railroad (now CSXT). When Chessie turned over the rail line to the state on Oct. 11, 1978, West Virginia became the first state in the nation to both own and operate a commercial freight railroad.

Welding Simulator Provides Real-Life Experience in the Classroom

Students in the Pre-Apprentice track of the Mountaineer Job Challenge Program at Camp Dawson can now gain real-life experience in the classroom, thanks to a new tool secured during Fiscal Year 2021 by the West Virginia National Guard with assistance from the Purchasing Division.

The tool, a welding simulator, provides realistic classroom training that allows users to virtually learn

proper welding techniques that would otherwise be difficult to master by just reading a textbook. The simulator mimics the look, feel and action of actual welding guns and torches and provides a faster learning experience in a safer environment.



“This is an example of the type of purchase that makes a difference in the lives of West Virginians,” said Purchasing Division Buyer John Estep. “The students will benefit greatly, and the experience will help improve their job prospects when they are finished with their education.”

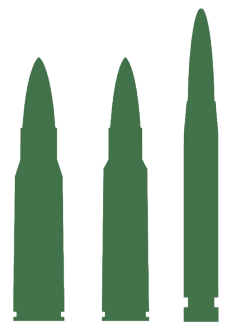
The Mountaineer Job ChalleNGe Program provides graduates with career and technical education leading to industry-recognized certifications and job placement within that trade. In addition to the Pre-Apprentice track, the Program also includes tracks on manufacturing technology, medical, horizontal construction, and energy/safety.

Purchasing Division Processes Solicitation for Machine Used to Reshape Ammunition for Recycling

Before brass ammunition is recycled, it must be deformed so it cannot be reused as a bullet casing. This was the basis for bids solicited by the Purchasing Division on behalf of the West Virginia National Guard’s Adjutant General’s Office during Fiscal Year 2021. The Division solicited and awarded a contract for a Stationary Electric Ordinance Deformer (Brass Casing Deformer) for the recycling program at its Tire Rebuild Shop in Point Pleasant, W.Va.

Fired ammunition cases are collected and run through a deforming machine at the facility. Hammers strike the brass casings as they pass through the deformer chamber, smashing and bending them until they are rendered into scrap metal. The scrap brass is then offered for sale to scrap metal dealers.

“This purchase was a win-win for the agency and those who care about the environment,” said Purchasing Division Buyer John Estep. “Recycling this ammunition keeps it from going to landfills where it will take a long time to decompose.”



New Antenna to Broadcast Stronger High-Def Signals Across the State

Broadcast communication plays an increasingly important role in our society. When events affect our communities and families, news organizations depend on having the most up-to-date equipment to transmit the necessary information into our homes. To help meet this need, the Purchasing Division assisted West Virginia Public Broadcasting (WVPB) during Fiscal Year 2021 with soliciting a high-power VHF TV transmit antenna. The higher resolution of high definition TVs (HDTV) produces images that are much finer and contain more detail and color than previous formats. HDTV also provides a higher-quality digital audio signal than standard definition TV.

The contract was awarded to Propagation Systems Inc. of Pennsylvania. After award, the new ATSC 3.0

antenna was moved into position for the Huntington/Charleston transmitter site by helicopter. Delays caused by the pandemic and weather slowed the process, but WVPB hoped to switch its focus to eight TV “translators” once the purchase and placement of the transmitters was complete. The entire project is expected to be completed in late 2022.



The Purchasing Division is pleased to showcase this as one of the many unique projects processed through its central office.

The West Virginia Purchasing Division assisted Public Broadcasting with soliciting a high-power VHF TV transmit antenna. Left, the antenna for the Huntington/Charleston transmitter is being hoisted to its final location.

Agriculture Contract Provides Fresh Produce to Senior Citizens

The Senior Farmers Market Nutrition Program (SFMNP) is a federally-funded grant program overseen by the West Virginia Department of Agriculture (WVDA). Through this program, low-income individuals over the age of 60 can use the SFMNP to obtain produce and food at participating farmer’s markets. To facilitate this program, the WVDA has worked with the Purchasing Division for several years to contract a vendor for banking and auditing services.

As part of the program, SFMNP participants receive a printed voucher redeemable at any participating farmer’s markets or roadside stands for fruits, vegetables, herbs, and honey. The vouchers are printed and their redemption processed by the vendor secured by contract to oversee the program.

“Most seniors are on a fixed income and do not have the extra funds to purchase in season so [the SFMNP] vouchers allow them to make this purchase,” said the WVDA in a letter to the Purchasing Division. “The program also assists farmers who have excess fruits and vegetables to sell at markets with an outlet for extra income.”

In 2020, the SFMNP served approximately 17,000 eligible seniors and 300 farmers in West Virginia. The contract processed during this fiscal year will allow the program to continue to service seniors and farmers in the state.

Program Accomplishments

Acquisitions and Contract Administration Section

The Acquisitions and Contract Administration Section is responsible for the procurement of products and services for state agencies in excess of \$25,000. It is committed to providing good customer service to agencies and vendors in an efficient and ethical manner that will reduce costs, maximize competition, promote good customer and vendor relations, protect public funds, ensure compliance with W. Va. Code and preserve the integrity in buying the best quality commodities at the lowest cost to taxpayers. Additionally, this Section oversees the Contract Management Unit, which includes Inspection Services.

Purchasing Division Begins Accepting Electronic Responses for Expressions of Interest

The Purchasing Division began accepting electronic proposals from vendors in wvOASIS for Expressions of Interest (EOI) this fiscal year. The decision followed an interest survey that was sent to select agency procurement officers who process a high volume of EOIs.

When wvOASIS was first implemented, it was determined that electronic EOI responses could not reliably be received due to attachment file size issues. Over time, attachment size limits within the system were increased, but vendors still preferred to submit paper proposals in which they could better market their services to the agencies. As part of their submission, vendors were required to provide convenience copies, increasing their costs, to allow the EOI evaluation committee to conduct their evaluation. As the world entered the pandemic, however, preferences began to change.

Assistant Director Frank Whittaker said, “Vendors expressed an interest in submitting responses electronically due to the pandemic, and many agencies were slow to pick up the required convenience copies because they were instead evaluating the vendor’s responses once published on the Purchasing Division’s website. For these two reasons, we decided to allow electronic responses.”

In making this decision, the Purchasing Division needed to ensure that agency procurement officers could properly and effectively evaluate any proposal received electronically. With this change, agencies can now evaluate the proposals electronically or print copies of the proposals at their discretion. This change does not require vendors to submit their proposals electronically but does give them more flexibility to participate in state solicitations.

Purchasing Division Staff and Agency Procurement Officers See Increase in Processing at Federal Year End

While the state’s fiscal year runs from July 1 to June 30 each year, the federal fiscal year extends from

Oct. 1 to Sept. 30, creating a busy end-of-federal-year deadline for some Purchasing Division staff.

David Pauline, a senior buyer in the Acquisitions Unit of the Purchasing Division, processes requisitions on behalf of the West Virginia National Guard throughout the year. This includes when they receive money from the National Guard Bureau. While the fiscal year spans a full 12 months, the National Guard often receives that funding a month or two before the federal year end, limiting the amount of time available to process these last-minute procurements and making this challenge even greater.

“We have to show the money has been allocated by Sept. 30,” Pauline said.

With assistance from the National Guard, Pauline processed more than \$10 million in requisitions on its behalf during Fiscal Year 2021.

Processing the requisition requires more than recording amounts or filing paperwork. Each requisition is reviewed for proper procedures and documentation. If something is missing, it goes back to the agency, and that takes time. The biggest causes of a slowdown in the process include vendors not being registered or not having the proper documentation with their bids.

“When agencies have their pre-bid meetings, they’ll tell the vendors this involves federal year end funds and will have to be processed by the end of September, and the successful vendor will have to be prepared to move quickly,” Pauline said.

Thanks to diligent efforts between Purchasing Division staff and the agency, the work always gets done.

Purchasing Division Staff Conducts Bid Opening for Large Lottery Solicitation

The Purchasing Division offered its services to the Lottery Commission during Fiscal Year 2021 as part of a solicitation for licensing to run video lottery machines at businesses around the state. While the solicitation is exempt from the rules of the Division, West Virginia Code still requires the Purchasing Division to participate in the bid opening process.

Vendors were instructed to submit all paper bids to the Purchasing Division offices, where they remained secured until the bid opening date. Assistant Purchasing Director Frank Whittaker, Buyer Supervisor Linda Harper, and Purchasing Assistant Jessica Riley then took the bids to the Lottery building to facilitate the bid opening on the agency’s behalf. Riley opened each of the 324 bids and Harper read the information.

“Our staff read the number of licenses the vendor was requesting, the name of the vendor, and the bid amount,” Whittaker said. “That was the extent of our involvement.”

Whittaker noted that the Lottery was responsible for processing the solicitation and evaluating its responses.

“Certainly, any solicitation resulting in more than 300 bid responses is significant and time consuming,”

Whittaker continued. “The Purchasing Division team performed admirably as usual.”

The licenses are valid for 10 years, at which point the solicitation will be re-bid.

New Statewide Contracts Issued by the Purchasing Division Prove Beneficial to State Agencies

The Purchasing Division awarded several new statewide contracts during Fiscal Year 2021. A sample of these contracts, which are mandatory for use by state agencies when bid and awarded by the Purchasing Division, are noted below.

New Statewide Contract for Food Awarded

During Fiscal Year 2021, the Purchasing Division awarded two new statewide contracts for food services. The contracts, FOOD21A and FOOD21B, consisted of a variety of foods, including but not limited to baby food, baking goods, frozen foods, condiments, meats, fruits and vegetables, dairy products, desserts, and beverages. Gordon Food Service, Inc., and A.F. Wendling, Inc., were awarded the contracts.

The food statewide contracts can be viewed online at www.state.wv.us/admin/purchase/swc/FOOD.htm.

Migration to Google G-Suite Launched as Part of Statewide Initiative

With assistance from the Purchasing Division, the West Virginia Office of Technology (WVOT) launched a statewide initiative to move state employees to Google Workspace from its former Microsoft Office package. According to WVOT Chief Information Officer Josh Spence, the move to Google would allow the state to consolidate platforms; access services and collaborative features from anywhere, at any time; and lower infrastructure costs.



“We are confident that Google Workspace will change how we work together throughout state government, making us more efficient, more collaborative, and more robust,” said Spence.

The first phase of the project launched in April 2021 and involved transitioning agencies to Google’s email, calendar, and contacts.

The Google Suite contract can be viewed online at www.state.wv.us/admin/purchase/swc/GSUITE.htm.

Purchasing Division Enters into Cooperative Contracts with NASPO for Cell Phone Services

The West Virginia Purchasing Division entered into three new cooperative statewide contracts during Fiscal Year 2021 for cell phone services to vendors Verizon Wireless, AT&T, and T-Mobile.

The new contracts include wireless voice, data, and accessories. The CPHONE20B contract (Verizon Wireless) became effective Nov. 1, 2020. CPHONE20A contract (AT&T Corp) and CPHONE20C contract (T-Mobile USA) both became effective Dec. 1, 2020. Senior Buyer Mark Atkins worked with the National Association of State Procurement Officials (NASPO) to enter into cooperative agreements with the state of Utah for all three contracts.

To view the contracts, visit www.state.wv.us/admin/purchase/swc/CPHONE.htm.

Purchasing Division Increases Inspection Staff

During Fiscal Year 2021, the Purchasing Division expanded its Inspection Services Unit by adding two new inspectors to the team, bringing the total to five, in addition to State Contracts Manager Greg Clay. Increasing its staff allows the Purchasing Division to better assist agencies and reinforce compliance to West Virginia Code and the Code of State Rules as they relate to agency delegated purchasing.

“The idea is to be proactive and educate agency procurement officers, not to catch them doing something wrong,” said Assistant Purchasing Director Frank Whittaker. “It’s a big state with many agencies, and it was difficult to inspect them all with only three inspectors on staff.”

Agencies are inspected once every three years, but with the additional staff members, some smaller agencies are now on a two-year rotation.

“Inspecting delegated procurements every two years allows those agencies to have a closer relationship with us and to be more comfortable asking questions,” Clay said.

Inspectors are often tasked with additional research and reporting to help identify not only weaknesses but strengths of both the agencies and the central Purchasing Division. In addition, they are often asked by agencies to conduct special reviews and inspections due to special circumstances, such as leadership changes.

“Having more staff members gives us flexibility to serve the agencies and take on additional considerations,” Whittaker said. “We are always continuing efforts to improve and be more efficient.”

Contract Management Unit Responsible for Reviewing Procurement Transactions and Providing Training to State Agencies to Ensure Compliance

Throughout the fiscal year, the Purchasing Division inspection staff members travel throughout the state to review purchasing records primarily for agency delegated purchasing transactions, which are purchases of \$25,000 or less.

Fiscal Year Inspection Statistics

During this fiscal year, the inspectors within the Contract Management Unit opened and completed **53** individual inspections of various state agencies and related programs. This encompassed more than **61,737** transactions of which **2,817** (approximately **4.6%**) were closely scrutinized. Of these transactions reviewed more closely, **460** were determined to have a negative finding (approximately **16 %**).

Below are percentages based on the total number of transactions for inspections made during Fiscal Year 2021:

Finding	Percentage of Inspected Transactions
Failure to bid at central level (stringing)	0.35%
Failure to use mandatory statewide contracts	2.45%
Failure to use mandatory internal sources	0.92%
Failure to bid at delegated level	3.40%
Failure to check vendor registration/wrong vendor fee exemption code utilized	.82%
Failure to verify Workers' Compensation, Unemployment Compensation, Secretary of State registration, and/or state debarment	3.51%
Failure to obtain <i>Purchasing Affidavit</i>	.99%
Failure to issue a wvOASIS award document	3.02%
Failure to affix an asset identification tag	0.32%
Failure to include the <i>Non-Conflict of Interest</i> form	3.62%
Miscellaneous findings	2.88%

Purchasing Reports to Legislature on Stringing, Direct Award Purchases and Recycled Products

Each January and July, the Purchasing Division is required to electronically submit a semiannual Stringing Report to the West Virginia Legislature, in accordance with W. Va. Code § 5A-3-10(b), through the

Legislature’s database to the Joint Committee on Government and Finance. Additionally, the Purchasing Division is required to submit to the Legislature an annual report on all direct award purchases, a semiannual report on purchases of surplus property by eligible organizations, and an annual report of the procurement of recycled products.

According to the Purchasing Division Procedures Handbook, stringing is defined as “issuing a series of requisitions or dividing or planning procurements to circumvent the twenty-five thousand dollar threshold or otherwise avoid the use of sealed bids.” During the year, Purchasing Division inspection staff members review purchasing records, primarily for agency delegated purchasing transactions, to ensure those transactions are completed in accordance with the Purchasing Division’s procedures. Based on their inspections and findings, incidents of stringing occurred in **0.35%** of inspected transactions during Fiscal Year 2021.

State agencies are strongly encouraged to continuously monitor their expenditures with vendors to ensure that the total amount spent with a given vendor, in any 12-month period, of same or similar commodities or services, does not exceed a bid threshold without the proper level of documentation and bidding. This can be done through reporting in *wvOASIS* Business Intelligence using the reports WV-FIN-AP-026 (Comprehensive Statewide Payment Detail by Vendor) or WV-FIN-AP-055I by inserting the agency’s department number for total spend for the service date range, or through *wvOASIS*’s Vendor Transaction History database. The Purchasing Division encourages state agencies to procure open-ended contracts for commodities and/or services that are used often to eliminate the potential for stringing.

Additional reports required to be submitted to the Legislature are noted below:

A report is required each July that provides a list of all solicitations submitted for direct award commodities or services, noting the outcome of the transaction. This requirement is in accordance with W. Va. Code § 5A-3-10(c).

The report of all commodities sold to eligible organizations through the West Virginia State Agency for Surplus Property is due twice annually, in accordance with W. Va. Code § 5A-3-45.

The Comprehensive Procurement of Recycled Products Program and its annual report are due at the end of January of each year, in accordance with W. Va. Code § 22-15A-21.

All of the reports required to be submitted to the Legislature may be found on the Legislature’s website under the Audits/Reports section in the State Agency Reports subsection. To view these reports, visit www.legis.state.wv.us.

Business and Technical Services Section

The Business and Technical Services (BTS) Section maintains the daily operation of the Division's sections and functions using a variety of technology and business resources, ensuring these processes comply with legislative code and rule. BTS manages various web and intranet sites, the hardware and software of the division, as well as all e-procurement initiatives, including streamlining and improving statewide purchasing systems and processes.

Other operational functions handled by this section include managing the vendor registration program, SWAM Certification review and approval, delegated purchasing for the Division, imaging and records retention, bid and document receipt, purchase order encumbrance, vendor outreach, bid bond administration, the Division's inventory and fixed assets, and the transparency of public documents and information. This section also is responsible for calculating state spend on contracts related to central procurement and administering the data-reporting needs for the agency, directors, and procurement officers.

West Virginia Purchasing Bulletin

The *West Virginia Purchasing Bulletin*, which contains bid opportunities for solicitations exceeding \$10,000 (although agencies can use the *Purchasing Bulletin* to post solicitations under that amount), is posted on the Vendor Self Service (VSS) portal of *wvOASIS* at wvOASIS.gov. Vendors may create an account through the VSS or may use the public view access to view and, if desired, download the solicitations through this portal.

Vendor Registration

The Purchasing Division's Vendor Registration Program continues to streamline the tools within the system for the benefit of the vendor community and state agencies. More options are available than ever before for vendors pursuing business with the state and for state agency procurement employees contributing to the process.

In Fiscal Year 2021, the Purchasing Division created and/or approved a total of **181** Vendor/Customer Creation (VCC) documents and **4,761** Vendor/Customer Maintenance (VCM) documents in *wvOASIS* for a total of **4,942** new or modified vendor registration documents processed. These totals include documents reviewed by the Purchasing Division through system workflow from vendors using the Vendor Self Service (VSS) portal on wvOASIS.gov.

In addition to the values represented in the aforementioned *wvOASIS* document and registration counts, additional vendor records are reviewed but not modified in workflow by the Technical Services Unit from VSS-generated VCM documents in conjunction with the West Virginia Finance Division. This dual administration of the *wvOASIS* vendor/customer file supports each agency's mission, including the facilitation of state agency order and expenditure transactions.

A total of **401** *Vendor Registration and Disclosure Statement and Small, Women-, and Minority-owned Business Certification* documents, the paper registration method for vendors not self-registering online, were processed during Fiscal Year 2021.

A total of **3,447** paid registrations were received via multiple payment methods during Fiscal Year 2021, with revenue generating **\$430,875.00**. The vendor registration annual fee is **\$125**.

Small, Women-, and Minority-Owned Business Certification

The West Virginia Purchasing Division incorporates the Small, Women-, and Minority-Owned Business (SWAM) Certification application as part of the Vendor Registration and Disclosure Statement, in accordance with W. Va. Code § 5A-3-59 and the W. Va. § 148 C.S.R. 2-1. During Fiscal Year 2021, a total of **2,726** vendors were certified or updated their certifications through the Purchasing Division as SWAM businesses.

Purchase Order Encumbrance

All purchase orders and subsequent change orders with a fixed amount are placed in the Purchase Order Encumbrance system. A total of **1,003** new contracts/Central Delivery Orders and **1,094** change orders were encumbered by the Purchasing Division during Fiscal Year 2021.

Records and Imaging

All documents relating to Fiscal Year 2021 transactions were scanned and managed with the division's imaging system. The total number of pages scanned for the Purchasing Division, which contained purchase orders, change orders, vendor registration forms, renewals and deposits and all supporting documentation, was **239,496** for Fiscal Year 2021.

Receipt of Incoming Sealed Bids

The Support Services Unit is responsible for receiving paper sealed bids from vendors who are participating in the competitive bid process. During Fiscal Year 2021, there were **506** paper bids received by the Purchasing Division. Through *wvOASIS*, vendors may also submit electronic bids to the Purchasing Division. There was a total of **1,027** electronic bids received through *wvOASIS* during this fiscal year. The total number of all incoming paper and electronic sealed bids for Fiscal Year 2021 was **1,533**.

Governor's Committee for the Purchase of Commodities and Services from the Handicapped

In accordance with W. Va. Code § 5A-3-10(e), the Purchasing Division is responsible for designating an Executive Secretary for the Governor's Committee for the Purchase of Commodities and Services from the Handicapped (GCPCSH). Technical Services Manager Mark Totten continues to serve in this position as the liaison between the Purchasing Division and the GCPCSH and also handles all administrative functions and maintains the committee's website, <http://gcpcsh.wv.gov>.

Internet and Intranet Statistics

In addition to the many changes and updates made to the Purchasing Division's website and intranet during Fiscal Year 2021, the website statistics for this fiscal year are noted below:

Purchasing Division's Internet Site Statistics:

Total Hits:	9,421,143
Unique Visitors:	197,663
Visitor Sessions:	1,003,800
Average Visitors Per Hour:	22.57
Files Downloaded:	106,081

Purchasing Division's Intranet Site Statistics:

Total Hits:	26,783
Unique Visitors:	656
Visitor Sessions:	3,601
Average Visitors Per Hour:	.08

There was a significant drop in visits to the Purchasing Division's intranet site from the last fiscal year. State employees working from home due to the COVID-19 pandemic likely contributed to that decrease.

Communication and Training Section

The Communication and Training (CT) Section is responsible for a variety of services offered to state employees, vendors, and the public. Their responsibilities include developing monthly newsletters; maintaining formal publications and documents, including the Purchasing Division Procedures Handbook and Annual Report; distributing guidance to all designated procurement officers through regular eblasts; maintaining the official Procurement Officer Listing; and much more. They also oversee the Purchasing Division's complete training program, including in-person workshops and virtual webinars; coordinate the annual Agency Purchasing Conference; manage the State Procurement Certification Program; develop online training modules; oversee compliance with training requirements for designated procurement officers; and more.

Professional Development and Training

The Purchasing Division maintains a comprehensive training program and continually strives to educate agency procurement officers, vendors, and the public in the most meaningful ways possible. Due to the COVID-19 pandemic, all offerings remained virtual this fiscal year. However, the Division was pleased to still meet the educational needs of procurement officers while honoring the health and safety guidelines issued by local, state, and federal officials.

The Purchasing Division manages various methods of training, which are free and easily accessible to agency procurement officers, vendors, and political subdivisions. These trainings highlight the laws, rules, and procedures that govern the state purchasing process. From webinars to online training modules to conferences, the Purchasing Division provides ample opportunities for state employees to obtain the information needed to perform the procurement function for their agencies and/or for vendors and local government entities to participate in the procurement process.

These offerings allow participants who are required to procure under the Purchasing Division's authority, as well as those whose participation in the process is optional (i.e. political subdivisions and vendors) to learn the procurement laws, rules, and processes outlined in W. Va. Code 5A-3, 148 C.S.R. 1 and the Purchasing Division Procedures Handbook.

Below are some of the ongoing activities that the Purchasing Division achieved during this fiscal year to meet the needs of agencies, vendors, political subdivisions and Purchasing Division staff.

2020 Agency Purchasing Conference

Due to the COVID-19 pandemic, the 2020 Agency Purchasing Conference, which was scheduled to be held in person at Glade Springs Resort and Conference Center in Daniels, W. Va., was canceled. Time and other circumstances did not permit the Purchasing Division to schedule and plan for a virtual option in its place. Therefore, webinars continued to be offered on a regular basis to meet the training need of agency procurement officers.

Vendor Training Initiatives

Each year, the Purchasing Division strives to educate vendors who are interested in doing business

with the state, and with the economic impact the COVID-19 pandemic has had worldwide, this mission became even more important this fiscal year. Outreach is conducted through various mechanisms, including but not limited to the *Purchasing Bulletin* and the Purchasing Division's online Vendor Resource Center (VRC), but the most notable method of outreach is through live webinars conducted each fall and spring. Those webinars are then recorded and posted on the Purchasing Division's VRC at www.state.wv.us/admin/purchase/vrc.

During Fiscal Year 2021, approximately **119** vendors participated in the two webinars. As part of the webinars, Purchasing Division staff shared how vendors could maximize their opportunities to bid and perform work for West Virginia state government, how to market their commodities and services to West Virginia state agencies, how to register as a vendor with the Purchasing Division, and how to submit bids/proposals on state solicitations.

Open and fair competition in the state procurement process is always a top priority. By continuing to offer free informational webinars to vendors, the Purchasing Division is providing opportunities for vendors to understand the competitive bidding procedures, ask questions, and participate in the bidding process to the fullest extent possible.

Webinars

Due to the extended work-from-home schedules that many state agencies kept throughout Fiscal Year 2021, it became evident that the Purchasing Division's training program would maintain its fully virtual format for the year. Doing so permitted the Division to educate agency procurement officers in a safe yet effective manner, while also keeping its employees and presenters safe.

Offering a virtual training program this year provided agency designated procurement officers with a reliable source of training opportunities to help them obtain the 10 hours of procurement training required by W. Va. § 148 C.S.R. 1-3.2. During Fiscal Year 2021, the Purchasing Division conducted 11 webinars (18.5 total hours).



The webinars offered this fiscal year covered basic topics applicable to most agency purchasers, regardless of location, and included topics such as statewide contracts, inspection services, fixed assets and surplus property, the solicitation process (from pre-planning to post award), EOIs and construction purchases, vendor registration and more. Approximately **1,717** individuals participated in these free webinars.

In-House Training Curriculum

The Purchasing Division typically offers in-person workshops as part of its training program because of the advantages that these small group settings offer. During Fiscal Year 2021, however, the Division was unable to offer any in-person gatherings due to local, state, and federal health guidelines. The

Purchasing Division looks forward to getting back to these in-person trainings once it is safe to do so because of the benefits they provide.

Online Training Modules

The Purchasing Division maintains online training modules within the state’s online learning management system, CourseMill, to serve as a source of education for agency procurement officers to learn new purchasing topics, as well as obtain a refresher when necessary, from the convenience of their own offices. Hosting the modules in CourseMill allows viewers to more easily track their training participation through the transcript feature within CourseMill, as well as print certificates as needed.

All modules are self-paced and available to our state agency procurement officers free of charge. Agency procurement officers may view these modules on the Purchasing Division’s training website from their workplace, at home, or while on the go. There are **14** modules (i.e. 10 full modules and four mini-modules) covering varying topics, from Purchasing Basics and Requests for Quotations to Agency Delegated Purchasing and Writing Specifications.

During Fiscal Year 2021, the Purchasing Division made several updates to the content within the modules. However, no modules with new topics were introduced this fiscal year.

Agency procurement officers viewed the modules **887** times.

High-Level Officials Purchasing Procedures and P-Card Training

The West Virginia Purchasing Division continues to offer two webinars each year on the state’s purchasing procedures and Purchasing Card Program to the state’s high-level officials. The two-hour webinar, which is required by W. Va. Code § 5A-3-60, is co-presented by the Purchasing Division and the State Auditor’s Office and is mandatory for all “executive department secretaries, commissioners, deputy commissioners, assistant commissioners, directors, deputy directors, assistant directors, department heads, deputy department heads and assistant department heads” to complete annually.

During Fiscal Year 2021, the webinar was offered live on Nov. 5, 2020 and later as a recording, and as a recording only in May 2021. The recordings were posted on the Purchasing Division’s website for online viewing for the remainder of the fiscal year. More than **157** high-level state officials participated in or viewed this training this fiscal year.

Purchasing Division Procurement Certification Program

While some training programs slowed down more than others during Fiscal Year 2021, the Purchasing Division continued to manage all programs, making them available to the best of its ability. One of those programs included the West Virginia Procurement Certification Program.

As the world continued to face many challenges resulting from the pandemic, the Division also had to be flexible with the requirements of this program. Specifically, some temporary modifications to the requirements of the certification program were necessary to ensure candidates were able to continue seeking completion of the program. For example, due to the cancellation of the 2020 Agency

Purchasing Conference and not having a virtual conference in its place, the conference requirement was waived and an additional 10 hours of purchasing training were required in its place.

During Fiscal Year 2021, a minimal number of agency purchasers received certification, partially due to work-from-home schedules amongst other state agencies, as well as social distancing guidelines and a temporary hold placed on two-day certification visits to the Purchasing Division offices. Despite the disruptions during this time, **three** agency purchasers successfully completed the Basic Certification Program during Fiscal Year 2021, bringing the number of total agency purchasers certified since the program's inception to **107**. Additionally, there were no agency procurement officers certified at the advanced level, keeping the total since inception at **24**.

A complete list of certified individuals, their dates of certification/recertification and their applicable expiration dates may be found on the Purchasing Division's website. For a direct link, visit www.state.wv.us/admin/purchase/training/Certification. This webpage also contains the requirements to successfully complete the basic- and advanced-level certifications.



Staff Development

The West Virginia Purchasing Division conducts professional development sessions for its staff each year to ensure an adequate understanding of various laws, rules, and procedures. During Fiscal Year 2021, Purchasing Division General Counsel James Meadows addressed staff to highlight changes made to purchasing requirements as a result of the 2021 Legislative Session.

In addition to internal professional development training, Purchasing Division staff also regularly attend and participate in conferences conducted by national organizations, including the National Association of State Procurement Officials, the National Institute of Governmental Purchasing, and the National Procurement Institute. Due to the COVID-19 pandemic, many of these national conferences for which our staff planned to attend were canceled.

Staff Certifications (State and National)

West Virginia Purchasing Division personnel understand the importance of continuing education and professional development. This fiscal year, eligible Purchasing Division staff worked toward meeting the requirements of national certifications through the National Institute of Governmental Purchasing (NIGP) and the Universal Public Procurement Certification Council (UPPCC).

Assistant Directors Frank Whittaker and Samantha Knapp attained the NIGP's Certified Procurement Professional certification, while Senior Buyer Mark Atkins attained the UPPCC's Certified Public Procurement Buyer designation.

Staff members also worked toward meeting the requirements of the State Procurement Certification. Two employees obtained the basic certification this fiscal year.

Purchasing Division Obtains Approval for National Certifications as Part of Pay Plan Policy

The Purchasing Division sought and received approval for two national certifications this fiscal year as part of the Division of Personnel's (DOP) Pay Plan Policy's list of approved certifications. The NIGP Certified Procurement Professional (NIGP-CPP) and the Council on Licensure, Enforcement and Regulation's Online National Certified Investigator and Inspector Training (NCIT) both qualify for an in-range salary adjustment of up to 5%.



The NIGP-CPP, launched in 2019, is available to mid- and executive-level leaders in public procurement, while the NCIT Online Specialized Program delves into individual subject areas related to inspections, including interviewing techniques, investigative analysis, and more.

Requests for an increase must meet all other requirements and should be made by the agency to the DOP.



**Council on Licensure,
Enforcement & Regulation**
Promoting Regulatory Excellence

“Tell Me More” Series Outlines the Roles and Responsibilities of Agencies and Purchasing Division

The Purchasing Division continually looks for tried and true ways to inform and educate designated procurement officers on the laws, rules, responsibilities, and best practices governing the state purchasing process. One of the common ways to do that is through the Division's monthly newsletter, *The Buyers Network*. Each year, Purchasing Division staff brainstorm ideas for article series to break up the content while still providing a larger picture of the process.

During Fiscal Year 2021, the Division published a series titled “Tell Me More.” The series, which kicked off in January 2020, ran the entire calendar year. Highlighted topics included drafting and reviewing effective specifications, protests and conflict resolution, the role of third-party approvers, fixed assets, inspections, and more. The articles can be viewed within each issue posted on the Purchasing Division's website at www.state.wv.us/admin/purchase/BN/bnlist.html.

Agencies, Local Governments Share Thoughts and Suggestions as Part of Annual Satisfaction Surveys

For the third consecutive year, the Purchasing Division prepared and distributed a satisfaction survey

to both state agencies and local government entities to assess the effectiveness of its operations and programs, as well as the need for any changes or improvements. This year's survey largely remained the same, with a new section to address changes made by the Division in response to the COVID-19 pandemic.

As part of the Agency Satisfaction Survey, **99%** of respondents said their overall satisfaction with the Purchasing Division's programs and services had increased or stayed the same, and **90%** of respondents were pleased with the Governor's Office's suspension of rules for the purchase of goods or services related to COVID-19.

Here is a look at some additional information learned from this survey. The following objectives measured changes made due to the pandemic:

- **76%** said issuing a temporary pre-bid meeting policy was Good or Excellent;
- **77%** said issuing guidance for Purchasing Affidavits in which a notary could not be obtained was Good or Excellent; and
- **67%** said streaming bid openings online via WebEx was Good or Excellent.

Below are results regarding more general areas of the Purchasing Division:

- **99%** said their overall satisfaction with the Purchasing Division's programs and services increased or stayed the same during the past 12 months;
- **100%** of respondents indicated they had attended or participated in the Purchasing Division training program in the last year;
- **99%** of respondents said the professionalism of the Purchasing Division staff was Good or Excellent;
- **75%** said the availability of information in the *Purchasing Division Procedures Handbook* was Good or Excellent;
- **94%** of respondents rated their overall satisfaction of issued statewide contracts as Good or Excellent; and
- **80%** of respondents rated the knowledge of the West Virginia State for Surplus Property's staff as Good or Excellent.

In addition to the annual Agency Satisfaction Survey, a survey is sent to local government entities to determine their specific needs and how the Purchasing Division can help them meet those needs. Questions on this survey cover statewide contracts, contracts bid and awarded specifically for local government entities, training needs, and more.

Of the 58 respondents to this fiscal year's survey, **62%** indicated they were aware of the contracts available to political subdivisions, and **36%** of those said they had used the contracts. Additionally, **40%** said they had made a purchase from a statewide contract during 2020.

Purchasing Division Continues Hosting Annual Strategic Sourcing Meetings Virtually Amid Pandemic

After pausing the annual strategic sourcing meetings during the summer of 2020 due to the ongoing pandemic, the Purchasing Division revisited this offering in early 2021. The Division reached out to agencies with a high annual spend and provided the option to hold a strategic sourcing meeting via conference call. In May and June 2021, the Purchasing Division conducted four strategic sourcing meetings in this manner with the following agencies: the Dept. of Environmental Protection, the West Virginia Office of Technology, the Dept. of Transportation (i.e. Highways), and the Dept. of Veterans Assistance.

The goal of the meetings was to discuss procurements expected by the agencies for the upcoming fiscal year, opportunities to consolidate procurements, legal issues, inspection findings, and more.

“Communication and relationships are key to successful procurements,” said Purchasing Director Mike Sheets. “These meetings provide opportunities for proactive dialogue with agency procurement officers.”

By offering these strategic sourcing meetings, the Purchasing Division hopes to improve the procurement process and the relationship between the Division and the agencies under its authority by sharing thoughts on processes, training, inspections, and current and future procurements.

Purchasing Division Training Summary

The Purchasing Division’s comprehensive training program affects many state employees throughout the year. Below is a summary of the training formats and participation in Fiscal Year 2021:

Description of Training	Statistics
Number of High-Level State Officials Trained on Purchasing Procedures and Purchasing Card Program	157
Number of In-Person Training Sessions	N/A
Number of Agency Webinars	29 sessions (54 hours)
Number of Times Agency Procurement Officers Participated in Webinars	1,717
Number of Agency Conference Participants	N/A
Number of Online Training Modules	10 full modules (5 hours) 4 mini-modules (1.0 hours)
Number of Online Modules Viewed	887

Number of Individuals Attaining the WV Procurement: Basic Certification	3
Number of Individuals Attaining the WV Procurement: Advanced Certification	0
Number of Individuals Attaining Re-Certification	11

Updates Made to Procedures Handbook and Master Terms and Conditions Provide Most Current Information

The Purchasing Division maintains a *Purchasing Division Procedures Handbook*. To ensure state employees have access to the most current and accurate information related to the state purchasing process, the Handbook is made available on the Purchasing Division’s website and updated on a regular basis.

Only one set of revisions was made to the Handbook during Fiscal Year 2021. The revisions were effective July 1, 2020, and included but were not limited to the following:

- New language was added regarding the timeline for the submission of specifications for any contract continuing in nature that exceeds \$1 million.
- The word “service” was added to the section on Prequalification Agreement and Delegated Prequalification bidding everywhere that “commodity” was referenced.
- A new item was added as #27 to Section 9, the Impossible to Bid list. This new subsection related to the acquisition of federal surplus property.

This fiscal year, changes were also made to the Purchasing and Agency Master Terms and Conditions. Following the 2021 Legislative Session, a new section titled “Void Contract Clauses” was added, which reflects the agencies’ ability to enter into small dollar technology contracts without the need to negotiate agreements on issues contained in the *Agreement Addendum (WV-96)*; new language was added regarding the need of the State to notify the vendor when an alternate source of funding has been obtained; language regarding payment in arrears was modified; and language was omitted regarding agency and local government use of the contract and background checks.

Additional changes were made earlier in the fiscal year regarding the vendor’s authority to proceed with performance of the contract.

The *Purchasing Division Procedures Handbook* can be viewed online at www.state.wv.us/admin/purchase/Handbook, along with archived copies of past revisions. The Master Terms and Conditions can be accessed at www.state.wv.us/admin/purchase/arc.

Accessibility to Public Records

The Purchasing Division maintains the official file for contracts processed under its authority. The official file contains all documentation and correspondence in the possession of the Purchasing Division as it relates to the specific contract requested. All records of the Purchasing Division are available to be reviewed at no charge and/or copied during normal business hours, Monday through Friday, 8:15 a.m. to 4:30 p.m., holidays and weekends excluded.

The Communication and Training Section oversees the requests for public records through the Freedom of Information Act (FOIA) process. All FOIA requests received are properly entered into the Secretary of State's FOIA database, in accordance with W. Va. 153 C.S.R. 52.

During Fiscal Year 2021, the Purchasing Division responded to a total of **71** FOIA requests.

Program Services Section

This section is responsible for several of the programs administered by the division. The Fixed Assets Program maintains the state's inventory of property. The Surplus Property Unit manages the state and federal programs for property no longer needed within the respective governments. The Travel Management Unit offers guidance to state business travelers and oversees various statewide contracts for travel-related services.

Fixed Assets Management Program

As indicated by W. Va. Code §§ 5A-3-34 through 37, the Purchasing Division is tasked with the management of state inventories and property. This section requires the head of every spending unit of state government to file with the director, on or before July 15 of each year, an inventory of all real and personal property, and of all equipment, supplies, and commodities in its possession as of the close of the last fiscal year. Agencies are required to report their fixed assets with an acquisition value of \$1,000 or more in the WVOASIS Fixed Assets System and retire obsolete equipment in accordance with policy and procedure.

Surplus and Federal Surplus Property Programs

The West Virginia State Agency for Surplus Property (WVSASP) has assisted thousands of eligible organizations for more than 70 years by offering quality, usable property at a substantially reduced price. The WVSASP is authorized to market state property to eligible organizations and to the general public. The WVSASP also works closely with the U.S. General Services Administration to administer the federal surplus property program for eligible organizations, including but not limited to state and local public entities, nonprofits, and veteran-owned small businesses.

Fiscal Year 2021 Statistics

The following are totals earned for various programs administered by the West Virginia State Agency for Surplus Property (WVSASP):

Federal Property Service Charge	\$191,262.67
State Property Service Charge	138,403.24
Public Daily Sales	738,079.31
Online Sales (GovDeals)	959,508.47
Scrap	37,062.52
Gross Revenue	\$2,064,316.21
<u>Amount Reimbursed to State Agencies</u>	<u>\$899,132.00</u>
Net Revenue	\$1,165,184.21

State Vehicles

There were **278** vehicles sold during Fiscal Year 2021. Below is a breakdown of the method by which they were sold:

Public Auction	0	\$0.00
Public Daily Sales	112	602,275.00
Online Sales (GovDeals)	154	781,875.00
Negotiated Sales	12	102,025.00
Total.....	278.....	\$1,486,175.00

Online Sales

The West Virginia State Agency for Surplus Property (WVSASP) utilizes an online auction process to dispose of property that is not easily transportable to the Dunbar location, located too far from Charleston for it to be reasonably picked up, unique, or has been warehoused at WVSASP for an extended period of time.

Agencies are required to obtain approval for the disposition of all state property through WVSASP, unless statutorily exempt. Online sale sites, such as GovDeals, allow users to browse items for sale according to category, auction closing time, and state. The site is specifically designed for government sellers and allows for greater accountability for WVSASP.

WVSASP sold **265** items through GovDeals during Fiscal Year 2021. Items sold included but were not limited to Goodyear tires, a 2014 Gradall, a commercial mixer, and numerous clawfoot bathtubs. Revenue from online sales was **\$959,508.47**.

Daily Public Retail Sales

The West Virginia State Agency for Surplus Property has had the authority to sell state property to the public through daily retail sales since June 2008. All direct sale items are priced and sold on an “as is, where is” basis. Property is available at the Surplus Property facility at 2700 Charles Ave. in Dunbar. As a result of the daily public retail sales, **\$738,079.31** was generated in revenue during Fiscal Year 2021.

Fixed Asset Webinar Educates Novice and Experienced Coordinators

The West Virginia State Agency for Surplus Property (WVSASP) hosted its annual Agency Fixed Asset Coordinators training this fiscal year. The training, which was presented as a webinar on April 15, 2021, was attended by 50 individuals from more than 40

A dark teal rectangular slide with white text. The title "Fixed Asset Coordinator Training" is centered. Below it, in smaller green text, is "Presented by: Elizabeth Cooper, Surplus Manager" and "April 15, 2021". There are thin white lines forming a partial frame around the text.

Fixed Asset Coordinator Training

Presented by: Elizabeth Cooper, Surplus Manager
April 15, 2021

agencies, including the Public Service Commission and WorkForce West Virginia.

“While this is not a required training, we are always pleased when our fixed asset coordinators express an interest in learning more,” said WVSASP Manager Elizabeth Cooper. “This year we had a mix of new fixed asset coordinators and those who are more experienced.”

During the event, attendees learned the basic requirements of maintaining their agency’s inventory, including the agency’s responsibilities related to entry requirements for the *wv*OASIS Fixed Asset System and proper retirement procedures.

Annual Informational Webinar Hosted by Surplus Property for Eligible Organizations

Each fiscal year, the West Virginia State Agency for Surplus Property (WVSASP) hosts a webinar that provides information on the state and federal surplus property programs to eligible organizations, including public agencies and nonprofit organizations. This year’s webinar, which was conducted on April 13, 2021, was attended by 38 individuals from more than 35 organizations, including 4-H Clubs of Webster County, Berkeley Springs Volunteer Fire Company, and several Habitat for Humanity organizations.

“Each year, WVSASP connects with new eligible organizations that are unfamiliar with our services,” said WVSASP Manager Elizabeth Cooper. “West Virginia’s eligible organizations provide great services to our state, and we are pleased that we can support them in their efforts.”

A post-event survey revealed that **40%** of the respondents were “Very Unfamiliar” or “Somewhat Unfamiliar” with WVSASP prior to attending the webinar and **69%** of respondents were “Extremely Satisfied” with the webinar. Approximately **40%** of respondents said they completed an *Application for Eligibility* form as a direct result of the webinar.

Questions regarding the state and federal surplus programs should be directed to 304.766.2626. Additional information is also available on the WV Surplus website at *WVSurplus.gov*.

Surplus Says Thanks to Current and Prospective Customers with Appreciation Day Reception

Each June, the West Virginia State Agency for Surplus Property (WVSASP) holds a Customer Appreciation Day to say thank you to its returning customers and welcome new ones. Customer Appreciation Day is the only day each year in which WVSASP provides extended hours.

During the event, individuals who work regular business hours can visit

The West Virginia State Agency for Surplus Property hosted a reception as part of Customer Appreciation Day on June 24, 2021. The event was attended by more than 25 new customers.



after work hours and enjoy light refreshments while searching the warehouse for goods.

The Customer Appreciation Reception took place on June 24, 2021 and was attended by more than 25 individuals, many of whom had never before visited WVSASP. Items purchased during the event included desks, blankets, chairs, library catalog cabinets, and more.

“I will definitely tell friends about WV Surplus and will visit again myself,” said one individual in a post-event survey.

New Law Expands Eligibility to Obtain Federal Surplus Property to Veteran-Owned Businesses

The West Virginia State Agency for Surplus Property (WVSASP) can now distribute federal property to veterans, thanks to a law that went into effect in January 2019. Public Law 15-416, also known as the “Veterans Small Business Enhancement Act,” permits veterans who own small businesses to acquire equipment and property through the Federal Surplus Property Program.

“WVSASP is excited for the new possibilities this bill provides,” said WVSASP Manager Elizabeth Cooper. “Until now, WVSASP has only been able to connect state agencies, local municipalities, and other eligible organizations with assets through the Federal Surplus Property Program. This will provide our brave service members a resource for their new careers.”

During Fiscal Year 2021, the WVSASP worked with the Small Business Administration, General Services Administration (GSA), the National Association of State Agencies for Surplus Property, and state surplus property agencies to develop the policies and procedures necessary to make this program a reality. This collaborative effort led to a Memorandum of Agreement (MOA) signed by the WVSASP and GSA, permitting the WVSASP to begin the process of acquiring good, usable federal property and putting it in the hands of veteran-owned businesses.

Surplus Improves Website with New Pages Detailing the Federal Program, Veterans Program, and FAQs

The West Virginia State Agency for Surplus Property (WVSASP) made some significant updates to its website during Fiscal Year 2021. New pages were added featuring information on the Federal Surplus Property Program, the Veterans Program, and Frequently Asked Questions.

The WVSASP is provided authority by the Federal Property and Administrative Services Act of 1949, as amended, to administer the transfer of donated federal surplus property through the U.S. General Services Administration to state and local public entities and nonprofit organizations. The new webpage provides information on the program, as well as how to screen and obtain federal property.

Among the information, the page contains a detailed video on the Federal Surplus Property Program that demonstrates how to screen for property online. The video can be seen online at www.state.wv.us/admin/purchase/surplus/federal.html.

Items accessible through this program include vehicles, boats, industrial kitchen appliances, and much more.

“We want to make sure that more eligible organizations are aware of the Federal Property Program and utilize this great resource,” said WVSASP Manager Elizabeth Cooper. “Having information online about this program will help raise awareness and provide a guide on how to screen for and obtain property.”

One of those eligible organizations now includes small veteran-owned businesses. The Veterans Small Business Enhancement Act of 2018 allows veterans who are registered with and verified through the U.S. Department of Veterans Affairs to obtain property through the federal government. The new webpage on the WVSASP website geared to veterans provides information on the program and how to get registered. This page can be viewed at <http://www.state.wv.us/admin/purchase/surplus/veterans.html>.

Finally, the Surplus FAQs page provides answers to basic questions, such as the organization’s business hours and where the property comes from, as well as more complex questions, like what entities qualify as eligible organizations and how many tax dollars it takes to operate the WVSASP. The Surplus FAQs can be viewed online at www.state.wv.us/admin/purchase/surplus/surplusFAQs.html.

Eligible Organizations Put to Use a Variety of Unique Items Obtained through the State and Federal Surplus Property Programs

The West Virginia State Agency for Surplus Property (WVSASP) operates the State and Federal Surplus Property Programs, making available good, usable property at a substantially reduced price. Several eligible organizations realized significant cost savings this fiscal year and put to use unique property obtained through the WVSASP. Some examples of items obtained this year include items for a thrift store, church, sober homes, and a rehabilitation center; office furniture; boats; and more.

Keep reading for more information on the items obtained this fiscal year.

Ten-Up Ministries Utilizes WV Surplus for its Variety of Programs

Ten-Up Ministries, an organization that provides many areas of service to West Virginia communities, has expanded its operations since 2005, thanks to property obtained from the West Virginia State Agency for Surplus Property (WVSASP). That’s when Pastor Larry Wood took over. From a single church in St. Albans, Ten-Up Ministries expanded its operations to include a second church, two thrift stores, sober homes, and a rehabilitation center. Over the years, those developments were made possible thanks to the WVSASP.

In addition to much of Ten-Up Ministries’ office furniture, the organization has also obtained computers,



As part of its services, Ten-Up Ministries, which has expanded its operations thanks to purchases made from the West Virginia State Agency for Surplus Property, maintains two thrift stores open to the public. The stores carry a wide variety of items, including clothing apparel, furniture, housewares, and more.

as well as two vehicles used to transport employees and clients.

“Organizations need to know that the prices and selection is right [at WV Surplus] and that the staff is friendly and efficient,” said Pastor Wood. “If you are trying to set up a business of some sort, WV Surplus is definitely a place to go.”

Historic Huntington Hospital Stretches Small Office Budget with WV Surplus’ Eligible Organization Program

The Mildred Mitchell-Bateman Hospital in Huntington, W. Va., is one of the many eligible organizations that have been able to utilize the services of the WVSASP. During Fiscal Year 2021, staff members from the hospital acquired new office furniture, including desks, office chairs, lateral file cabinets, bookcases, and printer stands.

“I learned about WVSASP from our procurement specialist when I became a purchasing assistant,” said Mildred Mitchell-Bateman Hospital Central Receiving Supervisor Pam Stamper. “We have used WVSASP to replace worn out items for offices when new purchases were not in our budget.”



In addition to making multiple purchases for Mildred Mitchell-Bateman Hospital, Stamper noted that she has also shopped at WVSASP as a member of the public.

“The staff is very friendly and helpful at WV Surplus,” she added. “The items Mildred Mitchell-Bateman Hospital purchased were of good quality. I recommend all state agencies look to Surplus for their office furniture when the need arises.”

Donated Federal Property Acquired by DNR Improves State Waterways and Aquatic Habitats

Aquatic habitats in West Virginia saw many improvements this year thanks to a donation of property from the Federal Surplus Property Program to the West Virginia Division of Natural Resources (DNR). A barge acquired by DNR during Fiscal Year 2021 has two motors and an 8-by-12 foot hydraulic dump platform with a winch that can easily help load large trees onto the boat. Thanks to the donation, the DNR can now deploy 60+ recycled Christmas trees at once with a single large concrete block, creating a more substantial habitat structure with less required manpower. Previous boats used by the DNR for this purpose could only carry 25 to 35 trees at a time, and the task of loading and placing the trees



The Division of Natural Resources obtained and upgraded a barge through the Federal Surplus Property Program, thanks to assistance from the West Virginia State Agency for Surplus Property. The boat has been used across the state to improve West Virginia’s aquatic habitats.

was much more physically demanding.

Other projects utilizing the boat this fiscal year included several major fish habitat enhancements at Mt. Storm, Stonecoal, and Sutton Reservoirs. The DNR also loaned the boat to the US Army Corps of Engineers at Summersville Reservoir for a few weeks, which allowed them to move more than 200 tons of rock for a lake shore project.

“The habitat boat is working out great for everything the DNR has attempted with it so far,” said DNR biologist Aaron Yeager.

According to Yeager, WVSASP helped the DNR acquire the donated boat for just \$500, with an additional \$42,000 spent on upgrades. A brand-new boat would have cost approximately \$100,000. Acquiring the donated boat resulted in a significant savings for the DNR.

“I don’t have anything but positive remarks toward the WVSASP folks,” added Yeager. “It was surprisingly easy to acquire this property.”

The WVSASP has the authority to administer the transfer of donated federal surplus property through the U.S. General Services Administration. While this service is available to all state agencies, they must have a current *Application for Eligibility* on file with the WVSASP. The application can be found online at www.state.wv.us/admin/purchase/surplus/forms/SurplusApp10A.pdf.

State Travel Management Office

Information and statistics related to the State Travel Management Office and the travel-related contracts that are used by state employees are noted below:

Statewide Contract for Car Rentals [Enterprise and Hertz]

To provide more cost-effective service to the state, the Purchasing Division elected to participate in car rental contracts with Enterprise and Hertz that were part of a national cooperative contract through NASPO ValuePoint.

Below is information relating to the cooperative contracts for rental vehicles.

Enterprise

The total number of rental days for the Fiscal Year 2021 was **68,466**, based on an expenditure of **\$2,196,340.72**, making the average cost of a rental car per day as **\$32.08**. Without a preferred car rental contract, the normal (average) daily rate is **\$75.53** for a savings of **\$2,974,896.26**.

Hertz

The total number of rental days for the Fiscal Year 2021 was **6,433**, based on an expenditure of **\$213,351.23**, making the average cost of a rental car per day **\$33.17**. Without a preferred car rental contract, the normal (average) daily rate is **\$87.71**, for a savings of **\$350,887.20**.

CDW (Collision Damage Waiver)

The state's rental car contracts include the insurance for collision damage waiver. The average cost of optional coverage provided by car rental companies is **\$35.00** per day. Based on **74,899** rental days, the state has saved **\$2,621,465.00** on rental insurance.

Statewide Contract for Travel Management Services [National Travel]

Year-end transactions include:

Exchanges	93
Refunds	12
Airline tickets	921
Service fees paid	\$91,320.94
Total Transactions	1,716
Cost	\$490,381.38
Full Fare	\$1,405,248.00
Savings	\$914,866.62

The Delta Partnership statistics for Fiscal Year 2021, as provided by Delta, indicated savings as shown below:

Tickets:	424
Cost:	\$198,839.15
Full Fare:	\$552,579.00
Savings:	\$353,739.85

Mileage Reimbursement Rate

The state of West Virginia adheres to the federal government's mileage reimbursement rate for privately-owned vehicles set by the U.S. General Services Administration, in accordance with the State Travel Rules.

Effective Jan. 1, 2021, that rate was decreased to **56.0** cents per mile, down one and a half of a cent from the previous rate. The rate covers all operating costs, such as fuel, maintenance, and insurance, and no additional reimbursement will be made for such expenses.

The State Travel Management Office notifies state agency travel coordinators regarding this type of change. To view the State Travel Rules, visit www.state.wv.us/admin/purchase/travel/TravelRule.pdf.

Legal Office

The Legal Office assists the Purchasing Division staff with ongoing legal and legislative issues, including drafting proposed legislation, addressing privacy issues, developing risk management solutions, overseeing all agency and central level protests, monitoring all terms and conditions, establishing templates and forms, and more.

Another Legislative Session Sees Improvements to the Purchasing Process

While the Legislative Session looked a little different this fiscal year with limited committee meetings and virtual streaming for those that were conducted, the model for the session remained as it has always been: introduce bills, discuss and vote on them within both houses of government, and send those that successfully pass to the governor for signature.

During Fiscal Year 2021, Senate Bill 587 was introduced and became law, adding a new section to W. Va. Code, § 5A-3-62. The new legislation automatically voids common contract terms that are already illegal through constitutional, statutory, and regulatory law. This means that even if an agency signs a contract with these terms, the terms are considered void. The passage of the bill will be particularly helpful to the state in future years when negotiating contract terms with technology vendors, which typically result in a tedious back-and-forth between a vendor's legal counsel and the state, particularly when third-party terms come into play.

As an example, the Board of Risk and Insurance Management was able to expedite a purchase for software just weeks after the passage of the law. This is just one example of legislation successfully passed to help streamline the contracting process and expedite negotiations.

Purchasing Division Adds to Its Debarred Vendor List

The Purchasing Division added two entities/names to its Debarred Vendor List this fiscal year. State agencies may not solicit offers from, award contracts to, or consent to subcontract with a debarred vendor during the debarment period. Procurement officers are reminded to check this list during the solicitation process.

The complete list can be accessed at www.state.wv.us/admin/purchase/debar.html.

State Negotiates Terms, Enters into Agreement with West Publishing Corporation (Thomson Reuters)

The Purchasing Division negotiated a terms agreement with West Publishing Corporation (d.b.a. West or Thomson Reuters) this fiscal year. The agreement, which does not constitute a contract from which purchases can be made but may be used for any future contract awarded to



West Publishing Corporation regardless of the procurement method used, allows users to view material from Westlaw, CLEAR, and other similar services available from West Publishing. The negotiation of terms for these services can often be complex and time consuming, and having negotiated contract terms and conditions in place at the state level will save the agency time when awarding a contract to West Publishing entities in the future.

An Order of Precedence document is required with the award, which must be completed by the agency and signed by the agency and the vendor, and submitted along with the West Order Form and any other pertinent documents. A copy of this terms agreement can be found on the Purchasing Division's website at www.state.wv.us/admin/purchase/SWC/WESTPUBLISH.htm. A link to the Ordering Instructions can also be found on this page.

Contract Terms and Conditions Guide Agency's Contract Management Actions Following Award

Sometime the state of West Virginia has a vendor that either is not familiar with the terms and conditions of their contract or simply does not wish to comply with them, but in all cases, the state must abide by the terms and conditions despite pressure from a vendor to do otherwise. In several instances during Fiscal Year 2021, General Counsel Jimmy Meadows had to draft correspondence to vendors outlining the letter of the law, the intent of the contract, and the steps required moving forward. In all cases, this correspondence protected the state from contract price increases or other unfavorable actions instigated by the vendor.

Purchasing Division Participates in Meetings on Supply Chain Issues, Drafts Price Escalation Language

Supply chain problems due to COVID-19 have significantly affected governmental operations. Items associated with building construction, maintenance, cleaning, and repair were in high demand this fiscal year. Representatives of the construction industry recognized the ongoing problem of instability in pricing and sought meetings with the Purchasing Division for possible solutions.

Meetings with representatives of the Contractors Association, Departments of Commerce and Administration, and state architects were held during the early summer of 2021. The culmination of these meetings was the development of price escalation language inserted into the Purchasing Division's general terms and conditions. The terms and conditions can be found on the Purchasing Division's Agency Resource Center at www.state.wv.us/admin/purchase/arc.

Protests During Fiscal Year 2021

W. Va. 148 C.S.R. 1-8 addresses the process by which a vendor may file a protest. There are two types of protests: protests of specifications, which must be filed with the Purchasing Division at least five business days before the scheduled bid opening, and protests of contract award, which must be filed

within five days of the date of contract award. All protests, regardless if related to transactions processed by the Purchasing Division or by agencies under their delegated authority, must be submitted to the Purchasing Division.

During Fiscal Year 2021, **17** protests relating to central purchasing transactions were filed with the Purchasing Division. Every possible effort is made by the Purchasing Division to ensure that the bid and contract award processes are conducted in strict accordance with W. Va. Code and the Code of State Rules to ensure fair and consistent treatment of vendors.

Of the **17** protests filed, **three** resulted in a change of the award of the contract.

Recognizing Excellence

The Purchasing Division values the work performed by agency procurement officers, and the tradition of the Purchasing Division to recognize those agency partners who display excellence in procurement practices continued during Fiscal Year 2021 with the *Agency Procurement Officer of the Year* (POOY) award and the *Excellence in Specification Writing* (ESW) award. Many of the hundreds of hardworking state procurement professionals demonstrate noteworthy qualities on a daily basis, with many cost saving results.

The Purchasing Division presented the *Excellence in Specification Writing* award during a socially-distanced presentation on Oct. 28, 2020, followed by the *Procurement Officer of the Year* award on Oct. 29, 2020.

The criteria for the POOY award include such qualities as tenure, performance, internal training efforts, communication, cooperation and a positive image. The ESW criteria focuses on scope, money, time, administration, and appearance/readability of the specifications and solicitation.

Agency Procurement Officer of the Year

The Agency Procurement Officer of the Year award was first introduced in 1996. Its purpose is to annually recognize one individual working in the procurement field who has demonstrated high levels of performance and professionalism.

Procurement Officer Robert Price Department of Health and Human Resources

The Purchasing Division recognized Robert Price, who serves as a backup designated procurement officer for the Department of Health and Human Resources' Central Purchasing Office, as its *2020 Agency Procurement Officer of the Year*.

Employed by DHHR since 2010, Price is an Administrative Services Manager II. He obtained West Virginia Procurement: Basic Certification in 2015, the Universal Public Procurement Certification Council's Certified Public Procurement Officer and Certified Professional Public Buyer certifications in 2014, and plans to sit for the National Institute of Governmental Purchasers' Certified Procurement Professional in the near future.

"Robert works on some of the most complex and difficult procurements. He is always clear when communicating about



Robert Price was named the **2020 Procurement Officer of the Year**. Price serves as a backup designated procurement officer for the Department of Health and Human Resources' Central Purchasing Office and serves as the lead on many of their more complex procurements.

any subject relating to procurement or any other matter,” said the co-worker who nominated him. “He came up with the idea to have vendor verifications printed to a PDF and attached to documents in *wvOASIS*,” the co-worker continued. “Robert is very cooperative and always ready to listen, understand and assist in any situation. Robert is always excited and enthusiastic to procure a variety of commodities and services for his agency. He brings security and assurance to his co-workers, bosses, and vendors.”

In its 25th year, the *Agency Procurement Officer of the Year* award program was created by the Purchasing Division to recognize and honor individuals who have demonstrated high levels of performance and professionalism. Nomination criteria include tenure, performance, communication, internal training, professional development, cost-saving ideas, cooperation with Purchasing Division and other state agency personnel, creating a positive image for the organization, establishing and following good purchasing practices and participating in professional purchasing organizations.

For a list of past winners, visit the Purchasing Division’s intranet site at <http://intranet.state.wv.us/admin/purchase/Recognition>. The complete list of recipients is noted below:

- 2020:** Robert Price (Department of Health and Human Resources)
- 2019:** Malena Harding (Public Service Commission)
- 2018:** Chuck Bowman (Adjutant General’s Office)
- 2017:** Althea Greenhowe (Department of Health and Human Resources)
- 2016:** Darlene Hovatter (Division of Juvenile Services)
- 2015:** Angela Negley (Division of Natural Resources)
- 2014:** Bryan Rosen (Department of Health and Human Resources)
- 2013:** Becky Jones (West Virginia Lottery) and
Charlyn Miller (Division of Rehabilitation Services)
- 2012:** Bruce Blackhurst (Division of Juvenile Services)
- 2011:** Belinda Burdette (Alcohol Beverage Control Administration)
- 2010:** Les Smith (Division of Tourism)
- 2009:** Jamie Adkins (Department of Environmental Protection)
- 2008:** Pam Hodges (Regional Jail Authority)
- 2007:** Karen Lane (Division of Motor Vehicles)
- 2006:** Gloria Anderson (Division of Culture and History)
- 2005:** Diana Joseph (Division of Natural Resources)
- 2004:** Carole Woodyard (West Virginia State Police)
- 2003:** Syble Adkins (Department of Revenue)
- 2002:** Ratha Boggess (Treasurer’s Office)
- 2001:** Bev Carte (Division of Natural Resources)
- 2000:** Lendin Conway (Department of Environmental Protection)
- 1999:** Jo Miller Bess (Department of Health and Human Resources)
- 1998:** Lt. Col. Jim Powers (West Virginia State Police)
- 1997:** Susie Teel (Department of Environmental Protection)
- 1996:** Edi Barker (Bureau of Employment Programs)

Excellence in Specification Writing

The Excellence in Specification Writing award program was introduced in 2017. Its purpose is to annually recognize an individual or agency that has drafted specifications that adequately define the scope of a project, increase competition and elicit the best pricing, can be easily implemented by the agency and vendor, and are clear and concise, unambiguous, and non-contradictory.

Sarah Long, C.P.A. Chief Financial Officer for the Department of Administration Cabinet Secretary's Office

Drafted minimum requirements that audit firms must meet to qualify as acceptable to be included in the overall State of West Virginia Comprehensive Annual Financial Report.

Sarah Long, C.P.A., Chief Financial Officer for the Department of Administration, was selected as the recipient of the *Excellence in Specification Writing* award for 2020. For agencies seeking auditing services, her work on behalf of the Department of Administration's Cabinet Secretary's Office will set the minimum standards that each audit firm must meet to qualify as acceptable to be included in the overall State of West Virginia Comprehensive Annual Financial Report. Her efforts will have a lasting impact on state government.

"I am honored to receive this award and to work with our Purchasing Division," Long said. "Working together to be more specific about our purchasing needs enables us, as agencies, to get good quality firms bidding for the lowest price, while not compromising on a quality product. We are fortunate to have a Purchasing Division that works to accomplish that mission."

All agencies that fall under the authority of W. Va. Code § 5A-3 are eligible for the *Excellence in Specification Writing* award. For more information on the ESW award program, visit <http://intranet.state.wv.us/admin/purchase/Recognition/ESWAward.html>. The complete list of recipients is noted below:

- 2020:** Sarah Long, C.P.A., Department of Administration Cabinet Secretary's Office
- 2019:** Department of Environmental Protection
- 2018:** Division of Highways



Purchasing Director Mike Sheets is pictured above with Department of Administration Cabinet Secretary Allan McVey and Chief Financial Officer Sarah Long. Long received the 2020 *Excellence in Specification Writing* award, which was presented during a ceremony on October 28, 2020.

Annual Statistical Data

FISCAL YEAR 2021 AWARD TRANSACTION SUMMARY

New Purchasing Award Transactions and Delivery Orders

Designation	Total Count	Percentage	Total Amount	Percentage
In-WV*	19,765	50.55%	\$151,347,685.93	29.99%
Out-WV	19,336	49.45%	\$353,280,358.34	70.01%
TOTAL	39,101	100.00%	\$504,628,044.27	100.00%

**In-state vendors are based on the ordering address selected by the procurement officer on the award document.*

Average Contract Value (Excluding Delivery Orders):	\$149,752.39
Average Transaction Amount (Including Delivery Orders):	\$12,905.76

Procurement Type Breakdown

Procurement Type Name	Total Count Per Type	Count Percentage	Procurement Type Amount	Amount Percentage
Agency Delivery Order	36,778	94.20%	\$166,187,100.68	32.93%
Central Master Agreement*	721	1.85%	\$0.00*	0.00%
Central Delivery Order	712	1.82%	\$209,093,418.78	41.44%
Central Purchase Order	389	1.00%	\$76,061,364.58	15.07%
Central Contract - Fixed Amount	220	0.56%	\$32,079,195.52	6.36%
Central Direct Award	116	0.30%	\$20,232,815.92	4.01%
Statewide Contract (Open-End)**	66	0.17%	\$0.00**	0.00%
Central Emergency Purchase	26	0.07%	\$1,004,250.23	0.20%
TOTAL	39,028	100.00%	\$504,658,145.71	100.00%

*Central Master Agreements, including statewide contracts, are open-end contracts issued by the Purchasing Division from which delivery orders may be made. A delivery order issued from a Central Master Agreement at the agency level is an agency delivery order. Delivery orders that must be processed through the Purchasing Division are central delivery orders.

** For the purpose of this Annual Report, only agency delivery orders made against a Central Master Agreement issued by the Purchasing Division are included.

*** Because of the differing ways in which wvOASIS calculates total contracts processed in the system as a result of multiple state procurement officials contributing to the procurement process, there are conflicting total contract counts found within this report's data. The number selected for the official record is the highest total in order to reflect the most accurate amount of state agency work processed.

Top Agencies by Volume

(including Award Transactions and Delivery Orders)

Agency	Total Count	Total Percentage	Procurement Type Amount	Amount Percentage
Division of Corrections and Rehabilitation	7,542	19.32%	\$6,966,437.83	1.38%
Department of Environmental Protection	3,557	9.11%	\$11,315,602.07	2.24%
Division of Natural Resources	2,096	5.37%	\$21,656,058.89	4.29%
Department of Health and Human Resources	3,423	8.77%	\$174,919,603.00	34.66%
Division of Motor Vehicles	1,807	4.63%	\$6,823,224.69	1.35%
Division of Highways	1,746	4.47%	\$62,947,469.57	12.47%
General Services Division	1,600	4.10%	\$26,024,080.12	5.16%
Veterans Assistance	1,856	4.75%	\$5,359,385.85	1.06%
Department of Education	1,033	2.65%	\$2,259,463.92	0.45%
West Virginia Department of Economic Development	992	2.54%	\$20,520,652.30	4.07%
Division of Rehabilitation Services	979	2.51%	\$1,798,210.62	0.36%
Information Services and Communications	946	2.42%	\$28,733,682.28	5.69%
Supreme Court	933	2.39%	\$479,906.13	0.10%
Lottery Commission	858	2.20%	\$24,387,705.30	4.83%
Adjutant General	830	2.13%	\$15,280,271.65	3.03%
Consolidated Public Retirement Board	507	1.30%	\$1,438,892.22	0.29%
Division of Culture and History	485	1.24%	\$420,294.16	0.08%

WorkForce WV	378	0.97%	\$1,943,761.22	0.39%
Other	7,472	19.14%	\$91,353,342.45	18.10%
TOTAL	39,040	100.00%	\$504,628,044.27	100.00%

** Note that state agencies that are fully or partially exempt from the Purchasing Division's authority may issue delivery orders against the Purchasing Division's statewide contracts. The statistics above include delivery orders that are processed at the agency level against statewide contracts issued by the Purchasing Division.*

Top Frequently-Purchased Commodities by Count*

(Including Delivery Orders)

Commodity Type and Name	Total Count	Count Percentage	Total Value	Value Percentage
44120000 – Office Supplies	32,552	19.85%	\$2,878,214.68	0.57%
80161801– Photocopier rental or leasing service	16,392	10.00%	\$4,812,113.92	0.95%
23150000 – Industrial process machinery and equipment and supplies	13,462	8.21%	\$3,330,273.51	0.66%
95122101 – Residential home	6,411	3.91%	\$11,563,135.02	2.29%
83111603– Cellular telephone services	3,992	2.43%	\$2,303,998.50	0.46%
25172500 – Tires and tire tubes	3,665	2.23%	\$2,334,711.63	0.46%
47131801– Floor cleaners	3,534	2.15%	\$794,922.50	0.16%
50202301 – Water	3,471	2.12%	\$244,090.86	0.05%
44101501 - Photocopiers	3,452	2.10%	\$692,314.84	0.14%
43210000 – Computer equipment and accessories	2,971	1.81%	\$5,458,917.53	1.08%
81112103 – World wide web WWW site design services	2,900	1.77%	\$2,749,178.02	0.54%
81102600 – Sampling services	2,785	1.70%	\$973,804.68	0.19%
78181507 – Automotive and light truck maintenance and repair	2,741	1.67%	\$2,950,304.67	0.58%

Commodity Type and Name	Total Count	Count Percentage	Total Value	Value Percentage
151000000 – Fuel	2,706	1.65%	\$6,162,962.00	1.22%
76110000 - Cleaning and janitorial services	1,809	1.10%	\$9,755,042.77	1.94%
72110000 – Residential building construction services	1,745	1.06%	\$2,753,978.15	0.55%
78131804 - Document storage services	1,707	1.04%	\$2,973,937.12	0.59%
78102204 - Letter or small parcel worldwide delivery services	1,551	0.95%	\$362,395.94	0.07%
76101602 - Asbestos removal or encapsulation	1,463	0.89%	\$962,649.83	0.19%
Others	49,525	33.3%	\$440,551,098.10	87.31%
TOTAL	164,001	100.00%	\$504,628,044.27	100.00%

**The commodity data is based on UNSPSC Codes, which are used in the wvOASIS Enterprise Resource Planning System, and is extracted at the commodity level, not by transaction. Therefore, the total count is higher since each transaction may have more than one commodity line.*

***In order to assemble a clear picture of top commodities procured by commodity code, data had to be compiled and analyzed from different parts of the wvOASIS system in order to piece together the concise and legible chart included for FY2020.*

Notable Contracts Issued During Fiscal Year 2021

Department of Administration, Office of Technology

Data Center 2.0 - \$326,225.00

The West Virginia Office of Technology solicited bids for a fixed contract to provide the purchase and installation of two Palo-Alto PA5250 Next Generation Firewalls, and professional services to be implemented in the WVOT's Data Center 2.0 project.

Department of Administration, Purchasing Division

Google Workspace - \$11,028,591.65

The statewide contract for Google G-Suite products, GSUITE20, was entered into through a cooperative agreement with NASPO Value (Cloud Solutions ch16012). A secondary bid process was performed and the contract was awarded to SHI International.

Department of Transportation, Division of Motor Vehicles

Drivers License & ID Cards - \$15,000,000.00

The Division of Motor Vehicles renewed its contract with Idemia Identity & Security USA, LLC, to provide driver's license and ID cards as part of its Driver's License and Credential Issuance System (dmvLICENSE) for regional offices across the state, including but not limited to driver's licenses and IDs for federal use and those not for federal use.

Significant Limitations on Reporting

General Accounting Expenditures (GAX) Payments

Approximately \$3 Billion

The *wv*OASIS Enterprise Resource Planning system allows agencies to create payment transactions called General Accounting Expenditures (GAX). These transactions do not require any reference to a contract and cannot accurately account for spend on that contract. Therefore, these payments cannot be included in the reported statistics in this Annual Report.

During Fiscal Year 2021, according to *wv*OASIS reporting, the state of West Virginia processed **280,966** GAX payment transactions for a total payment of **\$2,995,521,783.00**. The average GAX payment was **\$10,661.51**.

West Virginia Purchasing Card Procurements

Approximately \$482 Million

The Purchasing Division is responsible for issuing the contract to administer the West Virginia Purchasing Card Program. In coordination with the State Auditor's Office, this program processes payments made by state employees authorized to use their Purchasing Card. If the Purchasing Card transaction is not referenced to an existing contract, the Purchasing Division is unable to connect the payment to a specific contract. For Fiscal Year 2021, according to *wv*OASIS reporting, the state of West Virginia processed **266,728** Purchasing Card transactions for a total payment of **\$482,357,314.60**. The average Purchasing Card payment was **\$1,808.42**.

Comparability with Legacy Systems

Most of the data presented in this Annual Report is based upon established reports made available to the Purchasing Division through the Business Intelligence feature of the *wv*OASIS Enterprise Resource Planning system.

Many legacy systems, including the TEAM Automated Purchasing System that was used for processing and reporting from 1991 to 2014, were used to calculate statistical data for this Annual Report in the past.

Any comparison between the Fiscal Year 2021 Annual Report and prior annual reports using these legacy systems for reporting is subject to significant variation and should be considered with proper caution.

Use of Statewide Contracts by Exempt Agencies

As a result of state agencies acquiring legislative exemptions to W. Va. Code § 5A-3, the West Virginia Enterprise Resource Planning Board has converted many Purchasing Division-administered contracts

in the *wv*OASIS system for use by the newly-exempt agency. After the effective date of the legislative exemption from the Purchasing Division, these agencies continue to benefit from the centralized contracting process. Competitively-bid contracts created by the Purchasing Division in previous fiscal years and used by currently-exempted agencies accounted for millions in exempted state agency spend during Fiscal Year 2021.

Legislative Action

The following information reflects the legislative changes that occurred during Fiscal Year 2021 that affected the state procurement process:

- **Senate Bill 587** – Automatically voids various contract terms often found in vendors' boilerplate documents, even if a vendor's document has been signed by a state official, codifying the terms contained in the Agreement Addendum (WV-96).